

Friends of the Library: 501(c)(3) Quick Guide

Roles:

Friends of the Library: Friends will complete and submit paperwork for the 501(c)(3) designation since this paperwork will need to be authorized by the Friends President and Treasurer.

Library: Director/library liaison will assist and advise the Friends with the coordinating and locating of necessary information and resources throughout the 501(C)(3) process to help complete the process.

Purpose of 501(c)(3) Status

* Obtaining 501 (C)(3) status is not required but it is very beneficial.

Being a 501(c)(3) nonprofit allows the Friends group to:

- Accept tax-deductible donations
- Apply for grants
- Strengthen transparency and credibility
- Operate independently while supporting the library

How the Group Achieves 501(c)(3) Status

1. Create bylaws and elect a board
2. File nonprofit Articles of Incorporation with the state

3. Obtain EIN from the IRS
4. Submit IRS Form 1023-EZ or 1023 - IRS has a worksheet online to help determine which form to file.
5. Have documentation reviewed by a lawyer or CPA before submitting. - This is a suggested step, not necessarily a required one.
6. Receive IRS Determination Letter. Timeline for receiving a Determination: IRS states with a 1023, 80% of Determinations are issued within 22 days. 1023 EZ Determinations are issued at 80% within 191 days.

Regular Compliance Duties

- File annual IRS Form 990-N (for groups under \$50k)
- Renew state nonprofit registration - This is a biennial rather than annual filing
- Maintain meeting minutes and governance & financial documents

Resources:

<https://www.sos.ks.gov/eforms/BusinessEntity/Search.aspx>

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

<https://www.irs.gov/charities-non-profits/charitable-organizations>

[Legal Zoom - 501 \(c\) 3 Filing Process](#)