



Setting up a Nonprofit Corporation 501(c)(3) North Dakota Century Code Chapter 10-33

1. Choose directors

In the state of North Dakota, nonprofit corporations must have at least three directors on their board. These directors must all be individuals. The whole process typically takes around 6- 12 months to complete, and there is a fee for applying for a nonprofit status with the state.

2. Choose a name

Nonprofit corporations cannot have the same as, or a similar name to, any other business entity authorized to do business in North Dakota. Your name may not contain the words "limited liability company," "limited partnership," "limited liability partnership," "limited liability limited partnership," or any abbreviation of those words.

(See NDCC 10-33-10 for more information on name restrictions for nonprofits)

To see if your proposed name is available visit;

<https://apps.nd.gov/sc/busnsrch/busnSearch.htm?results=false>

3. Prepare & file your articles of incorporation

To create a nonprofit entity, you must prepare and file articles of incorporation with the Secretary of State. The articles of incorporation must include:

- your nonprofit's name
- the name of the registered agent
- the address of the principal executive office
- the name and address of each incorporator
- the effective date of the incorporation, and
- a statement that the corporation is incorporated under state law
- IRS Requirements include:
 - a statement of purpose
 - statements that your non-profit will not engage in prohibited political or legislative activity, and
 - a dissolution of assets provision dedicating your assets to another 501(c)(3) organization upon dissolution

NONPROFIT CORPORATION ARTICLES OF INCORPORATION

Pursuant to § _____ of the laws of [Keywords], the undersigned majority of whom are citizens of the United States, do hereby submit these Articles of Incorporation for the purpose of forming a nonprofit corporation.

ARTICLE 1

Name

The name of the corporation is: [Comments]

ARTICLE 2

Existence

The corporation shall have perpetual existence.

ARTICLE 3

Effective Date _____

4. Prepare bylaws

Before you file your articles of incorporation, you must also have bylaws that comply with North Dakota law. Bylaws contain rules and procedures your corporation will follow while holding meetings, electing officers and directors, and taking care of other corporate formalities required in North Dakota.

*Your bylaws do not need to be filed, they are an internal operating manual.

5. Hold a meeting

Your first board meeting is usually referred to as the organizational meeting of the board. The board should take such actions as:

- electing directors (if not named in the articles)
- approving the bylaws
- appointing officers
- setting an accounting period and tax year, and
- approving initial transactions of the corporation, such as the opening of a corporate bank account.

During the meeting create minutes that accurately record the actions taken by the board. Visit Roberts Rules of Order for more guidance on meeting procedures: <http://www.rulesonline.com/>

6. Set up a corporate records binder

You should set up a corporate records binder for your nonprofit to hold important document such as articles of incorporation, bylaws, and minutes of meetings.

How to obtain federal and state tax exemptions

1. File your Form 1023 federal tax exemption application.

Smaller nonprofits may be eligible to file [Form 1023-EZ](#)

2. Obtain your North Dakota state tax exemptions.

Upon receiving your 501(c)(3) tax-exempt status from the IRS, your nonprofit is automatically exempt from state income tax.

3. Other state reporting and registration requirements.

Depending on your activities and the size of your organization, you may need to register with the state before doing any fundraising activities. Check the Secretary of State's website for information and rules about fundraising and registration requirements for nonprofits.

Further Reading:

https://sos.nd.gov/files/uploaded_documents/nonprofit-guide-july-2016.pdf

<http://sos.nd.gov/business/nonprofit-services>

SOURCES

<http://www.nolo.com/legal-encyclopedia/forming-nonprofit-corporation-north-dakota-36045.html>