

# **GUIDE FOR CHARITABLE FILING REQUIREMENTS FOR LIONS CLUB INTERNATIONAL IRS STATE OF CALIFORNIA**

**Compliance information for 501(C)4 and 501(C)3  
Lions Clubs and Districts**

**Informational Guide For MD4 Lions Clubs & Districts**

## **Abstract**

The following guide is for training and informational purposes only and is not intended to provide either legal or tax advice and should not be relied upon for those purposes. Should you have specific questions, please contact your personal lawyer or tax advisor. Fees noted in this document may have changed. Please review fee schedules to be certain you are submitted the correct amount.

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Updated March 2024 – Claudia Miller 4-A1 DG

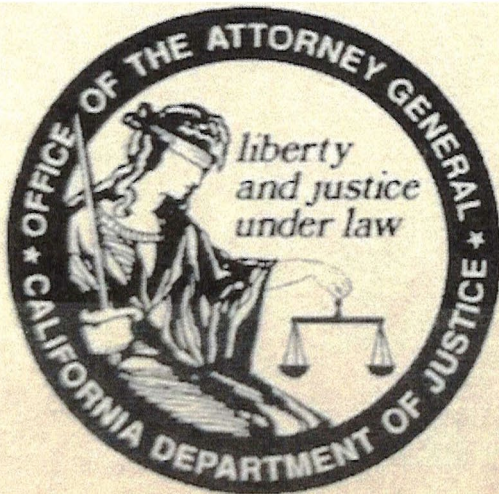
ALIFORNIA ATTORNEY GENERAL'S

# Registry of Charitable Trusts

Registration Renewal Program

## NEW FORMS/ NEW FEES

Effective January 1, 2022, the RRF-1 form and fee schedule has changed. All renewal submissions are now required to pay a fee regardless of the revenue. Please check the OAG Charities website to verify your current status, download updated forms and determine the fee due.



| <u>Total Revenue</u>                    | <u>Fee</u> |
|---|------------|
| Less than \$50,000                      | \$25       |
| Between \$50,001 and \$100,000          | \$50       |
| Between \$100,001 and \$250,000         | \$75       |
| Between \$250,001 and \$1 million       | \$100      |
| Between \$1,000,001 and \$2 million     | \$200      |
| Between \$2,000,001 and \$5 million     | \$400      |
| Between \$5,000,001 and \$20 million    | \$800      |
| Between \$20,000,001 and \$100 million  | \$1000     |
| Between \$100,000,001 and \$500 million | \$1200     |
| Greater than \$500 million              |            |

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## **CHARITABLE FILING REQUIREMENTS GUIDE FOR LIONS CLUBS 501(C)4 AND LIONS FOUNDATIONS 501(C)3**

The purpose of this Guide is to provide guidance and statutory Registration and Annual Charitable Filing Requirements with the Internal Revenue Service (IRS) and the State of California for all **Lions Clubs 501(C)4** and **Lions Foundations 501(C)3**.

ALL new Lions Clubs 501(C)4 and Lions Foundations 501(C)3 **must submit** a formation application to Lions Clubs International (LCI) and receive formation approval and be properly registered with the IRS; State of California Franchise Tax Board (FTB); Attorney General's (AG) Charitable Trust Division; and Secretary of State (SOS) prior to engaging in charitable activities.

ALL Lions Clubs are under the group exemption of LCI 501(C)4 organization and cannot be changed. Donations to these clubs are **NOT** ordinarily tax deductible to the donor.

A Lions Club may create a separate Lions Foundation as a 501(C)3 (in addition to its required creation of a 501(C)4 organization), which will allow some donations to be tax deductible. The Lions Club then ends up with two separate entities; in this case these entities, The Lions Club (under LCI's group exemption), as well as the Lions Foundation (under the 501(C)3 exemption), each of which, will have its own EIN number and must complete its own IRS and State of California tax and charitable annual filings. The Lions Foundation 501(C)3 must be independent of the normal administration and have its own Board of Directors.

## Why Form A Lions Foundation?

A Lions Foundation formed in accordance with IRC 501(C)3 would be eligible to obtain a 1023 exemption number from the IRS which would qualify a contributor's donation as tax deductible to the extent allowed by law. Other benefits available to a 501(C)3 organization include exemption from property and sales taxes in most states. The Form 1023 user fee application for recognition of exemption under IRC 501(C)3 is \$275.00 and must be paid at the time of submission.

