

# Registering Distributed Creatives - ChatGPT session - Sep 18, 24

## You said:

what steps do I need to take to register and run a non-profit in colorado?

ChatGPT

Starting and running a non-profit organization in Colorado involves several legal and administrative steps. Below is a comprehensive guide to help you navigate the process:

### 1. Choose a Name for Your Non-Profit:

- **Uniqueness:** Ensure the name is unique and not already in use by another entity in Colorado. You can search the Colorado Secretary of State's business database to verify name availability.
- **Compliance:** The name must include a corporate designator like "Inc.," "Incorporated," "Corporation," or "Limited."

### 2. Appoint a Registered Agent:

- **Definition:** A registered agent is an individual or business entity responsible for receiving legal documents on behalf of your non-profit.
- **Requirements:** The agent must have a physical street address in Colorado and be available during normal business hours.

### 3. File Articles of Incorporation:

- **Prepare the Document:** File the "Articles of Incorporation for a Nonprofit Corporation" with the Colorado Secretary of State online.
- **Information Needed:**
  - ◆ **Organization Name and Address**
  - ◆ **Registered Agent's Name and Address**
  - ◆ **Incorporator's Name and Address**

- ♦ **Purpose Statement:** Include a statement of purpose that aligns with IRS requirements for tax-exempt status.
  - ♦ **Provisions for Asset Distribution:** Outline what happens to assets upon dissolution.
  - **Filing Fee:** There is a fee (as of 2023, it's approximately \$50; verify for updates).
4. **Obtain an Employer Identification Number (EIN):**
- **Purpose:** Required for banking, hiring employees, and tax filings.
  - **How to Apply:** Obtain an EIN from the IRS online at no cost.
5. **Draft Bylaws:**
- **Definition:** Bylaws are the internal rules governing your organization.
  - **Contents Should Include:**
    - ♦ **Board Structure and Roles**
    - ♦ **Election Processes**
    - ♦ **Meeting Schedules and Protocols**
    - ♦ **Conflict of Interest Policies**
6. **Hold an Organizational Meeting:**
- **Purpose:** Officially adopt bylaws, appoint board members and officers, and approve resolutions.
  - **Documentation:** Keep detailed minutes of the meeting.
7. **Apply for Federal Tax-Exempt Status:**
- **Determine Eligibility:** Most non-profits apply for 501(c)(3) status.
  - **Form 1023 or 1023-EZ:**
    - ♦ **Form 1023:** For organizations with gross receipts exceeding \$50,000 or assets over \$250,000.
    - ♦ **Form 1023-EZ:** A streamlined application for smaller non-profits.
  - **Submission:** File with the IRS along with the required user fee.
  - **Approval:** Upon approval, you'll receive a determination letter confirming your tax-exempt status.
8. **Apply for Colorado State Tax Exemptions:**
- **State Income Tax Exemption:** Automatically granted upon receiving federal tax-exempt status.

- **Sales and Use Tax Exemption:**

- ◆ **Application:** Submit the Application for Sales Tax Exemption to the Colorado Department of Revenue.
- ◆ **Documentation:** Provide your IRS determination letter.

**9. Register for Charitable Solicitations (If Applicable):**

- **Requirement:** If soliciting donations, register with the Colorado Secretary of State's Charities Program.
- **Annual Renewal:** Must renew registration annually and file financial reports.

**10. Obtain Necessary Licenses and Permits:**

- **Local Requirements:** Check with city or county authorities for any additional licensing.
- **Special Permits:** Depending on activities (e.g., fundraising events), additional permits may be needed.

**11. Maintain Compliance with Ongoing Obligations:**

- **Annual Reports:** File periodic reports with the Colorado Secretary of State to maintain good standing.
- **IRS Filings:** Submit Form 990, 990-EZ, or 990-N annually, depending on your organization's size.
- **Record-Keeping:** Keep accurate financial records and minutes of meetings.

**12. Establish a Bank Account:**

- **Purpose:** To manage the organization's finances separately from personal accounts.
- **Requirements:** Provide your EIN and incorporation documents.

