Slide 1 – Title Page

Slide 2 – Introduction
This overview is presented by the Tax Exempt & Government Entities division's Exempt Organizations office.

Slide 3 – Objectives
This document explains what's required to complete Form 1024, Application for Recognition of Exemption Under Section 501(a) or Section 521 of the Internal Revenue Code, and how to submit the form electronically at www.Pay.gov. You'll learn what to expect when applying for tax-exempt status and about the different parts of Form 1024.

Organizations that are described in Section 501(c) -- other than in 501(c)(3) or 501(c)(4) -- and organizations described in Section 501(d) use the electronic Form 1024 to apply for recognition of tax-exempt status.

Also, organizations requesting determinations under Section 521 are now able to use the electronic Form 1024 instead of Form 1028, Application for Recognition of Exemption Under Section 521 of the Internal Revenue Code.

This document is not intended to explain the requirements for qualification for tax-exempt status. However, you'll learn where to find information on the requirements.

Slide 4 – Legal Formation and EIN
Before you submit a Form 1024, your organization must have an organizing document and an Employer Identification Number - or EIN. You can find more information on organizing documents in Publication 557, Tax-Exempt Status for Your Organization.

To apply for an EIN, go to the Employer ID Numbers page on IRS.gov.

Slide 5 – Create Pay.gov Account
If you've never created an account at www.Pay.gov, go to the website and select "Create an Account" at the top right of the screen. The prompts will help you set up a new account.

If you've used Pay.gov for other forms in the past, you don't need to create a new account to complete and submit Form 1024.

Next, sign into your Pay.gov account and type "1024" in the search feature at the top right of the screen, then select "Continue" under Form 1024. Pay.gov will take you to the "landing page."

Slide 6 – Pay.gov: About Form 1024
The Form 1024 landing page on Pay.gov displays a variety of information about Form 1024, including a link to the Instructions to help you complete the application.

This page also provides information about a required PDF attachment to Form 1024 along with a reminder to not include Social Security numbers in your application. Toward the bottom of the page, you'll see information on when you can expect to hear from the IRS after you've submitted your application.

Another feature on the landing page is an option to preview an entire blank Form 1024, including the schedules. Just like most other PDF documents, you can print or save a copy, which may help while you're completing the application.

Although this PDF form may help you complete the application on Pay.gov, remember that the IRS WILL NOT accept a form that you print and mail in after the grace period ends April 4, 2022. If you send in a paper form, the IRS will reject the paper copy and you'll have to resubmit the information using the electronic form, delaying processing of your application.

As you complete this form, only use the Pay.gov navigation buttons, not the buttons on your browser. If you use your browser's back button, you may lose unsaved work.

While completing the form, use the Save button periodically so you don't lose your progress. Note: each time you save your work, you'll be taken to the My Forms page of your My Pay.gov account. When you return to the form, simply click the "Continue where you left off" button to complete the remainder of the form.

Slide 7 - Pay.gov Features
Most questions have instructions you can access by clicking on the question mark in the gray box next to the question. This information is also in the Instructions for Form 1024, which you can access using the link on the Form 1024 landing page or on IRS.gov.

You may see questions based on how you answered other questions on Form 1024. For example, if you answer "yes" to "Do you or will you make grants, loans, or other distributions to foreign organizations," you'll receive a series of questions related to that activity; if you answer "no," you'll continue with the next portion of the application.

Certain responses require you to provide a description or explanation. You'll enter this information in the text box that displays below the question. Other questions, like the statement of revenues and expenses, have fillable fields. Each text box and fillable field has its own character rules such as minimum and maximum characters or limits on what types of characters can be entered. These limits and rules vary from question to question.

Another feature in Pay.gov is a question completion requirement. It won't permit you to move to the next page of the form until you complete all the questions on the current page, including entering required descriptions or explanations.

You're required to upload a single PDF document with your application. This PDF must include a copy of the applicant's organizing document and bylaws, if adopted. It's also where you'll include any supplemental information you want to provide to the IRS, such as responses that don't fit within the character limits of the text boxes. We'll talk more about this PDF document later.

In addition to viewing a blank copy of the form from the landing page, you can preview your completed or partially completed application from any page in the application. You can also save your partially completed application and return to it later.

If you run into technical difficulties using Pay.gov, you should review the Online Help page on Pay.gov or use the "Contact Us" information at the bottom of most Pay.gov pages.