**To form a Lions Foundation, the by-laws, and policies of LCI provide that the applying Club or District must request authorization from Lions Clubs International. Also, the applying Lions Foundation must satisfy criteria established by the International Board of Directors, as set forth below.**

**(Exhibit A): International Board of Directors' Criteria:** Please submit the following for review and authorization to the Lions Clubs International Legal Division:

**(Exhibit B): Application for Use of the Lions' Name and Logo:** A completed application for use of the Lions name and/or emblem.

**(Exhibit C): Sample Club Resolution:** A copy of the minutes or resolution of the club or district indicating the support of the Lions Club or District in the formation of the said Lions Foundation.

**(Exhibits D and E, respectively):** A copy of the proposed Articles of Incorporation and Constitution and By-Laws for the Lions Foundation.

These samples may assist your club or district in developing your own documents for filing. You may need to seek further review by local legal counsel to ensure that any Articles of Incorporation and By-Laws meet the requirements of incorporation under the laws of the State in which the Lions Foundation is to be formed.

**For additional information, contact:**

**Legal Division**

**Lions Clubs International**

**300 W. 22<sup>nd</sup> Street**

**Oak Brook, IL 60523**

**In your browser type:**

**Lions Clubs International Legal**

**These are the Entities, with common short titles, that Lions must file with:**

1. Lions Clubs International (**LCI**)
2. Internal Revenue Service (**IRS**)
3. Franchise Tax Board (**FTB**)
4. California, Attorney General (**AG**), Charitable Trust Division
5. California Secretary of State (**SOS**)

**Additional information you need to be familiar with:**

1. **FEIN - Federal Employer Identification Number** - IRS (9 digit)
2. **RCT Registration Number** – AG (6 digit)
3. **SOS/FTB Corporate/Organization Number** – SOS (7 digit)
4. **Organization Number** - Franchise Tax Board (7 digit)

**Forms:**

| LIONS CLUBS – 501(C)4                                      |  |                      |              |
|--|--|----------------------|--------------|
| IRS  | FTB  | AG                   | SOS          |
| SS-4   | Form 3500A                                   | CT-1                 | Form ARTS-MU |
| Form 8976  | Form 199                                     | RRF-1                | Cover Sheet  |
| Form 1024A   |  | CT-TR-1*             | Form LP/UNA  |
|  |  | *(Depends on Income) | Cover Sheet  |
|  | Form 199N CA ePostcard* (*Depends on Income) |                      |              |
|  | Form 109                                     |                      |              |
| Form 990-EZ or Form 990-N (ePostcard)* (Depends on Income) |  |                      |              |

| <b>LIONS FOUNDATION – 501(C)3</b>                     |  |                               |                         |
|---|--|-------------------------------|-------------------------|
| <b>IRS</b>  | <b>FTB</b>                                   | <b>AG</b>                     | <b>SOS</b>              |
| SS-4  | Form 3500                                    | CT-1                          | Form ARTS-PB-501((c)(3) |
| Form 8976   | Form 199                                     | RRF-1                         | Cover Sheet             |
| Form 1023   |  | CT-TR-1* (*Depends on Income) |                         |
|   | Form 199N or ePostcard* (*Depends on Income) |                               |                         |
|   | Form 109                                     |                               |                         |
| Form 990-N or 990-N (ePostcard)* (*Depends on Income) |  |                               |                         |



## Links:

### IRS - Internal Revenue Service:

For **CURRENT STATUS** on your filing requirements and other important information, visit:

<https://www.irs.gov/charities-and-nonprofits>

For **TAX EXEMPT ORGANIZATION SEARCH**, visit:

<https://apps.irs.gov/app/eos/>

For **ANNUAL FILINGS AND FORMS**, visit:

<https://www.irs.gov/charities-non-profits/annual-filing-and-forms>

To **APPLY FOR THE EMPLOYER IDENTIFICATION NUMBER (EIN) On-line**, visit:

<https://www.irs.gov/businesses/small-businesses-self-employed/apply-for-an-employer-identification-number-ein-online>

To **APPLY FOR FORM 8976, Notice of Intent to Operate Under Section 501(c)(4)**, visit:

[Electronically Submit Your Form 8976, Notice of Intent to Operate Under Section 501\(c\)\(4\) | Internal Revenue Service \(irs.gov\)](#)

To **APPLY FOR E-POSTCARD**, visit:

[Annual Electronic Filing Requirement for Small Exempt Organizations — Form 990-N \(e-Postcard\) | Internal Revenue Service \(irs.gov\)](#)

## **FTB - Franchise Tax Board:**

### **To Apply for FTB 3500A Submission of Exemption Request, visit:**

All corporations and unincorporated organizations, even if organized on a nonprofit basis, are subject to California corporation franchise or income tax until the Franchise Tax Board (FTB) gives exempt status to the organization. Until the exemption is given, the organization remains taxable.