**13. Develop a Fundraising Plan:**

- **Budgeting:** Outline expected expenses and revenue sources.
- **Donations and Grants:** Identify potential donors and grant opportunities.

**14. Obtain Insurance:**

- **Types of Insurance:** Consider general liability, property, and directors and officers (D&O) insurance.
- **Purpose:** Protect the organization and its members from potential liabilities.

**15. Hire Employees or Recruit Volunteers:**

- **Employment Laws:** Comply with federal and state regulations if hiring staff.
- **Volunteer Management:** Develop policies and training programs for volunteers.

#### 16. **Create a Web Presence:**

- **Website and Social Media:** Establish online platforms to promote your mission and engage with the community.

#### 17. **Develop Policies and Procedures:**

- **Operational Guidelines:** Implement policies for financial management, ethics, and compliance.

#### 18. **Consult Professionals:**

- **Legal and Financial Advice:** Consider hiring an attorney and accountant experienced in non-profit law to assist with setup and compliance.

#### **Additional Resources:**

- **Colorado Nonprofit Association:** Offers guidance and resources for non-profits in Colorado.
- **IRS Publication 557:** Provides detailed information on tax-exempt status and compliance.
- **Colorado Secretary of State:** [www.sos.state.co.us](http://www.sos.state.co.us) for filings and registrations.
- **Colorado Department of Revenue:** For state tax exemption applications.

**Note:** Regulations can change, so it's crucial to verify all information with the appropriate state and federal agencies to ensure compliance with current laws and requirements.

#### **You said:**

how do I find a "Registered Agent" that's affordable in colorado?

ChatGPT

To find an affordable registered agent in Colorado for your non-profit organization, consider the following options:

#### **1. Act as Your Own Registered Agent:**

- **Eligibility:** If you or someone in your organization has a physical street address in Colorado (not a P.O. Box), you can serve as your own registered agent.
- **Considerations:** The designated individual must be available during normal business hours to receive legal documents and official correspondence.

## 2. Use a Volunteer or Board Member:

- **Option:** A trusted volunteer or board member who resides in Colorado can act as the registered agent.
- **Benefit:** This can eliminate the cost of hiring a commercial service.

## 3. Hire an Affordable Commercial Registered Agent Service:

- **Affordable Services:** Many companies offer registered agent services in Colorado at competitive rates, typically ranging from **\$50 to \$100 per year**.
- **How to Find Them:**
  - ◆ **Online Search:** Use search terms like "affordable registered agent Colorado" or "low-cost registered agent services in Colorado."
  - ◆ **Comparison Websites:** Platforms like **Incfile**, **Northwest Registered Agent**, and **Harbor Compliance** offer transparent pricing and services tailored to non-profits.
- **Considerations:**
  - ◆ **Reputation:** Look for services with positive reviews and a history of reliable service.
  - ◆ **Features:** Some services offer additional benefits like compliance reminders and online document access.

## 4. Local Business Service Providers:

- **Option:** Some local law firms, accounting firms, or business service companies offer registered agent services at reasonable rates.
- **How to Find Them:**
  - ◆ **Referrals:** Ask for recommendations from other non-profits or business networks in Colorado.
  - ◆ **Local Directories:** Check local business listings or community bulletin boards.

## 5. **Negotiate Discounts for Non-Profits:**

- **Possibility of Reduced Rates:** Some registered agent services may offer discounts for non-profit organizations.
- **Action Step:** Contact providers directly to inquire about special pricing or sliding scale fees.

### **Tips for Choosing an Affordable Registered Agent:**

- **Transparency in Pricing:** Ensure there are no hidden fees or unexpected charges.
- **Reliability:** The agent must consistently be available during business hours and promptly forward any received documents.
- **Compliance Support:** Some agents offer additional services like annual report reminders, which can be valuable for staying compliant.
- **Privacy Protection:** Using a commercial agent can help keep your personal address off public records.

### **Steps to Secure a Registered Agent:**

#### 1. **Research and Shortlist:**

- Compile a list of potential registered agent services based on affordability and services offered.

