Absolute Essentials for Church Constitutions/Bylaws Relative to Establishing or Maintaining Tax Exempt Status

From Van C. Elliott, CFP

1. A statement that the corporation is organized and operated exclusively for religious purposes within the meaning of IRC Section 501(c)(3). *

2. A statement that no substantial part of the activities of this corporation shall consist of carrying on propaganda, or otherwise attempting to influence legislation, and the corporation shall not participate or intervene in any political campaign (including the publishing or distribution of statements) on behalf of any candidate for public office.*

3. A statement that the property of this corporation is irrevocably dedicated to religious purposes and no part of the net income or assets of this corporation shall ever inure to the benefit of any director, officer or member thereof or to the benefit of any private person.*

4. A statement that upon the dissolution or winding up of the corporation, its assets remaining after payment, or provision for payment, of all debts and liabilities of this corporation shall be distributed to_____, or its successor organization, an IRC Section 501(c)(3) corporation. In the event that this corporation is unwilling or unable receive these assets, the assets shall be distributed to one or more nonprofit funds, foundations or corporations which are organized and operated exclusively for religious purposes and which have established their tax exempt status under IRC Section 501(c)(3).*

5. A clear statement as to how one becomes a member.

6. A clear statement as to how membership is terminated, including discipline.

7. A statement that the Board of Elders, Board of Deacons, Church Council or whatever the name of the governing board is, also serves as the Board of Directors of the corporation.

8. A clear statement as to how the bylaws are able to be amended.

Note: The ones with the * really don't need to be in the bylaws, but must be in the Articles of Incorporation. It is desirable to have them in the bylaws also, because people hardly ever see the Articles.