California acknowledges federally tax-exempt Internal Revenue Code (IRC) Sections 501(c)(3), 501(c)(4), 501(c)(5), 501(c)(6), 501(c)(7), or 501(c)(19), organizations as tax-exempt from state income tax if the organization submits form FTB 3500A, Submission of Exemption Request, and a copy of its valid federal determination letter to the FTB.

<https://www.ftb.ca.gov/forms/misc/3500A-instructions.html>

### **To Apply for FTB Entity Status Letter, visit:**

After you have submitted your initial registration with FTB on-line, you will receive an Entity Status Letter:

<https://webapp.ftb.ca.gov/eletter/?Submit=Check+Status>

## **What is an Entity Status Letter?**

It verifies whether or not an entity is in good standing with the FTB and provides certification for:

- Legal status in court proceedings.
- An outstanding liability that could have an effect on an entity's credit rating (e.g., the closing of escrow).
- Verification of an exempt status.
- Registering a corporation or LLC to transact business in another state.

**It does not reflect the entity's status with other agencies.**



## Types of entities:

You can request an entity status letter for the following:

- Corporations
- **Exempt organizations**
- Banks
- Financial institutions
- Limited liability companies (taxed as corporations, partnerships, or disregarded entities)

For other types of entities, get a Certificate of Status from the California Secretary of State for a fee.

**NOTE:** The Entity Status Letter states that (box #)

1. The entity is in good standing with the Franchise Tax Board.
2. The entity is NOT in good standing with the Franchise Tax Board.
3. The entity is currently exempt from tax under Revenue and Taxation Code (R&TC) Section 1f.
4. We do not have current information about the entity.
5. The entity was administratively dissolved/cancelled on \_\_\_\_\_ through the Franchise Tax Board Administrative Dissolution process.

**If box #1 is marked X does not mean the entity is currently exempt from tax under R&TC Section 1f.**

**Both boxes 1 and 3 should be marked X by Franchise Tax Board to be exempt from tax under R&TC 1f.**

**AG - Attorney General Verification Search to check an organization status:**

<http://rct.doj.ca.gov/Verification/Web/Search.aspx?facility=Y>

The Registry Verification Search tool allows a registrant's public filings to be viewed and downloaded from the Registry database. These public filings include a copy of the annual information return (Form 990, 990-PF, and 990-EZ) filed with the Registry, as well as registration forms and documents that organizations are required to file with this office.

**AG - Attorney General Initial Registration and Renewals:**

<https://oag.ca.gov/charities/renewals>

**SOS - Secretary of State:**

<https://www.sos.ca.gov/business-programs/bizfile/file-online>

## **Submission of and Approval of New Lions Club 501(C)4 and/or Lions Foundation 501(C)3 Application**

ALL Lions Clubs and/or Lions Foundation must submit their request/application for approval to become a Lions Club 501(C)4 and/or Lions Foundation 501(C)3.

You may also contact the LCI, Legal Division for additional information regarding the initial approval and registration of your new Lions Club 501(C)4 and/or Lions Foundation 501(C)3. They will provide you information on how to request approval

After the Lions Club and/or Lions Foundation is approved by LCI, below are the following steps you need to complete for the **initial registration** with the four entities mentioned above.

**Lions Club Foundation 501(C)3 Annual Filing Requirements: The Foundation must annually submit its current governing documents along with a list of its current officers to the Legal Division.**

Again, this is just a Guide prepared for all Lions that will help you with this process.

### **1. Internal Revenue Service (IRS) – Within 30 days of approval by LCI.**

a. Apply for EIN Individual Request Online Application -

b. <https://www.irs-ein-tax-id.com/?>

[gad\\_source=1&qclid=CjwKCAiA3JCvBhA8EiwA4kuiZsh5Ks03KX8oXHADBIUvAK](https://www.irs-ein-tax-id.com/?gad_source=1&qclid=CjwKCAiA3JCvBhA8EiwA4kuiZsh5Ks03KX8oXHADBIUvAK)

[IUihoYS7ZJmSPNp8fNJUhKD6HOMGQXCxoCJ84QAvD\\_BwE](https://www.irs-ein-tax-id.com/?IUihoYS7ZJmSPNp8fNJUhKD6HOMGQXCxoCJ84QAvD_BwE)

**Hours of Operation Monday to Friday, 7 a.m. to 10 p.m. Eastern**

You must complete this application in one session, as you will not be able to save and return at a later time.