#### 2. **Compare Services:**

- Look at what each service includes in their fee (e.g., mail forwarding, compliance alerts).

#### 3. **Check Reviews and Testimonials:**

- Read customer feedback to gauge the reliability and quality of the service.

#### 4. **Contact Providers:**

- Reach out to ask any specific questions and confirm pricing.

#### 5. **Make a Decision:**

- Choose the agent that best fits your organization's needs and budget.

#### 6. **Appoint the Agent:**

- When filing your Articles of Incorporation with the Colorado Secretary of State, list the chosen registered agent's name and address.

### **Additional Resources:**

- **Colorado Secretary of State – Registered Agent Information:**
  - Registered Agent FAQs

- **Non-Profit Support Organizations:**

- **Colorado Nonprofit Association:** May offer resources or referrals for affordable registered agent services.

- **Online Platforms Offering Bundled Services:**

- Some incorporation services include registered agent services at discounted rates when you use them for filing your incorporation documents.

**Final Note:**

Finding an affordable registered agent is a manageable task with a bit of research. Whether you choose to act as your own agent or hire a service, ensure that the agent meets all legal requirements and can reliably fulfill their duties to keep your non-profit in good standing.

**You said:**

please supply the outline of the steps, but use URLs instead of links.  
The links are not working

ChatGPT

## **Steps to Register and Run a Non-Profit Organization in Colorado**

### **1. Choose a Name for Your Non-Profit:**

- **Uniqueness:** Ensure your organization's name is unique and not already in use.
- **Name Availability Search:** Use the Colorado Secretary of State's business database to verify name availability: <https://www.sos.state.co.us/biz/BusinessEntityCriteriaExt.do>
- **Compliance:** Include a corporate designator like "Inc.," "Incorporated," "Corporation," or "Limited" if required.

### **2. Appoint a Registered Agent:**

- **Definition:** A registered agent is responsible for receiving legal documents on behalf of your non-profit.
- **Requirements:** Must have a physical street address in Colorado and be available during normal business hours.

### **3. File Articles of Incorporation:**

- **Prepare the Document:** File the "Articles of Incorporation

for a Nonprofit Corporation" with the Colorado Secretary of State online.

- **Filing Website:** <https://www.sos.state.co.us/>
- **Information Needed:**
  - ◆ Organization Name and Address
  - ◆ Registered Agent's Name and Address
  - ◆ Incorporator's Name and Address
  - ◆ Purpose Statement aligning with IRS requirements
  - ◆ Provisions for asset distribution upon dissolution
- **Filing Fee:** Approximately \$50 (verify current fees on the website).

#### 4. Obtain an Employer Identification Number (EIN):

- **Purpose:** Required for banking, hiring employees, and tax filings.
- **How to Apply:** Obtain an EIN from the IRS at no cost.
- **IRS EIN Application:** <https://www.irs.gov/businesses/small-businesses-self-employed/apply-for-an-employer-identification-number-ein-online>

#### 5. Draft Bylaws:

- **Definition:** Internal rules governing your organization.
- **Contents Should Include:**
  - ◆ Board structure and roles
  - ◆ Election processes
  - ◆ Meeting schedules and protocols
  - ◆ Conflict of interest policies

#### 6. Hold an Organizational Meeting:

- **Purpose:** Officially adopt bylaws, appoint board members and officers, and approve resolutions.
- **Documentation:** Keep detailed minutes of the meeting.

#### 7. Apply for Federal Tax-Exempt Status:

- **Determine Eligibility:** Most non-profits apply for 501(c)(3) status.
- **Forms to File:**
  - ◆ **Form 1023:** For organizations with gross receipts exceeding \$50,000 or assets over \$250,000.
    - ◇ **Form 1023 Information:** <https://www.irs.gov/forms-pubs/about-form-1023>