Finally, if you have questions about the application itself or Internal Revenue Code Section 501(a) or Section 521 requirements for exemption, you can contact IRS Customer Accounts Services for toll-free assistance at 877-829-5500.

Slide 8 - Form 1024, Part I
In Part I, Identification of Applicant, you're asked to enter basic organizational information including the name and mailing address of the organization, EIN, contact information and a list of officers, directors or trustees.

One thing to note about Part I is that you must include the name, title and address of the person who will sign

this application within your first five entries of officers, directors or trustees. If you have more than five names to enter, click on "6 or more" and Pay.gov will display a text box at the bottom so you can enter the information.

Slide 9 - Form 1024, Part II
Part II of Form 1024 asks about the applicant's organizational structure and the Code section under which you are applying. You'll need to know how and where the organization was legally formed and whether it adopted bylaws.

You may be prompted to provide narrative explanations based on your responses to the questions - and, depending on the Code section you select, you may be required to complete an additional schedule, which will be discussed later.

You must upload a copy of the applicant's organizing document before submitting this form, which will be addressed later in this presentation.

Slide 10 - Form 1024, Parts III and IV
In Part III, you're asked to provide a detailed description of the organization's activities.

Your detailed activity description is limited to 5,000 characters or about one typed page of text. If you need additional space to describe activities or answer any of the other questions in this or any other section of the application, you can include the balance of the additional information in the PDF file you're required to upload before submitting the application.

Next, you'll pick a National Taxonomy of Exempt Entities (NTEE) code that best describes its activities. You can also elect to have the IRS select the NTEE code that best describes your activities. A list of NTEE codes can be found in the Instructions for Form 1024.

The application also asks questions about specific activities the organization may be conducting. You may be prompted for explanations or more detailed descriptions of these specific activities based on your answers.

This is a good time to remind you that you should include and consider past, present and planned activities when responding to questions throughout the application.

Part IV asks questions related to any compensation and financial arrangements of the organization. These questions focus on compensation practices, related party transactions, and contracts and other financial relationships such as management contracts or joint ventures.

The instructional text and Form 1024 instructions are helpful when responding to these questions.

Slide 11 - Form 1024, Part V
Part V asks you to provide three years of revenues and expenses, including the current year. See the instructions for Part V on how to complete information for the three years. Examples of revenues include donations, grants and fees for services. Expenses may include grants to individuals or organizations, service costs, salaries and occupancy expenses.

You'll also enter balance sheet information, which is a snapshot of your assets and liabilities. Assets may include cash, stocks, and land or buildings. Liabilities may include accounts payable, loans or mortgages.

Slide 12 - Form 1024, Part VI
Part VI includes questions on reinstatement if your organization was automatically revoked for failure to file required returns or notices for three consecutive years.

The Instructions for Form 1024 provide additional information about the different procedures for reinstatement of an organization's exempt status.

Slide 13 - Form 1024, Part VII
Most exempt organizations are required to file a Form 990-series information return or notice every year. Please note that if an organization fails to file a required return or notice for three consecutive years, its exempt status will be automatically revoked.

However, certain organizations are not required to file annual information returns or notices, including an affiliate of a governmental unit that meets the requirements of Revenue Procedure 95-48, 1995-2 C.B. 418.

Part VII of this application allows you to request an exception from filing Form 990-series returns or notices. For information on Form 990 filing requirements, visit the Annual Filings and Forms page on IRS.gov.

Slide 14 – Schedules
Depending on the Code section you selected in Part II of the application, you may be required to complete an additional schedule. Each schedule asks questions related to the type of organization. These include the following:

- Schedule A: Section 501(c)(2) or (25) - Title holding corporations or trusts
- Schedule B: Section 501(c)(5) - Labor, agricultural or horticultural organizations
- Schedule C: Section 501(c)(6) - Business leagues, chambers of commerce, etc.
- Schedule D: Section 501(c)(7) - Social clubs
- Schedule E: Section 501(c)(8) or (10) - Fraternal beneficiary societies, orders, or associations
- Schedule F: Section 501(c)(9) - Voluntary employees beneficiary associations
- Schedule G: Section 501(c)(12) - Benevolent life insurance associations, mutual ditch or irrigation companies, mutual or cooperative telephone companies, or like organizations
- Schedule H: Section 501(c)(13) - Cemeteries, crematoria, and like organizations
- Schedule I: Section 501(c)(14) - Credit Unions
- Schedule J: Section 501(c)(17) - Trusts providing for the payment of supplemental unemployment compensation benefits
- Schedule K: Section 501(c)(19) - A post, organization, auxiliary unit, etc., of past or present members of the Armed Forces of the United States.
- Schedule L: Section 501(d) - Religious and apostolic organizations
- Schedule M: Section 521 - Farmers' Cooperative Associations

Only the schedule associated with your selection in Part II of the application will appear and be required to be completed. Some schedules may require additional attachments which will be covered later, however for most schedules you should be able to provide all of the information directly within the form.