For security purposes, your session will expire after 15 minutes of **inactivity**, and you will need to start over

- You will receive your EIN immediately upon verification.  
[When will I be able to use my EIN?](#) If you wish to receive your confirmation letter online, we strongly recommend that you install [Adobe Reader](#) before beginning the application if it is not already installed.

**Save and/or print the page that says....Congratulations! Your EIN has been successfully assigned.**

**The confirmation letter is your official IRS notice and contains important information regarding your EIN.**

**Or**

- b. Download the Application for Employer Identification Number [Form SS-4](#) PDF file and the instructions for alternative ways of applying.

**[Form SS-4 \(Rev. September 2023\) \(irs.gov\)](#)**

## **2. Internal Revenue Service (IRS) – Within 60 days of approval by LCI**

### **Requirement for Lions Clubs 501(C)4 organizations – Form 8976**

- a. Internal Revenue Code Section 506 requires an organization notify the IRS of its intent to operate as a Section 501(C)4 organization.

### **Form 8976, Notice of Intent to Operate Under Section 501(C)4**

- 1. Form 8976, Notice of Intent to Operate Under Section 501(C)4, must be submitted electronically. To do this, use the Form 8976 Electronic Notice Registration System

**[Electronically Submit Your Form 8976, Notice of Intent to Operate Under Section 501\(c\)\(4\) | Internal Revenue Service \(irs.gov\)](#)**

You do not need special software to submit a notification. You do need an email address to activate your login ID and password. The system allows organizations to complete the notification process, keeps account information current and enables organizations to receive secure, digital communications from the IRS.

- a. A fee of \$50 must be submitted to Pay.gov with your registration to complete your organization's notification. If you don't submit the fee, you will receive a non-payment notice within 5 days reminding you to pay the fee. If you don't submit the fee within 14 days, your form will be rejected.**
- b. Form 8976 and the corresponding fee may only be completed and submitted electronically. There is no paper form.**
- c. Organizations complete Form 8976 only once. However, you will have to file annual information returns or notices (e.g., Form 990, Form 990-EZ, or Form 990-N) depending on your total assets and gross receipts (total assets and gross receipts includes a total of both your Administrative Account and your Community/Project Account).

**In addition to submitting Form 8976, organizations operating as 501(C)4 organizations may also choose to file [Form 1024-A](https://www.irs.gov/forms-pubs/about-form-1024-a),**

**<https://www.irs.gov/forms-pubs/about-form-1024-a>**

Application for Recognition of Exemption Under Section 501(C)4 of the Internal Revenue Code, to request recognition of tax-exempt status. Submission of a Form 1024-A does not relieve an organization of the requirement to submit Form 8976.

## **Who must submit Form 8976?**

The requirement applies to organizations intending to operate under Section 501(C)4 only. Organizations operating under any other 501(c) section should not file this notice.

**In general, an organization that intends to be described in Section 501(C)4 must notify the IRS that it is operating as a Section 501(C)4 organization within 60 days of its formation.**

There are certain exceptions to the notification requirement. Organizations that filed a Form 990 (or, if eligible, Form 990-EZ or Form 990-N) or a Form 1024 seeking a determination letter recognizing exemption under Section 501(C)4 on or before July 8, 2016, are not required to file the notification. For additional information, please refer to [Rev. Proc. 2016-41 \(PDF\)](#).

## **Notification due date**

For most organizations, the notification is due no later than 60 days after the organization is established.

If an organization does not submit the notification within 60 days, a penalty of \$20 per day for each day the failure continues, up to a maximum of \$5,000, will be assessed. For certain organizations in existence as of December 18, 2015, please see [Rev. Proc. 2016-41 \(PDF\)](#) for information regarding the timing for submitting the notification.

## **3. Internal Revenue Service (IRS) – Within 60 days of approval by LCI.**

- a. **File Form 1024-A – Application for Recognition of Exemption –** under Section 501(C)4 of the Internal Revenue Code. Part I through IX.

**NOTE:** Per LCI Legal, Form 1024-A is used to reinstate Suspended and/or Revoked Status of 501(C)4.

## **4. Franchise Tax Board – Within 30 days of approval by LCI.**

Submission of Exemption Request (Form 3500A)

1. If you have a federal determination letter:

- a. [Download the form](#) (If your status was revoked, you cannot use this form)
- b. Complete, print, and mail your request with your federal determination letter to:

Exempt Organizations Unit MS F120  
Franchise Tax Board  
PO Box 1286  
Rancho Cordova CA 95741-1286

For current status on your filing requirements and other important information, visit:

<https://www.irs.gov/charities-and-nonprofits>

## 5. California Attorney General, Charitable Trusts Division

When a charitable organization fails to submit complete filings for each fiscal year, its status on the Attorney General's Registry of Charitable Trusts will be listed as **Delinquent**. If the delinquency is not remedied, the Registry status will be further changed to **Suspended, and/or Revoked**.