- ◆ **Form 1023-EZ:** A streamlined application for smaller non-profits.
    - ◇ **Form 1023-EZ Information:** <https://www.irs.gov/forms-pubs/about-form-1023-ez>
  - **Submission:** File with the IRS along with the required user fee.
  - **Approval:** Receive a determination letter confirming tax-exempt status.
- 8. **Apply for Colorado State Tax Exemptions:**
  - **State Income Tax Exemption:** Automatically granted upon receiving federal tax-exempt status.
  - **Sales and Use Tax Exemption:**
    - ◆ **Application Form:** <https://tax.colorado.gov/non-profit-exemptions>
    - ◆ **Documentation Needed:** Provide your IRS determination letter.
- 9. **Register for Charitable Solicitations (If Applicable):**
  - **Requirement:** If soliciting donations, register with the Colorado Secretary of State's Charities Program.
  - **Registration Website:** <https://www.sos.state.co.us/pubs/charities/charitableHome.html>
  - **Annual Renewal:** Renew registration annually and file financial reports.
- 10. **Obtain Necessary Licenses and Permits:**
  - **Local Requirements:** Check with city or county authorities for additional licensing.
  - **Special Permits:** May be needed for fundraising events or other activities.
- 11. **Maintain Compliance with Ongoing Obligations:**
  - **Annual Reports:** File periodic reports with the Colorado Secretary of State.
    - ◆ **Filing Website:** <https://www.sos.state.co.us/>
  - **IRS Filings:** Submit Form 990, 990-EZ, or 990-N annually, depending on your organization's size.
    - ◆ **Form 990 Information:** <https://www.irs.gov/forms-pubs/about-form-990>
  - **Record-Keeping:** Maintain accurate financial records and

meeting minutes.

## 12. Establish a Bank Account:

- **Purpose:** Manage the organization's finances separately from personal accounts.
- **Requirements:** Provide your EIN and incorporation documents.

## 13. Develop a Fundraising Plan:

- **Budgeting:** Outline expected expenses and revenue sources.
- **Donations and Grants:** Identify potential donors and grant opportunities.

## 14. Obtain Insurance:

- **Types of Insurance:** Consider general liability, property, and directors and officers (D&O) insurance.
- **Purpose:** Protect the organization and its members from potential liabilities.

## 15. Hire Employees or Recruit Volunteers:

- **Employment Laws:** Comply with federal and state regulations if hiring staff.
- **Volunteer Management:** Develop policies and training programs for volunteers.

## 16. Create a Web Presence:

- **Website and Social Media:** Establish online platforms to promote your mission and engage with the community.

## 17. Develop Policies and Procedures:

- **Operational Guidelines:** Implement policies for financial management, ethics, and compliance.

## 18. Consult Professionals:

- **Legal and Financial Advice:** Consider hiring an attorney and accountant experienced in non-profit law.

### Additional Resources:

- **Colorado Nonprofit Association:** Offers guidance and resources for non-profits in Colorado.
  - **Website:** <https://coloradononprofits.org/>
- **IRS Publication 557:** Detailed information on tax-exempt status and compliance.
  - **Publication Link:** <https://www.irs.gov/pub/irs-pdf/p557.pdf>

- **Colorado Secretary of State:**
  - **General Website:** <https://www.sos.state.co.us/>
- **Colorado Department of Revenue:**
  - **Website:** <https://tax.colorado.gov/>
- **IRS Charities and Nonprofits:** Provides federal guidelines for non-profit organizations.
  - **Website:** <https://www.irs.gov/charities-and-nonprofits>

**Note:** Regulations can change, so verify all information with the appropriate state and federal agencies to ensure compliance with current laws and requirements.

### You said:

\*The incorporator is An individual An entity \*Name A trust A state or other jurisdiction An estate

ChatGPT

It seems you're in the process of filling out the Articles of Incorporation for your Colorado non-profit and need clarification on selecting the appropriate option for the **incorporator**. I'd be happy to help explain what each option means so you can choose the one that best fits your situation.

### Understanding the Incorporator

An **incorporator** is the person or entity responsible for executing and submitting the Articles of Incorporation to the Colorado Secretary of State. This individual or entity initiates the formation of the non-profit corporation but doesn't necessarily have an ongoing role in the organization unless otherwise specified.

### Options for the Incorporator

#### 1. An Individual

- **Description:** A single person acting as the incorporator.
- **When to Select:** If you or someone else is personally filing the Articles of Incorporation.
- **Action Needed:** Provide the full legal name of the individual.

