

## Steps and Time Requirements To Organize a Texas Foundation or Charitable Organization

Time Between	Step	Description
Steps 1 & 2 2 or 3 Days	1. You request this firm to organize a foundation or charitable organization	You will settle upon a name, type of organization, director and officers, and the tax status you want to seek.
	2. We will prepare an engagement letter	This authorizes the preparation of the documents and states the financial terms.
Steps 2 & 3 Varies	3. Draft organizational documents reviewed and revised	This step begins when you receive the draft documents and ends when you give us your changes and corrections.
Steps 3 & 4 2 to 3 days	4. Certificate of Formation filed	After we have any changes and corrections, and a check payable to the Secretary of State in the amount of \$50, these can be filed.
Steps 4 & 5 2 to 3 days	5. Filed Certificate of Formation received	Once the filing of the Certificate of Formation is confirmed, you can begin accepting tax deductible contributions.
Steps 5 & 6 1 day	6. Taxpayer EIN for foundation or charitable organization obtained	You will obtain this online.
Steps 6 & 7 1 day	7. Revisions to Form 1023, Application for Recognition of Exemption, completed	After your descriptions and budgets are approved, all documents to be filed with the IRS will be put in final form.
Steps 7 & 8 3 to 5 days	8. Form 1023 filed	When the Form 1023 is signed, and we receive a money order or cashier's check for the filing fee (\$300 or \$750), this form can be filed with the IRS.
Steps 8 & 9 10 to 20 days	9. Receive confirmation of receipt from IRS	The first correspondence that we receive from the IRS will be confirmation that the application was received and an estimate of the number of days to process it.
Steps 9 & 10 5 to 6 months	10. IRS Exemption Letter received	This letter establishes the foundation's or charitable organization's tax exempt status.
Steps 10 & 11 2 to 3 days	11. IRS Exemption Letter filed with State Comptroller	The IRS Exemption Letter will be sent to the State Comptroller for exemption from state franchise and sales tax.
Steps 11 & 12 10 to 15 days	12. Texas Exemption Letter received	This completes the organization process.

The time required for any step for a particular foundation or charitable organization will depend upon the specific facts applicable to that particular foundation or charitable organization.