A charitable organization that is **NOT** in good standing with the Registry of Charitable Trusts may **NOT** operate or solicit donations in California. (Cal. Code of Regs., tit. 11, § 999.9.4.)

If your charitable organization received a delinquency letter, it is because it has **not filed one or more of the required annual reports** with the Registry. The Registry's Delinquency Program provides guidance to assist delinquent charities and trustees.

It is recommended that all Lions Clubs and/or Lions Foundation should check the organization status every **six months** to make sure that your status is active and/or current.

The [Registry Verification Search](#) tool allows a registrant's public filings to be viewed and downloaded from the Registry database. These public filings include a copy of the annual information return (Form 990, 990-PF, and 990-EZ) filed with the Registry, as well as registration forms and documents that organizations are required to file with this office.



For organization status, visit the Attorney General [Verification Search](#).  
Click link below.

<http://rct.doj.ca.gov/Verification/Web/Search.aspx?facility=Y>

## **AG - Attorney General (Initial Registration Submission Requirements)**

To complete the initial registration with AG, Charitable Trust Division, please complete and submit the following documents and information to the AG, Charitable Division:

1. [Form CT-1 & Instructions, pdf](#), click link

<https://oag.ca.gov/charities/initial-reg>

2. \$25 initial registration fee (payable to Department of Justice)
3. Charitable Organization's Founding Documents
  - a. Founding documents would include Articles of Incorporation, Articles of Organization, Articles of Association, Trust Agreement, and/or Bylaws.
  - b. If incorporated, please make sure to submit endorsed/certified original Articles of Incorporation and any endorsed amended articles stamped by the California Secretary of State in which domiciled.
4. A copy of the most Current Bylaws.
5. IRS determination letter (if received from the IRS). If the determination letter has not yet been received, please provide the entity's FEIN. If unavailable, a copy can be requested from the IRS at [irs.gov](https://irs.gov).
6. A copy of the Application for Recognition of Exemption Under Section (501)(c)(3) of the Internal Revenue Code (IRS Form 1023, 1023-EZ, or 1024-A (501)(c)(4)), if submitted. If unavailable, a copy can be requested from the IRS at [irs.gov](https://irs.gov)

Once the Lions Club and/or Lions Foundation is registered and has been assigned a State Charity Registration Number (CT#), the Registration Fee Report (RRF-1); CT-TR-1 (Depend On Income); and IRS Form 990, 990-EZ, and 990 PF (if applicable) must be filed **ANNUALLY**.

If the organization's gross income is less than \$50,000, you will file **the 990-N (ePostcard)**, and the copy of the post card should be attached to the annual filing.

## **NOTE: UNREGISTERED ENTITY WITH DELINQUENT STATUS, SUSPENDED AND/OR REVOKED**

If the organization has been operating as an UNREGISTERED ENTITY in California in previous fiscal years, must file the following to clear the DELINQUENT STATUS, SUSPENDED, AND/OR REVOKED.

1. Past Renewal Fee Reports to Attorney General of California, Sections 12586 and 12587 California Code 11 Cal. Code Regs. Sections 301-307, 311 and 312 RRF-1)
2. Fees, if applicable
  - a. Applicable tax returns for applicable years must accompany when filing the RRF-1 (up to 7 years of tax returns)

Please wait until the organization is registered and have been provided a CT# before submitting any RRF-1 reports.

| Mailing                              | Address |
|--------------------------------------|---------|
| California Attorney General's Office |         |
| Registry of Charitable Trusts        |         |
| P.O. Box 903447                      |         |
| Sacramento, CA 94203-4470            |         |

## **RRF-1 ONLINE RENEWALS: DONE *ONLINE***

See the [Online Renewals System](#) Section of the [Annual Registration Renewal](#) page

<https://oag.ca.gov/charities/renewals#online>

As of **February 1, 2020**, the newly updated **Form RRF-1 and CT-TR-1** (if applicable) are required. Significant changes to the forms include:

- **New Form CT-TR-1** must be filed **ANNUALLY** by charities with **annual revenue under \$50,000**; and
- The **RRF-1 ANNUAL registration renewal form** now requires reporting additional information, **including noncash donations**.

