

Instructions to Form a Tax Exempt Area (with “Articles of Incorporation” and “Bylaw” examples)

If your Area wants to obtain tax-exempt status from the IRS and obtain the IRS letter of determination to submit to public entities to prove your Area’s IRS tax-exempt or not-for-profit status.....

1. The Area forms an ad-hoc committee to determine a Board of Directors, herein referred to as “BOD”. The BOD will hold responsibility for compliance with federal and state laws. The purpose of this ad-hoc is to:
 - a. Determine by spiritual inventory and/or cost-benefit analysis whether legal compliance is necessary and/or financially warranted.
 - b. Propose the corporation’s name
 - c. Recommend the number of BOD members. There is no legal minimum or maximum, however an odd number is recommended for voting purposes.
 - d. Decide whether the members come from the Area Service Committee or from the membership at large.
Tax-Exempt Workgroup Suggestion – choose four Officers (Chair, Vice Chair, Secretary, Treasurer) and three non-officers to form a board of seven members.
2. The Area ad-hoc completes the Articles of Incorporation (see Addendum A) and submit it via U.S. mail to the State of Florida. *Do not use online filing!!*
Request a certified copy and a Certificate of Status. Total Fee is \$87.50.
3. The Area ad-hoc begins to prepare the Bylaws. (see Addendum B)
4. Once the certified copy of the Articles of Incorporation is returned to the Area from the State of FLA, the Area’s BOD is legally official and the Area’s ad-hoc can be disbanded.
5. The Area BOD completes the Bylaws and have them approved by the ASC.
6. The Area BOD applies for a federal Id # (Form SS-4 located on IRS website, www.irs.gov).
7. The Area BOD can now open a checking account under the corporate name and the new F.I.D #. (Federal Identification Number).
Tax-Exempt Workgroup Suggestion - Once the Area is incorporated, the area should close all accounts under its 'old' Id and open a new account using the corporate name and Id.
8. If your Area wishes to be included in the Group Exemption under the Florida Regional Service Office, herein referred to as “FRSO”, submit the following:
 - a. your request to the FRSO by the Sept. 2011 RSC meeting for the initial group filing, and by the July RSC meetings in future years (years 2012 and beyond)

- b. include a copy of your Area's BOD certified Articles and Bylaws. Your fiscal year end must be the same as the FRSO (May 31).

After the FRSO submits the Group Exemption to the IRS and it is accepted, the Area BOD will receive a copy of the Letter of Group Determination from the FRSO.

Skip to item #10. Item #9 does not apply for group determination.
If your Area wishes to file for tax exempt status individually, proceed to item #9.

Tax-Exempt Workgroup Suggestion – If the Area's ad-hoc determines that tax-exempt status is necessary and/or warranted, file as a subsidiary of the FRSO via Group Exemption (item #8). This may require the Area to change its fiscal accounting year to comply with the FRSO's fiscal year, ending May 31.

9. The Area BOD completes IRS Form 1023, located on the IRS website, www.irs.gov, and all required documentation to apply for federal tax exempt status. Fee to be included:
 - a. If gross receipts during first 4 years average less than 10,000, the filing fee is \$400 in year 2010
 - b. If gross receipts during first 4 years average more than 10,000, the filing fee is \$850 in year 2010
10. Annually, the Area BOD, its Treasurer, or the Area's Treasurer determines the IRS filing requirements. Complete and submit either Form 990, Form 990-EZ, or Form 990-N. IRS filing requirements can be found in IRS publication, Instructions for Form 990, located on the IRS website, www.irs.gov.

The Area will be required, by the FRSO, to submit a copy of the Area's annual IRS filing to the FRSO, to continue being included in the FRSO's Group Exemption.

ADDENDUM A

ARTICLES OF INCORPORATION

FLORIDA DEPARTMENT OF STATE
DIVISION OF CORPORATIONS

**INSTRUCTIONS FOR NOT FOR PROFIT ARTICLES OF
INCORPORATION**

The following are instructions, a cover letter and sample articles of incorporation pursuant to Chapter 617, Florida Statutes (F.S.)