#### 2. An Entity

- **Description:** A legal entity such as a corporation, LLC, or

another non-profit organization.

- **When to Select:** If a business entity is acting as the incorporator.
- **Action Needed:** Provide the legal name of the entity.

### 3. A Trust

- **Description:** A legal arrangement where one party holds property for the benefit of another.
- **When to Select:** If a trust is initiating the formation of the non-profit.
- **Action Needed:** Provide the name of the trust.

### 4. A State or Other Jurisdiction

- **Description:** A governmental body or jurisdiction acting as the incorporator.
- **When to Select:** Rarely used; applicable if a government entity is forming the non-profit.
- **Action Needed:** Specify the name of the state or jurisdiction.

### 5. An Estate

- **Description:** The assets and liabilities left by an individual at death.
- **When to Select:** If an estate is forming the non-profit, perhaps as part of a will.
- **Action Needed:** Provide the name of the estate.

### Next Steps

#### ● **Identify the Incorporator:**

- If **you** are filing the Articles of Incorporation yourself, select "**An Individual**" and provide your name.
- If another person is filing on behalf of the organization, they would be the individual incorporator.
- If a company or organization is handling the filing, select "**An Entity**" and provide its name.

#### ● **Provide the Name:**

- After selecting the appropriate option, ensure you fill in the "**Name**" field with the full legal name of the incorporator.

### Example Scenario

- **Situation:** You, Jane Smith, are personally filing the Articles of Incorporation.

- **Selection:**
  - **The incorporator is:** *An Individual*
  - **Name:** Jane Smith

### **Additional Considerations**

- **Multiple Incorporators:**
  - You can have more than one incorporator. If so, repeat the process for each incorporator.
- **Role of the Incorporator:**
  - The incorporator's primary role is to submit the formation documents.
  - After incorporation, governance typically transfers to the board of directors and officers as outlined in your bylaws.

### **Summary**

Choose the option that best describes who is responsible for filing your non-profit's Articles of Incorporation:

- **An Individual:** If a person is filing (most common).
- **An Entity:** If a company or organization is filing.
- **A Trust:** If a trust is initiating the formation.
- **A State or Other Jurisdiction:** If a government body is involved.
- **An Estate:** If an estate is forming the non-profit.

Be sure to provide the **name** of the incorporator in the designated field.

If you need further assistance or have additional questions about the incorporation process, feel free to ask!

### **You said:**

I'm creating the non-profit, but there will be another person involved. Which should I choose? My non-profit is called Distribute Creatives, we hope to support artists with out projects.

ChatGPT

Since you're creating the non-profit **Distribute Creatives** and another person will be involved, you can choose "**An Individual**" and list both of

you as incorporators. Here's how you can proceed:

**Option to Select:**

- **The incorporator is: An Individual**

**Explanation:**

- **Multiple Incorporators:**
  - You can have more than one incorporator when forming your non-profit.
  - Both you and the other person can be listed as individual incorporators.
- **Action Steps:**
  - **Provide Names and Addresses:** For each incorporator, include the full legal name and mailing address.
  - **Signatures:** Depending on the filing requirements, both incorporators may need to sign the Articles of Incorporation.

**Why Choose "An Individual"?**

- **Applicable to Your Situation:**
  - Since both you and another person are individuals initiating the formation of the non-profit, this option accurately reflects your circumstances.
- **Flexibility:**
  - Listing both individuals emphasizes shared responsibility and involvement from the outset.

**Alternative Options:**

- **An Entity:** Only select this if a legal entity (like an existing corporation or LLC) is acting as the incorporator, which doesn't apply here.
- **A Trust, State or Other Jurisdiction, An Estate:** These options are typically not relevant unless a trust, government body, or estate is initiating the non-profit.

