

How to Form a Mississippi Non-Profit Corporation

The steps to form a 501(c)(3) non-profit corporation in Mississippi.

Most [nonprofits](#) are 501(c)(3) organizations, which means they are formed for religious, charitable, scientific, literary, or educational purposes and are eligible for federal and state tax exemptions. To create a 501(c)(3) tax-exempt Mississippi organization, first you need to form a Mississippi non-profit corporation, then you apply for tax-exempt status from the IRS. Here are the details.

Form Your Mississippi Non-Profit Corporation

1. Choose a name for your Mississippi non-profit corporation

The name of your nonprofit corporation cannot be the same as the name of another corporation or registered business entity on

file with the Mississippi Secretary of State. To see if your proposed name is available, you can search [Mississippi's name database](#) on the Mississippi Secretary of State's website.

2. Prepare and file your non-profit articles of incorporation

You will need to create and file non-profit articles of incorporation with the Mississippi Secretary of State's office. The articles of incorporation must include the following information:

- the type of corporation (profit versus nonprofit)
- the corporation's name
- the corporation's duration (specified number of years or perpetual)
- the initial planned activity
- the name and street address of the registered agent
- the name and address of each incorporator
- the incorporators' signatures

The Mississippi Secretary of State has a [non-profit articles of incorporation form](#) on its website which you can use to create your Mississippi non-profit corporation. Complete and file your articles following the instructions provided on the Secretary of State's website.

The articles form on the Secretary of State's website does not include language required by the IRS to obtain tax-exempt status. To receive 501(c)(3) tax-exempt status from the IRS, you'll need to include certain additional specific language in your articles, including:

- a statement of purpose that meets IRS requirements
- 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.

For more information on IRS requirements for tax exemption, see [IRS Publication 557, Tax-Exempt Status for Your Organization](#), available on the IRS website. Make sure you include the federal tax-exempt required language in the articles you create.

3. Prepare bylaws for your Mississippi nonprofit corporation

You'll need to prepare bylaws that comply with Mississippi law and contain the rules and procedures your corporation will follow for holding meetings, electing officers and directors, and taking care of other corporate formalities required in Mississippi. Your bylaws do not need to be filed with the Mississippi Secretary of State -- they are

your internal operating manual.

For more information on creating bylaws, see Nolo's article [Nonprofit Formation Documents: Articles of Incorporation, Bylaws, and Organizational Minutes](#). For help creating your bylaws, see Nolo's book [How to Form a Nonprofit Corporation](#), by Anthony Mancuso (Nolo).

4. Hold an organizational meeting of your board

Your first board meeting is usually referred to as the organizational meeting of the board. Under Mississippi law, your organizational meeting must take place within two years of your date of incorporation or the corporation's charter will be void.

If initial directors are named in your articles of incorporation, these initial directors must hold the first organizational meeting of the corporation. The board should take such actions as:

- adopting bylaws
- electing officers
- setting an accounting period and tax year, and
- approving initial transactions of the corporation, such as the opening of a corporate bank account.

If initial directors are not named in the

articles of incorporation, the incorporator or incorporators must hold the organizational meeting and either (a) elect directors and complete the organization of the corporation (including adopting bylaws); or (b) elect a board of directors who then completes the organization of the corporation (including adopting bylaws). Your non-profit corporation must have one or more directors.

5. 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. For more information, as well as minutes forms, consent forms, and other resolutions, see [Nonprofit Meetings, Minutes & Records](#), by Anthony Mancuso (Nolo).

Obtain Your Federal and State Tax Exemptions

Now that you have created your nonprofit corporation, you can obtain your federal and Mississippi state tax exemptions. Here are the steps you must take to obtain your tax-exempt status:

1. File your Form 1023 federal tax exemption application.

To obtain federal tax-exempt status from the IRS, you will need to complete and file IRS [Form 1023](#), *Application for Recognition of Exemption Under Section 501(c)(3) of the Internal Revenue Code*. This long and detailed form asks for lots of information about your organization, including its history, finances, organizational structure, governance policies, operations, activities, and more. For line-by-line instructions on how to complete the Form 1023, see [How to Form a Nonprofit Corporation](#), by Anthony Mancuso (Nolo).

Smaller nonprofits may be eligible to file [Form 1023-EZ](#), *Streamlined Application for Recognition of Exemption under Section 501(c)(3) of the Internal Revenue Code*. This is a much simpler, shorter form that is filed online. Only smaller nonprofits--those with projected annual gross receipts of less than \$50,000 and total assets of less than \$250,000--are eligible to use the streamlined 1023-EZ application.

See the IRS website for more information on the Form 1023 and Form 1023-EZ filing requirements.

2. Obtain your Mississippi state tax exemptions

Once you have your federal tax exemption, you are automatically exempt from Mississippi state income tax. Check with [Mississippi's Department of Revenue](#) for filing requirements and to see whether you qualify for any other state tax exemptions, like sales tax or property taxes.

3. Other state reporting and registration requirements

Depending on your activities and the size of your organization, you may need to register with the Mississippi Attorney General before doing any fundraising activities. Check with [Mississippi's Attorney General website](#) for additional rules. For more information about fundraising registration requirements, see [Nonprofit Fundraising Registration: The 50-State Guide](#), by Ronald Barrett and Stephen Fishman (Nolo).

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