NOTE: THE ONLINE FILING FORM IS A BASIC FORM MEETING MINIMAL REQUIREMENTS FOR FILING ARTICLES OF INCORPORATION. IN ORDER TO BE APPROVED FOR TAX-EXEMPT STATUS FROM THE IRS, PLEASE USE THE ATTACHED SAMPLE ARTICLES.

The Division of Corporations strongly recommends that corporate documents be reviewed by your legal counsel. The Division is a filing agency and as such does not render any legal, accounting, or tax advice.

If you intend to apply for IRS federal tax exemption as a charitable organization, your articles of incorporation must contain a required purposed clause and a dissolution of assets provision. Valuable information on 501 (c) (3) qualification is on the IRS website, www.irs.gov. It includes sample articles of incorporation. Click the “charities and Nonprofits” link and then the [Life Cycle of a Public Charity](#) link.

The “incorporator” is the person who prepares and signs the Articles of Incorporation and then submits them for filing to the Division of Corporations. The function of the incorporator usually ends after the corporation is filed.

Important Information About the Requirement to File an Annual Report

All Florida Not- For-Profit Corporations must file an Annual Report yearly to maintain “active” status. The first report is due in the year following formation. The report must be filed electronically online between January 1st and May 1st. The fee for the annual report is \$61.25. “Annual Report Reminder Notices” are sent to the e-mail address you provide us when you submit this document for filing. To file any time after January 1st, go to our website at www.sunbiz.org.

The fee for filing a not for profit corporation is:

Filing Fee \$35.00

Designation of Registered Agent \$35.00

Certified Copy (optional) \$8.75 (plus \$1 per page for each page over 8, not to exceed a maximum of \$52.50).

Certificate of Status (optional) \$8.75

(Make checks payable to Department of State)

Mailing Address:

Department of State
Division of Corporations
P.O. Box 6327
Tallahassee, FL 32314 2661
(850) 245-6052

Street Address:

Department of State
Division of Corporations
Clifton Building
Executive Center Circle
Tallahassee, FL 32301
(850) 245-6052

COVER LETTER

Department of State
Division of Corporations
P. O. Box 6327
Tallahassee, FL 32314

SUBJECT: (PROPOSED CORPORATE NAME – MUST INCLUDE SUFFIX, “INC.”)

Enclosed is an original and one (1) copy of the Articles of Incorporation and a check for :

\$70.00
Filing Fee

\$78.75
Filing Fee &
Certificate of
Status

\$78.75	\$87.50
Filing Fee	Filing Fee,
& Certified Copy	Certified Copy
	& Certificate
ADDITIONAL COPY REQUIRED	

FROM:

Name (Printed or typed)

Address

City, State & Zip

Daytime Telephone number

E-mail address: (to be used for future annual report notification)

NOTE: Please provide the original and one copy of the articles.

Articles of Corporation

Corporate Name, Inc.

Articles of Corporation of the undersigned, a majority of whom are citizens of the United States, desiring to form a Non-Profit Corporation under the Non-Profit Corporation Law of Florida, do hereby certify:

First: The name of the Corporation shall be Corporate Name, Inc..

Second: The place in this state where the principal office of the Corporation is to be located is the City of _____, _____ County.

Third: The Corporate Name, Inc. is organized exclusively for charitable, religious, educational, and scientific purposes, including, for such purposes, the making of distributions to organizations that qualify as exempt organizations under §501(c) (3) of the Internal Revenue Code, or the corresponding section of any future federal tax code. The Corporation is organized to coordinate the efforts of Narcotics Anonymous Groups in the _____ Area in carrying the message of Narcotics Anonymous. The Corporate Name, Inc. will carry the message of Narcotics Anonymous by providing community public information services, telephone contact lines, various educational events and panel presentations to addicts in treatment centers and jails.

Fourth: The names and addresses of the persons who are the initial directors of the Corporation are as follows:

Name :

Name:

Name:

Name:

Name:

Name:

Name:

Fifth: No part of the net earnings of the Corporation shall inure to the benefit of, or be distributable to its members, trustees, officers, or other private persons, except that the Corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth in Article Third hereof. No substantial part of the activities of the Corporation shall be the carrying on of propaganda, or otherwise attempting to influence legislation, and the Corporation shall not participate in, or intervene in (including the publishing or distribution of statements) any political campaign on behalf of or in opposition to any candidate for public office. Notwithstanding any other provision of

these articles, the Corporation shall not carry on any other activities not permitted to be carried on (a) by a Corporation exempt from federal income tax under §501(c) (3) of the Internal Revenue Code, or the corresponding section of any future federal tax code, or (b) by an Corporation, contributions to which are deductible under section 170(c)(2) of the Internal Revenue Code, or the corresponding section of any future federal tax code.