The instruction text and Form 1024 instructions provide specific instructions regarding how to complete each schedule. For more information on these types of organizations, see Publication 557, Tax-Exempt Status for Your Organization, and the Charities & Nonprofits page on irs.gov.

Slide 15 - Form 1024, Part VIII
Before you can submit your application, you must declare you are signing the application under penalties of perjury.

Previously, you were instructed to list the person who is signing the form within the first five spaces of the list of officers, directors or trustees. That's because in Part VIII, the person signing the application must type their first and last names exactly as they are entered on the first page of the application.

The system will then automatically enter the signer's title in Part VIII along with the current date.

Slide 16 - Upload Checklist and PDF Attachment
On the Upload Checklist, you'll see several items that correspond to the documents in your PDF file, such as the organizing document and bylaws. After confirming each item, select Continue to go to the upload page.

Let's discuss uploading a single PDF as part of your application. First, you'll prepare your required PDF document. The PDF must be a single document and cannot exceed 15 megabytes. That's about 250 pages.

The PDF must contain a copy of your organizing document and any amendments, a copy of your bylaws if you've adopted them and any supplemental responses that didn't fit in the provided text boxes. You can also submit other information you feel is necessary for the IRS to consider.

Also, if you have an authorized representative you would like us to communicate with, you should include a completed Form 2848, Power of Attorney and Declaration of Representative, or Form 8821, Tax Information Authorization, for your authorized representative in the final PDF.

Finally, if you want to request expedited handling of your application, include a written explanation as to why your application should be expedited in your PDF. For information on expedite criteria, visit the Expediting Application Processing page on IRS.gov.

If your PDF document is larger than 15 megabytes, you must remove enough information to reduce it below 15 megabytes. Contact IRS Customer Accounts Services at 877-829-5500 to find out how to submit the items you removed.

To upload the required PDF file, you'll be prompted to browse your computer or file storage location then select the document you want to upload. Follow the prompts on the screen and select "Attach" after you've identified the correct file to upload.

Slide 17 - User Fee
Enter your user fee payment information using a bank account or credit or debit card. The system will automatically display the correct amount due, so don't worry about under or overpaying.

You also have the option to enter one or more email addresses for payment confirmation. Simply enter an email address and you'll receive an email from Pay.gov confirming that your user fee payment was submitted.

When your user fee is paid, your application is submitted. Although Pay.gov will retain a copy of your submitted application and PDF attachment in your account, you should print or save a copy of your completed application and PDF attachment for your records.

Slide 18 - Additional Resources
Before we finish, we want to leave you with more information on the requirements and the application process for Section 501(a) (other than Section 501(c)(3) or (4)) and Section 521 exempt status.

First, the Instructions for Form 1024 provide general information and detailed instructions for completing the application.

Pub. 557, Tax-Exempt Status for Your Organization, discusses the rules and procedures for organizations that seek tax-exempt status. It explains the procedures to follow to obtain a determination letter, filing requirements and required disclosures, as well as information on the requirements under Section 501(a) and Section 521 and the different types of organizations.

If you don't have an EIN, you can get one at the Employer ID Numbers page on IRS.gov.

Another useful site is StayExempt.irs.gov. The site focuses on Section 501(c)(3) organizations, but includes tutorials, videos and recent news for other types of organizations.

If you run into any problems with Pay.gov, we recommend you review the information on the Pay.gov Help option, which provides help text on Pay.gov accounts, viewing or browser issues, and other frequently asked questions.

If you can't find an answer on the Pay.gov Help page, you may reach an IRS Customer Account Services representative at 877-829-5500 or visit the Charities and Nonprofits page on IRS.gov.

Slide 19 - Conclusion
If you have feedback about this presentation or other resources on StayExempt.irs.gov, please send us an email. Note that this email address is only for feedback on StayExempt.irs.gov content. We cannot provide tax advice.