Nonprofit Formations & Exemptions

Nonprofit Formation Services to Launch Your Mission with Confidence

Starting a nonprofit is a bold and meaningful step—but it's also a legal one. At For Purpose Law Group (FPLG), we work with founders, boards, and social entrepreneurs to ensure their new organizations are built on a strong legal foundation from day one. Our Nonprofit Startup & Tax-Exempt Status practice helps you form your nonprofit, structure it properly, and obtain recognition of exemption from the IRS—so you can lead with purpose and grow with confidence.

From incorporating in your state to filing the relevant application with the IRS, our attorneys guide you through every step of the process with precision, clarity, and mission-aligned legal support. FPLG regularly assists founders, boards, and philanthropic leaders with nonprofit formation and tax-exempt recognition—and in many cases, we offer these services on a reasonable flat-fee basis to provide cost certainty and make launching your mission-driven organization as strategic and accessible as possible.

501(c)(3) Formation and Exemption for Public Charities

Public charities are the most common and widely-recognized type of nonprofit—and the most highly regulated. At FPLG, we help founders of 501(c)(3) public charities form their entities correctly, prepare compliant bylaws, adopt essential governance policies, and file for IRS tax-exempt status using Form 1023 or 1023-EZ.

We counsel on key issues like charitable purpose, private benefit, board structure, compensation, and public support tests. Whether your organization is launching programs, offering services, or raising funds through grants and donations, we ensure your formation documents and exemption application meet all legal requirements and position your charity for long-term success.

501(c)(3) Private Foundations Formation and Exemption

Private foundations, often created by individuals, families, or corporations, are subject to a unique set of federal rules. FPLG assists with formation, tax-exempt recognition, and ongoing legal strategy for private foundations across the country.

We handle the preparation of organizing documents, IRS Form 1023 filings, and foundation-specific compliance planning—including excise tax issues, self-dealing rules, distribution requirements, and donor involvement. Our team provides thoughtful, tailored legal guidance to ensure your foundation

is built for long-term impact and regulatory compliance.

501(c)(4) Formation and Exemption for Social Welfare Organizations

501(c)(4) social welfare organizations offer a unique opportunity for nonprofits engaged in advocacy and issue-based work. These organizations can engage in lobbying and limited political activity while remaining tax-exempt, though contributions are generally not tax-deductible.

FPLG advises social impact leaders and grassroots organizers on forming 501(c)(4) organizations, drafting compliant bylaws, and filing IRS Form 1024-A. We help clients navigate the complex regulatory landscape that applies to (c)(4)s, including permissible lobbying activity, donor disclosure issues, and compliance with federal and state campaign finance laws when applicable.

Whether you're launching an advocacy campaign, a civic engagement initiative, or a companion entity to an existing 501(c)(3), we'll help you structure it for compliance, strategy, and staying power.

501(c) Formation and Exemption for Other Organizations

FPLG also works with clients to form and secure tax-exempt status for a range of other nonprofit entity types, including **501(c)(6) business leagues**, **501(c)(7) social and recreational clubs**, and other specialized classifications. We guide clients through entity formation, IRS Form 1024 filings, and the unique compliance requirements tied to member benefits, dues collection, event-based income, and lobbying activities. Our attorneys ensure that your chosen tax-exempt structure supports your goals while keeping you compliant with federal and state law.

These types of organizations serve distinct roles—from trade associations and chambers of commerce to alumni groups, athletic clubs, and mutual benefit organizations. We help founders understand the limitations and opportunities specific to each 501(c) category, structure their operations accordingly, and build governance practices that reflect both compliance obligations and long-term sustainability.

Q: How do I start a nonprofit organization?

Starting a nonprofit is one of the most meaningful legal steps you'll ever take — and the process is more structured than most people expect. At a high level, it involves choosing and protecting your organization's name, filing Articles of Incorporation in your state, adopting bylaws, holding your first board meeting, obtaining an Employer Identification Number (EIN) from the IRS, and filing for federal tax-exempt status using Form 1023 or Form 1023-EZ. Depending on where you operate and where you plan to fundraise, you may also need to register with one or more state charity regulators before soliciting donations. Most organizations complete the full process in three months for a 1023-EZ, and up to a year for a full 1023 — though IRS processing times vary. Working with a nonprofit formation attorney like FPLG means you're not piecing together the process from online searches; you're building a legal foundation that will support your mission for decades to come.

Q: What is the difference between Form 1023 and Form 1023-EZ?

Form 1023 is the full IRS application for 501(c)(3) tax-exempt status, and Form 1023-EZ is a streamlined version available to smaller organizations — but shorter doesn't always mean better. Form 1023-EZ is generally available to organizations projecting annual gross receipts under $50,000 and total assets under $250,000. It's faster and less expensive to prepare, but it gives you far less opportunity to explain your programs and charitable purpose in detail, which can sometimes invite follow-up questions from the IRS. Form 1023, while more involved, gives your attorney the space to present a thorough and compelling case for your exemption. The right choice depends on your organization's size, complexity, and long-term plans — and an experienced nonprofit formation attorney can help you make that determination with confidence.

Q: How long does it take to get tax-exempt status from the IRS?

As of 2026, the IRS typically processes Form 1023-EZ applications within four to six weeks and full Form 1023 applications within six to twelve months — though complex applications or those requiring additional correspondence can take even longer. One important deadline to keep in mind: you have a 27-month window from your incorporation date to apply and receive tax-exempt status retroactive to day one. Missing that window can mean your organization owes taxes on income received before approval. Delays are most commonly caused by incomplete applications or inconsistencies between your organizing documents and your described activities. The best way to minimize processing time is to submit a complete, well-prepared application from the start — which is exactly where working with a nonprofit attorney pays for itself.

Q: How much does it cost to start a nonprofit?

The total cost of forming a nonprofit depends on several factors, including your state of incorporation, the complexity of your organization, and whether you file Form 1023 or Form 1023-EZ. At the federal level, the IRS charges a user fee for exemption applications (currently $600 for Form 1023 and $275 for Form 1023-EZ). State incorporation fees vary but are typically modest. Attorney fees for formation services vary by firm and scope of work; at FPLG, we offer most formation services on a reasonable flat-fee basis wherever possible so you have cost certainty from the beginning. While it may be tempting to cut costs with DIY formation, errors in your organizing documents or IRS application can be expensive to correct later — and a strong legal foundation is one of the best investments you can make in your organization's future.

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