Sixth: Upon the dissolution of the Corporation, assets shall be distributed in accordance to the fund flow structure of Narcotics Anonymous or for one or more exempt purposes within the meaning of §501(c)(3) of the Internal Revenue Code, or the corresponding section of any future federal tax code. Any such assets not so disposed of shall be disposed of by a Court of Competent Jurisdiction of the county in which the principal office of the Corporation is then located, exclusively for such purposes or to such organization or organizations, as said Court shall determine, which are organized and operated exclusively for such purposes.

Seventh: The name and **Florida street address** (P.O. Box **NOT** acceptable) of the initial Registered Agent. *The Registered Agent **must sign in the space provided and type or print his/her name below signature accepting the designation as Registered Agent.***

Eighth: The name and address of the Incorporator. *The Incorporator **must sign in the space provided and type or print his/her name below signature.***

In witness whereof, we have hereunto subscribed our names this ____ day of _____, 20__.

Incorporator

Registered Agent

ADDENDUM B

BYLAWS

BYLAWS
of
CORPORATE NAME, INC.
(Adopted DATE)

ARTICLE I
NAME

Section 1.01. The exact name of the Corporation is Corporate Name, Inc..

ARTICLE II
ORGANIZATIONAL PURPOSE

Section 2.01: Organization. The Corporate Name, Inc. was organized on DATE as a Florida Not For Profit Corporation.

Section 2.02: Purpose. The Corporation is organized to coordinate the efforts of Narcotics Anonymous Groups in the _____ Area in carrying the message of Narcotics Anonymous. The Corporate Name, Inc. will carry the message of Narcotics Anonymous by providing community public information services, telephone contact lines, various educational events and panel presentations to addicts in treatment centers and jails.

To conduct such other activities and programs in furtherance of the foregoing purposes as may be carried out by a Corporation organized under Florida General Laws Chapter 617 and described in §501(c) (3) of the Internal Revenue Code.

Section 2.03: Limitations on Activities. Consistent with its charitable and educational status, (a) Corporate Name, Inc. shall not participate or intervene in any political campaign on behalf of or in opposition to any candidate for public office; (b) no part of Corporate Name, Inc.'s net earnings shall inure to the benefit of officers, Directors or other private persons, except that it is authorized and empowered to pay reasonable compensation for services rendered and otherwise to make payments and distributions in furtherance of its charitable and educational purposes; and (c) Corporate Name, Inc. shall take only actions permitted an organization exempt from taxation under §501(c) (3) of the Internal Revenue Code of 1986 ("the code") and pertinent Income Tax Regulations, as amended and as they may be amended.

ARTICLE III
MEMBERSHIP

Section 3.01: Voting Members. Corporate Name, Inc.'s voting membership shall be all current groups in the _____ Area of Narcotics Anonymous that are organized and operated exclusively for §501(c) (3) purposes. Membership in Corporate Name is at will.

Section 3.02: Membership Meetings.

- a. Annual Meeting. There will be at least one membership meeting held annually.
- b. Special Meetings. Additional membership meetings may be called by a simple majority of the members. A request for a special meeting shall be made at the monthly _____ Area Service Committee Meeting and the special meeting shall take place within 45 days of the request.
- c. Quorum. A quorum for a membership meeting shall be a simple majority.

- d. Actions. The voting membership, acting pursuant to these bylaws, shall elect and may remove Directors, may amend the bylaws, shall establish general policies for Corporate Name, Inc., and may adopt resolutions and take other actions regarding Corporate Name, Inc.'s affairs whether or not mentioned in these Bylaws. The Board of Directors shall implement Corporate Name, Inc.'s policies and take all other actions needed for Corporate Name, Inc.'s management and operations that are consistent with these bylaws and with the membership's actions, resolutions and policies.
- e. Removal/Suspension. A voting member is a member at will and can not be removed or suspended.

