Starting a 501 (c) 3 Nonprofit in Texas

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Starting a 501 (c) 3 Nonprofit in

1. **Timeline**

2. **What is a Nonprofit Corporation?**
   - Defining the Nonprofit Sector
   - Key Characteristics of a Nonprofit Entity
   - Private Inurement
   - Stakeholders
   - Differences from Other Sectors

3. **Key Starting Questions**
   - General purpose & mission
   - Due diligence/ Decision Tree
     - is there need?
     - others doing it?
     - regulations to consider?
     - sufficient initial resources?
     - sufficient public interest?
   - Self-Interest
     - Why doing this?
     - Control needs?
   - Capacity Requirements
   - Reasons NOT to create a nonprofit
   - Advantages & Disadvantages

4. **Dual Process**
   - **State**
     - Business Organization Code - Title 2: Chapter 22. Nonprofit Corporations
     - Certificate of Formation
     - Sales & Franchise Tax Exemption
     - Sales Tax License
   - **Federal**
     - Employers Identification Number
     - IRS form 1023

5. **Certificate of Formation**
   - Texas Application for Exemption - Charitable Organizations
   - Sales Tax License

6. **Employers Identification Number (EIN)**

7. **ByLaws**
   - Conflict of Interest Policy

8. **Organizational Meeting**
   - Adopt Bylaws
   - Elect Board & Officers
   - Approve Bank account
   - Schedule Board meetings

9. **Organizational Financial Management & Accounting Systems**
   - Open corporate bank account
   - Set up Financial Mgmt systems
   - Set up record keeping systems

10. **Fiscal Agent**

11. **501 (c) 3 Federal Tax Exemption**
    - IRS Form 1023

12. **Create Presence**
    - Office space, business cards, stationery
    - Web presence

13. **IRS Form 990**

14. **TANO (c) 3: Consulting Services**
    - **Incorporation & 501 (c) 3**
    - **Financial Mgmt & Accounting**
    - **Strategic Thinking Gathering**
    - **Grant Writing**

    www.tanoc3.org
    - TANO C3 Consolidate Form