



Online Interactive Form 1023

In order to expedite applying for the Recognition of Exception under section 501(c)(3) the IRS has developed an online interactive Form 1023.

The interactive Form 1023 is a two-step process that can be accessed at the following website:

<http://www.stayexempt.irs.gov/StartingOut/InteractiveForm1023Application.aspx>

Before accessing the interactive Form 1023 the applying organization is taken through an IRS seven step screening process. The applicant must provide acceptable responses to the seven items listed in the information below.

1. The organization must have a valid employer identification number. With a "No" answer to this question the organization is redirected the IRS's "How to Apply for an EIN" page. Here the organization can apply for an EIN online, through a toll-free number, by fax, or by mail.
2. The organization needs to affirm that it has the appropriate organizational documents. It is important to remember that the IRS requires the organization to include its documents with its application.
3. Next, the organization will be asked if it has an exempt purpose and dissolution clauses. In order for the IRS to recognize the organization's exempt status, the organization must have an exempt purpose, with its assets permanently dedicated to the exempt purpose. If the organization does not have organizational documents, an exempt purpose or the required dissolution clauses you will be redirected to IRS Publication 557, "Tax-Exempt Status for Your Organization."
4. The last two questions are optional for your organization. The IRS inquires if you would like to authorize an individual to represent your organization. Finally, the organization is asked if you would like to authorize an individual, firm, corporation, or partnership to receive any confidential information from the IRS on your behalf. A "Yes" answer to either of these questions will generate a PDF form of the required authorization forms at the end of the first process.

Once you have reached step six the IRS allows you to download the Form 1023 checklist. As before, if your organization fails to include the required items on the checklist, the application will be returned as incomplete. Step seven of the process permits the organization to download the Interactive Form 1023. The IRS recommends Adobe version 9 or higher.

Form 2848 is also available to download if you answered "Yes" to allowing an individual to represent your organization or Form 8821 if you answered "Yes" to authorizing an individual, firm, corporation, or partnership to receive confidential information from the IRS.

The interactive form provides 4 links:

- The interactive Form 1023
- Instructions on filling out Form 1023
- User guidance on completing the interactive form
- "Top Ten List" to shorten the application process. The "Top Ten List" can be found at <http://www.irs.gov/Charities-&-Non-Profits/Top-Ten-Reasons-for-Delays-in-Processing-Exempt-Organization-Applications>

The actual interactive Form 1023 also provides pop-up guidance in each box. If additional information is required by the IRS the interactive form has "Provide Details" which direct you to the additional required schedules.

Once the form is completed your organization is required to mail a printed copy of the interactive Form 1023, the required documents and user fee to:

Internal Revenue Service
PO Box 192
Covington, KY 41012-0192

OR if you are using express mail or a delivery service everything can be mailed to:

Internal Revenue Service
201 West Rivercenter Blvd.
Attn: Extracting Stop 312
Covington, KY 41011

For more information please contact:

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