ARTICLE IV DIRECTORS

Section 4.01: Meetings. There shall be at least two meetings annually of Corporate Name, Inc.'s Board of Directors ("the Board"). Any two Directors may call a meeting. Reasonable notice, verbal or written, shall be given to all Directors.

Section 4.02: Board Size, Authority. The Board shall consist of no more than seven Directors. The Board shall manage and oversee Corporate Name, Inc.'s affairs pursuant to subsection 3.02(d) and other pertinent provisions of these Bylaws.

Section 4.03: Election of Directors. The Board shall consist of four Officers of the NAME OF AREA (Chair, Vice-Chair, Secretary, and Treasurer) plus three Directors-at-large that shall be elected by simple majority of the votes cast by members at the annual membership meetings. The Officers shall serve one year terms and be replaced annually by Officers elected at the annual meeting of the membership. The Directors at Large will serve three year terms, arranged so that one Directors' term expires each year. The three initial Directors at large shall be allocated a one year, a two year, and a three year term in order to facilitate the expiration cycle.

Section 4.04: Quorum; Majority Vote. A simple majority of the Board's total membership shall constitute a quorum. When quorum is present at a duly called Board Meeting, all actions shall be by vote of a majority of those present and entitled to vote.

Section 4.05: Removal or Suspension. A Director may be removed or suspended, with or without cause, by the vote of two-thirds of the Board's total membership or a majority of the voting membership.

Section 4.06: Board's Total Membership. Reference in any Bylaw to "the Board's total membership" shall mean the total number of Directors actually in office at a particular time, not the number of Directors authorized or permitted by these Bylaws or by Director resolution.

ARTICLE V COMMITTEES

Section 5.01: Committees. The Board or the voting membership from time to time may establish one or more committees, which shall include at least two voting members. Committee members need not be Directors, but if any committee contains no Directors, it shall report to a designated Board liaison.

ARTICLE VI
OFFICERS

Section 6.01: Officers. The officers of **NAME OF AREA** shall be on the Board of Directors of Corporate Name, Inc. and serve as their respective officer positions. The same person may not serve as an officer and as a Director-at-Large.

Section 6.02: Duties. Officers shall have such duties and powers as normally are associated with their titles, except as the Board may otherwise provide.

ARTICLE VII
DISSOLUTION

Section 7.01. Upon **Corporate Name, Inc.'s** dissolution, the Board, after paying or making provision for payment of all liabilities, shall dispose of **Corporate Name, Inc.'s** assets in such a manner, or to such organizations described in §501(c) (3) of the code of 1986 as amended, or the corresponding section of any future federal tax code, as the Board determines to be consistent with **Corporate Name, Inc.'s** purposes, in accordance with the fund flow structure of Narcotics Anonymous, and with applicable provisions of law.

ARTICLE VIII
BYLAW AMENDMENTS

Section 8.01. These bylaws may be amended or revoked, in whole or in part, by vote of a majority of the total voting membership.

ARTICLE IX
COMPLIANCE WITH LAW

Section 9.01. **Corporate Name, Inc.'s** officers and Directors are authorized and directed to take all steps necessary to assure that **Corporate Name, Inc.** operates and transacts its affairs in full compliance with all applicable provisions of the law.

ARTICLE X
LIABILITY AND INDEMNIFICATION

Section 10.01: Liability. To the fullest extent permitted by law, no officer or Director shall be personally liable to **Corporate Name, Inc.** or any third party for monetary damages for breach of fiduciary duty. Nothing herein, however, shall limit the liability of any officer or Director to **Corporate Name, Inc.** for gross negligence or misconduct, which shall be defined as any (a) act or omission in bad faith, or which constitutes a knowing violation of law, or (b) any transaction from which the Officer or Director derived a fraudulent or otherwise improper personal or business benefit.

Section 10.02: Indemnification. **Corporate Name, Inc.** shall indemnify and/or insure, to the maximum extent allowed by law, each former and current Officer and Director for expenses and costs (including reasonable attorney's fees) actually and necessarily incurred in connection with any claim asserted by reason of being or having been an officer, Director, or employee, except in relation to matters involving such person's actual gross negligence or misconduct as defined in section 10.01.

Adopted by the Board on _____.

_____	_____
_____	_____
_____	_____

Ratified by Membership on _____.