**Next Steps:**

**1. Fill Out the Incorporator Section:**

- **First Incorporator:**
  - ◆ **Name:** [Your Full Legal Name]
  - ◆ **Address:** [Your Mailing Address]
- **Second Incorporator:**
  - ◆ **Name:** [Other Person's Full Legal Name]
  - ◆ **Address:** [Other Person's Mailing Address]

**2. Proceed with Filing:**

- Complete the rest of the Articles of Incorporation as required.
- Submit the filing online via the Colorado Secretary of State's website: <https://www.sos.state.co.us/>

### 3. **Organizational Meeting:**

- After filing, hold an organizational meeting to adopt bylaws and appoint directors and officers.

### **Additional Considerations:**

- **Roles and Responsibilities:**

- Clearly define each person's role within the organization in your bylaws.

- **Bylaws Drafting:**

- Include provisions that outline how decisions are made, how new members are added, and how conflicts are resolved.

- **Legal Compliance:**

- Ensure all information provided is accurate and complies with Colorado state requirements.

### **Summary:**

Select "**An Individual**" and list both you and the other person as incorporators in your Articles of Incorporation. This reflects that both of you are personally initiating the formation of **Distribute Creatives** and sets the foundation for joint involvement in supporting artists through your projects.

If you have further questions or need assistance with other parts of the incorporation process, feel free to ask!

### **You said:**

Voting & assets – Step 5 of 11 Voting members A voting member is any person or persons who on more than one occasion have the right to vote for the election of a director or directors. \*Will this nonprofit corporation have voting members? Yes No Distribution of assets If a nonprofit corporation plans to apply for exemption status with the IRS, go to [www.irs.gov](http://www.irs.gov). The distribution of assets upon dissolution refers to language required to be included in the Articles of Incorporation of a nonprofit corporation. If you have any questions, contact an attorney, tax consultant, or the IRS.

It looks like you're at **Step 5 of 11** in your incorporation process, focusing on **Voting Members** and **Distribution of Assets**. I'll help explain these sections so you can make informed decisions for your non-profit, **Distribute Creatives**.

### **Voting Members**

**Definition:** A **voting member** is an individual who has the right to vote on significant matters within the organization, such as electing the board of directors, amending bylaws, or making other major decisions.

**Question:** *Will this nonprofit corporation have voting members?*

- **Yes**
- **No**

#### **Considerations:**

- **Selecting "Yes":**
  - **Pros:**
    - ◆ Encourages broader participation and engagement from your community, such as artists and supporters.
    - ◆ Members have a sense of ownership and investment in the organization's mission.
  - **Cons:**
    - ◆ Requires additional administration to manage membership records and organize votes.
    - ◆ Decision-making processes may take longer due to the need for member input.
- **Selecting "No":**
  - **Pros:**
    - ◆ Simplifies governance by centralizing decision-making within the board of directors.
    - ◆ Less administrative burden regarding member management and voting procedures.
  - **Cons:**
    - ◆ May limit community engagement and the feeling of inclusion among artists and supporters.



- ♦ Fewer perspectives in decision-making processes.

#### **Recommendation:**

- **If you want to actively involve artists and supporters in the governance of Distribute Creatives**, consider selecting **"Yes"** to having voting members.
- **If you prefer to streamline decision-making and keep governance within a small group**, selecting **"No"** might be more appropriate.

#### **Next Steps:**

- **If "Yes"**: You'll need to define the rights and responsibilities of voting members in your bylaws, including how membership is obtained, maintained, and how voting processes are conducted.
- **If "No"**: The board of directors will handle all governance matters, and you can focus on engaging your community through other means without formal voting rights.

### **Distribution of Assets Upon Dissolution**

**Importance:** Including a proper **distribution of assets** clause is crucial, especially if you plan to apply for **501(c)(3)** tax-exempt status with the IRS.

#### **Requirements for 501(c)(3) Status:**

- **Assets must be dedicated to an exempt purpose.**
- Upon dissolution, remaining assets must be distributed to another tax-exempt organization or to a government entity for public use.
- The IRS requires specific language in your Articles of Incorporation to reflect this.

