

FORMATION OF A NON-PROFIT CORPORATION

OBTAINING 501(C)(3) STATUS AND OTHER NONPROFIT STATUS:

All entities, state associations or clubs using a checking account should apply for a Tax Identification Number using IRS Form SS-4. To obtain this number the organization has to be recognized as a Corporate Entity in their appropriate state. Entities desiring a sales-tax exemption need to apply for not-for-profit status within their state (sales tax is state tax—not federal).

BENEFITS OF 501C(3) STATUS:

- Exempt from federal income tax.
- Possible exemption from state income tax.
- Possible discount on postal rates.
- Ability for people and businesses to donate money to your club and claim it on their federal income tax.

REQUIREMENTS FOR 501(C)(3) STATUS:

- You will need to file for a TAX IDENTIFICATION NUMBER (TIN) using FORM SS-4. This form is available through the IRS Forms Office Number: (800) 829-3676 or at www.irs.gov.
- The club should file as a not-for-profit corporation in your state. In order to do this, articles of incorporation will need to be drawn up. It will be necessary for you to contact the not-for-profit corporation office in your state. This office should be located in the same place as your Secretary of State's Office. Start there and ask for information on incorporating as a not-for-profit corporation. States may have varying requirements for incorporation and you must deal with your state directly.
- You must apply for tax-exempt status using IRS Form 1023. This form is fairly detailed and self-explanatory.
- We will send you a completed form used successfully by other states to assist you if needed.
- Clubs must have a set of bylaws. These will need to be submitted with your Form 1023. See model bylaws on page 41 of this guide.
- If you know a CPA or a corporation attorney who will donate their time this may speed up the process.

If you have any questions please call USA Wrestling's State Services department at (719) 598-8181.