Every charitable corporation, unincorporated association, and trustee doing business or holding property in California is required to annually renew its registration with the Attorney General's Registry of Charitable Trusts. Each year, an **ANNUAL** registration renewal report (Form RRF-1) and CT-TR-1 (depend on income) must be filed with the applicable renewal fee. **The failure to renew the registration will lead to the charitable organization being listed as delinquent with the Attorney General's Registry of Charitable Trusts and may lead to the loss of tax exemption status with the Franchise Tax Board.**

## Required Annual Filings

Depending on gross annual revenue and other factors, some or all of these may be required annually:

- [Form RRF-1 & Instructions, pdf](#)

[https://oag.ca.gov/sites/all/files/agweb/pdfs/charities/charitable/rrf1\\_form.pdf](https://oag.ca.gov/sites/all/files/agweb/pdfs/charities/charitable/rrf1_form.pdf)

- [Form CT-TR-1 & Instructions, pdf](#)

<https://oag.ca.gov/sites/all/files/agweb/pdfs/charities/charitable/ct-tr1-form.pdf>

- Renewal fees
- Copies of IRS Form 990, 990-EZ, or 990-PF, including all schedules. Form 990-N is not required by this office.

## Due Date for Annual Renewal Filings

The above listed required annual filings and registration fees are **due 4 months and 15 days (NOVEMBER 15)** after the charitable organization's fiscal year ends **unless** the IRS has granted an extension. Charitable organizations that have been granted an extension of time from the IRS are **not** required to submit Form RRF-1 and renewal fees until IRS Form 990 filings have been completed.

If your organization has obtained an extension from the IRS for filing the IRS Form 990, please file the IRS Form 990, a copy of the extension letter, the Form RRF-1, and the applicable renewal fees, together as one complete package with the Registry of Charitable Trusts.

**Failure to submit complete annual filings with renewal fees may result in the charitable organization's registration status being changed from *Current to Reporting Incomplete*.**

**For Lions Clubs, your annual filing due date, click on your fiscal year ending date: June 30.**

**If you have any questions, contact:**

**<https://oag.ca.gov/charities/contacts/renewals>**

## Renewal Forms & Links

- **[Form RRF-1 & Instructions, pdf](#)**  
**Annual Registration Renewal Fee Report**

Form RRF-1 must be filed annually within 4 months and 15 days (November 15) after the end of an organization's accounting period.

- **[CT-TR-1 & Instructions, pdf](#)**  
**Annual Treasurer's Report**

**Effective February 1, 2020:** Charitable organizations whose total revenue for the fiscal year is under \$50,000 must file this form along with Form RRF-1.

- **IRS Form 990** Series & Instructions
- The Registry's Guide for Charities Page
- Nonprofit Transactions Requiring Notice or Attorney General Approval
- Audit Requirements under the Nonprofit Integrity Act
- Executive Compensation under the Nonprofit Integrity Act

## **6. Secretary of State - SOS**

<https://businesssearch.sos.ca.gov/?filing=corp>

<https://www.sos.ca.gov/business-programs/business-entities/forms/>

<https://bpd.cdn.sos.ca.gov/corp/pdf/articles/arts-pb.pdf>

### **Initial Registration Submission Requirements**

To complete the initial registration for Lions Clubs 501(C)4 with the Secretary of State, please complete and submit the following documents and information.

### **Instructions for Completing the Articles of Incorporation of a Nonprofit Mutual Benefit Corporation (Form ARTS-MU)**

<https://bpd.cdn.sos.ca.gov/corp/pdf/articles/arts-mu.pdf>

A corporation organized for other than religious, charitable, civic league or social welfare purposes and planning to obtain state tax exempt status under provisions other than California Revenue and Taxation Code section 23701d and 23701f, and/or federal tax exempt status under Internal Revenue Code section **501(C)4** or is not planning to be tax exempt at all, is a nonprofit Mutual Benefit corporation.

To form a **Nonprofit Mutual Benefit Corporation in California**, you must file Articles of Incorporation with the California Secretary of State (FORM ARTS-MU).

- Form ARTS-MU has been created for ease in filing, however, you can compose your own document, provided it meets statutory requirements.
- Before submitting the completed form, you should **consult with a private attorney for advice** about your specific business needs and whether additional article provisions for the corporation are needed.

If a 501(C)4 Lions Club does not desire to seek and/or obtain a Corporation status, then the Lions Club shall file **Form LP/UNA 128 – Registration of Unincorporated Nonprofit Association pursuant to California Corporation Code Section 21300.**

Important Additional Steps to Obtain Tax Exemption and Avoid Paying the Minimum \$800 Annual Tax:

- California nonprofit corporations are not automatically exempt from paying California franchise tax or income tax each year. Most corporations must pay a minimum tax of \$800 to the California Franchise Tax Board (FTB) each year. (California Revenue and Taxation Code section 23153.)
- A separate Exemption Application (**Form FTB 3500A**) is required in order to obtain tax exempt status in California. For more information, go to:

<https://www.ftb.ca.gov/forms/misc/927.html#927>.