#### **Sample Language:**

*(This is general guidance. Consult with a legal professional for language specific to your organization.)*

**"Upon the dissolution of Distribute Creatives, assets shall be distributed for one or more exempt purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code, or shall be distributed to the federal government, or to a state or local government, for a public purpose. Any such assets not disposed of shall be disposed of by a court of competent jurisdiction in the county in which the principal office of the corporation is then located, exclusively for such purposes."**

## Action Steps:

### 1. Include a Distribution Clause:

- Ensure this clause is part of your Articles of Incorporation.
- It must meet IRS requirements to qualify for tax-exempt status.

### 2. Review IRS Guidelines:

- Visit the IRS website for detailed information: <https://www.irs.gov/>
- Refer to **IRS Publication 557** for specifics on required provisions.

### 3. Consult a Professional:

- **Legal Advice:** Consider consulting an attorney experienced in non-profit law to review your documents.
- **Tax Advice:** A tax professional can help ensure compliance with IRS regulations.

## Summary

### ● Voting Members:

- Decide whether to have voting members based on how you want your non-profit governed and the level of community involvement you desire.
- Reflect this choice accurately in your Articles of Incorporation and bylaws.

### ● Distribution of Assets:

- Include the required dissolution clause to comply with IRS requirements for tax-exempt status.
- Properly addressing this now will facilitate your application for 501(c)(3) status later.

## Additional Resources

### ● Colorado Secretary of State:

- Incorporation Forms and Guidelines: <https://www.sos.state.co.us/>

### ● IRS Charities and Nonprofits:

- Tax-Exempt Status Information: <https://www.irs.gov/charities-and-nonprofits>

### ● Colorado Nonprofit Association:

- Support and Resources: <https://coloradononprofits.org/>

If you have further questions or need clarification on any other steps, feel free to ask!

**You said:**

I selected "No": The board of directors will handle all governance matters, and you can focus on engaging your community through other means without formal voting rights. \*How will this nonprofit's assets be distributed if it dissolves? Enter information about the distribution of assets.

ChatGPT

Since you've selected "**No**" for having voting members and are now prompted to **enter information about the distribution of assets upon dissolution**, I'll help you craft appropriate language for this section. Including a proper dissolution clause is crucial, especially if you plan to apply for **501(c)(3)** tax-exempt status with the IRS.

**Distribution of Assets Upon Dissolution**

**Purpose:** The dissolution clause specifies how the organization's remaining assets will be handled if the non-profit dissolves. To meet IRS requirements for tax-exempt status, this clause must ensure that assets are dedicated to one or more exempt purposes.

**Key Requirements:**

- **Assets must be used exclusively for charitable, educational, religious, or scientific purposes recognized under Section 501(c)(3) of the Internal Revenue Code.**
- **Upon dissolution, assets must be distributed to another 501(c)(3) organization, the federal government, or a state or local government for a public purpose.**
- **No part of the assets may benefit private individuals or shareholders.**

**Sample Language for Your Articles of Incorporation**

You can include the following clause in your Articles of Incorporation:

**"Upon the dissolution of *Distribute Creatives*, after paying or**

making provision for the payment of all the liabilities of the corporation, all assets shall be distributed exclusively for charitable purposes to one or more organizations that qualify as exempt organizations under Section 501(c)(3) of the Internal Revenue Code, or corresponding section of any future federal tax code, or shall be distributed to the federal government, or to a state or local government, for a public purpose. Any such assets not so disposed of shall be disposed of by a court of competent jurisdiction in the county in which the principal office of the corporation is then located, exclusively for such purposes."

**Explanation of the Clause:**

- **"After paying or making provision for the payment of all the liabilities"**: Ensures all debts and obligations are settled first.
- **"Distributed exclusively for charitable purposes"**: Aligns with the exempt purposes recognized by the IRS.
- **"To one or more organizations that qualify as exempt organizations under Section 501(c)(3)"**: Specifies that assets go to other tax-exempt organizations.
- **"Or shall be distributed to the federal government, or to a state or local government, for a public purpose"**: Provides an alternative if no suitable non-profit is available.
- **"Any such assets not so disposed of shall be disposed of by a court..."**: Ensures legal oversight for proper asset distribution.

**Steps to Include This Clause:**

**1. Copy the Clause:**

- Use the sample language provided above.