- For information regarding FTB forms and publications, visit their website at **ftb.ca.gov** or contact the FTB at (800) 852-5711 (from within the U.S.) or **(916) 845-6500** (from outside the U.S.).

#### **Fees:**

- Filing Fee: The fee for filing Articles of Incorporation of a Nonprofit Mutual Benefit Corporation is **\$30.00**.

- **Faster Service Fee:**

Counter and guaranteed expedite services are available only for documents submitted in person (drop off) to our Sacramento office.

1. **Counter Drop Off:** A separate, non-refundable **\$15.00** counter drop off fee is required if you submit in person (drop off) your completed document at our Sacramento office. The \$15.00 counter drop off fee provides priority service over documents submitted by mail. The special handling fee is not refundable whether the document is filed or rejected.
2. **Guaranteed Expedite Drop Off:** For more urgent submissions, documents can be processed within a guaranteed timeframe for a non-refundable fee instead of the counter drop off fee.

For detailed information about this faster processing service through our Preclearance and Expedited Filing Services, go to:

[www.sos.ca.gov/business/be/service-options](http://www.sos.ca.gov/business/be/service-options).

### **Copies:**

Upon filing, we will return one (1) plain copy of your filed document for free and will certify the copy upon request and payment of a **\$5** certification fee.

To obtain additional copies or certified copies of the filed document, include payment for copy fees and certification fees at the time the document is submitted.

Additional copy fees are **\$1.00** for the first page and **\$0.50** for each additional page.

For certified copies, there is an additional **\$5.00** certification fee, per document.



## **Payment Type:**

Check(s) or money orders should be made payable to the Secretary of State. **Do not** send cash by mail. If submitting the document in person in our Sacramento office, payment also may be made by credit card (Visa or Mastercard®).

## **Processing Times:**

For current processing times, go to:

[www.sos.ca.gov/business/be/processing-times](http://www.sos.ca.gov/business/be/processing-times).

ARTS-MU Instructions (REV 06/2019) 2019 California Secretary of State  
bizfile.sos.ca.gov.

**If you are not completing this form online, please type or legibly print in black or blue**

## **Instructions for Completing the Articles of Incorporation of a Nonprofit Public Benefit Corporation (Form ARTS-PB-501(C)3)**

A corporation organized primarily or exclusively for charitable purposes and which plans to obtain state tax exempt status under California Revenue and Taxation Code section 23701d and/or federal tax exempt status under Internal Revenue Code section **501(C)3** is a **nonprofit Public Benefit corporation**.

To form a Nonprofit Public Benefit Corporation in California Lions Foundation, you must file **Articles of Incorporation with the California Secretary of State. This form is for use by corporations seeking tax-exempt status within the meaning of Internal Revenue Code section 501(C)3.** Do not use this form if the corporation is seeking other types of tax exemptions.

- Form ARTS-PB-501(C)3 has been created for ease in filing, however, you can compose your own document, provided it meets statutory requirements.

- Before submitting the completed form, you should **consult with a private attorney** for advice about your specific business needs and whether additional article provisions for the corporation are needed. Important Additional Steps to Obtain Tax Exemption and Avoid Paying the Minimum \$800 Annual Tax:

- California nonprofit corporations are not automatically exempt from paying California franchise tax or income tax each year. Most corporations must pay a minimum tax of \$800 to the California Franchise Tax Board (FTB) each year. (California Revenue and Taxation Code section 23153.)

- A separate Exemption Application (**Form FTB 3500**) is required in order to obtain tax exempt status in California. For more information, go to:

<https://www.ftb.ca.gov/forms/misc/927.html#927>.

- For information regarding FTB forms and publications, visit their website at <https://www.ftb.ca.gov> or contact the FTB at (800) 852-5711 (from within the U.S.) or (916) 845-6500 (from outside the U.S.).

## **Payment Type:**

Check(s) or money orders should be made payable to the Secretary of State. Do **not** send cash by mail. If submitting the document in person in our Sacramento office, payment also may be made by credit card (Visa or Mastercard®).

**Processing Times:** For current processing times, go to:

[www.sos.ca.gov/business/be/processing-times](http://www.sos.ca.gov/business/be/processing-times).

ARTS-PB-501(C)3 Instructions (REV 06/2019) 2019 California Secretary of State bizfile.sos.ca.gov.

**If you are not completing this form online, please type or legibly print in black or blue ink.**

## What's Next? Required Filings.

**Within 90 days after filing the Articles of Incorporation and every two years thereafter based on the entity's Incorporation date**

A Statement of Information **Form SI-100** must be filed with the California Secretary of State within **90 days** after filing the Articles of Incorporation and every two years thereafter during the applicable filing period (Section 6210). A Statement of Information can be filed online at:

<https://www.sos.ca.gov/business-programs/bizfile/>

or by submitting **Form SI-100**.

California law requires all corporations, limited liability companies and common interest development associations to update the records of the California Secretary of State either every year or every two years based on year of registration by filing a statement, as described below.

Please refer to the instructions included with the form for complete filing information, applicable filing periods/due dates, fees required to file the statement, penalties for not timely filing the required statement, and statutory provisions.

For additional tips on filing a Statement of Information, visit

[Statement of Information Help](#).

<https://www.sos.ca.gov/business-programs/business-entities/statements/help/>

## Statement of Information:

- [E-File](#) - The required Statement of Information for most corporations can be submitted electronically and is generally processed in one

business day. Statements submitted on paper should be directed to the Secretary of State's office in Sacramento, either by mail or dropped off in person. Statements for limited liability companies and common interest developments must be submitted on paper, by mail or in person (drop off), at this time.

## **Filing Period:**

### **Filing tip:**

If the corporation's Articles of Incorporation were originally filed with the California Secretary of State in an even-numbered year, file the SI-100 (and SI-CID, if applicable) every even-numbered year. If the corporation originally filed Articles of Incorporation with the California Secretary of State in an odd-numbered year, file every odd-numbered year.

## **Tips for Filing Online:**

Please visit [Statements of Information](https://www.sos.ca.gov/business-programs/business-entities/statements/) to obtain forms to submit by paper.

<https://www.sos.ca.gov/business-programs/business-entities/statements/>

### **To file online, users will need:**

- Internet Explorer version 8 or later.
- A valid Visa or MasterCard.
- Software to view PDF/A files if a free electronic copy is requested.

**A statement is not submitted for filing until after the credit card payment has been accepted, and the payment confirmation screen is displayed.** The payment confirmation screen provides the ability to enter an email address for a free PDF copy. Statements are normally filed within 1 business day and, if requested, electronic copies are sent out within 3 business days.

The returned electronic copy will be in a secure PDF/A format. Forms may appear blank if viewed with software that is incompatible with the file format,

or when viewed on cell phones or tablets. The Secretary of State recommends viewing the return copies on a desktop, laptop or notebook computer.

Note: If "no change" is selected, the "no change" box on the form image will be checked and the form will only display the entity name, the corporation number, the date submitted, and the name and title of the submitter.

## **Tips for Filing Corporation Statements of Information**

- Include the appropriate filing fee when submitting Statements of Information. Filing fees are available on

[Forms, Samples and Fees.](#)

<https://www.sos.ca.gov/business-programs/business-entities/forms>

If a statement is being filed to update any information on a previously filed statement and is being filed outside the statutory filing period, no fee is required. If filing the statutory required statement, the total filing fee is \$30 for non-profit mutual benefit corporations.

- The name of the corporation must be entered exactly as it is registered with the California Secretary of State. The name and entity number can be researched on <https://bizfileonline.sos.ca.gov/search/business>
- If the agent for service of process of the entity has changed or resigned, a fully completed statement must be submitted.
- Addresses must be completed with the city, state and zip. The submitted form will be returned unfiled if an address is incomplete or if a P.O. Box is entered as a street address.
- Corporations must have all three statutory officers. (Chief Executive Officer, Secretary and Chief Financial Officer.) Comparable titles may be added, but the preprinted titles on the form must not be altered. Each officer must have a complete business or residential address.
- A complete California street address is required for an agent for service of process. The submitted form will be returned unfiled if a P.O. Box is

entered as the agent address. If the entity named as agent is a corporation, it must meet the requirements of California Corporations Code section 1505. A corporation cannot act as its own agent.

- The type of business entered must be specific to the type of business in which the corporation currently is engaged.
- The information on the form must be legible for scanning. Either type or write the information neatly.
- The most current forms are available at the link below. Submissions on incorrect or outdated forms will be returned unfiled.

<https://bizfileonline.sos.ca.gov/forms/business>

- The required Statement of Information must be submitted on-line and is processed generally in one business day.

**We hope that these guidelines will be of some guidance in assisting your club in establishing a Lions Club and/or Lions Foundation.**

**Good luck and thank you for your attendance today.**