**2. Insert into Articles of Incorporation:**

- Place the clause in the section designated for "Distribution of Assets" or "Dissolution Clause."

**3. Customize if Necessary:**

- If you have a specific 501(c)(3) organization in mind to receive the assets, you can name it in the clause.
  - ♦ Example: "...all assets shall be distributed to *[Name of Specific Non-Profit]*, provided it is then a 501(c)(3) organization..."

**4. Review for Compliance:**

- Ensure the clause meets both IRS and Colorado state

requirements.

### **Important Considerations:**

- **IRS Compliance:**

- The IRS requires specific language regarding asset distribution to grant 501(c)(3) status.
- **Reference:** IRS Publication 557 provides guidelines and sample clauses.
  - ♦ **Link:** <https://www.irs.gov/pub/irs-pdf/p557.pdf>

- **Legal Consultation:**

- While this sample clause is commonly used, it's wise to consult with an attorney experienced in non-profit law to review your Articles of Incorporation.
- They can ensure the language complies with current laws and is tailored to your organization's needs.

- **State Requirements:**

- Verify that the clause also meets Colorado's legal requirements for non-profit organizations.
  - ♦ **Colorado Secretary of State Website:** <https://www.sos.state.co.us/>

- **Avoid Private Benefit:**

- Ensure that no part of the assets will inure to the benefit of any private individual or shareholder upon dissolution.

### **Summary:**

Include a dissolution clause in your Articles of Incorporation that specifies:

- **All remaining assets will be used exclusively for charitable purposes.**
- **Assets will be distributed to one or more 501(c)(3) organizations or governmental entities for public purposes.**
- **Any undistributed assets will be disposed of by a court for similar exempt purposes.**

By doing so, you align with IRS requirements, facilitating your application for tax-exempt status, and ensure that your organization's assets will continue to support charitable causes aligned with your mission.

If you need further assistance or have questions about other steps in forming your non-profit, feel free to ask!

**You said:**

I do want to apply for 501(c)(3) tax-exempt status with the IRS. I also want to run another side business that builds the tech and may profit from the resale of the solutions. Also, the non-profit will charge for advertising on our digital signage posted around town. Will this work?

ChatGPT

It's great that you're planning to support artists through your non-profit **Distribute Creatives** and are considering applying for **501(c)(3)** tax-exempt status. Your questions involve several complex issues related to tax-exempt organizations, commercial activities, and potential conflicts of interest. I'll break down each aspect to help you understand how they might affect your non-profit and whether your plans align with IRS regulations.

## **1. Applying for 501(c)(3) Tax-Exempt Status**

### **Key Requirements:**

- **Exempt Purposes:** To qualify for 501(c)(3) status, your organization must be organized and operated exclusively for exempt purposes, such as charitable, educational, or scientific activities.
- **Operational Test:** The IRS examines whether your organization's activities primarily further its exempt purposes.

### **Implications for Distribute Creatives:**

- **Supporting Artists:** If your non-profit's primary mission is to support artists, this aligns well with charitable and educational purposes.
- **Documentation:** Ensure your Articles of Incorporation and bylaws clearly state your exempt purposes and include necessary clauses, such as the dissolution clause we discussed earlier.

## **2. Running a Side For-Profit Business**

### **Separate Entities:**

- **Legal Separation:** The for-profit tech business should be a

separate legal entity from your non-profit.

- **Governance:** Maintain separate boards of directors and management teams to avoid conflicts of interest.

#### **Potential Issues:**

- **Private Benefit and Inurement:**

- **Prohibition:** 501(c)(3) organizations cannot use their assets to benefit private individuals or shareholders (private inurement).
- **Transactions with Insiders:** Any dealings between the non-profit and related for-profit entities must be at fair market value and structured carefully to avoid private benefit concerns.

- **Conflict of Interest:**

- **Policies Needed:** Implement a conflict of interest policy outlining how transactions between the non-profit and any related parties are handled.
- **Disclosure:** Board members with interests in the for-profit should disclose these and recuse themselves from related decisions.

### **3. Non-Profit Charging for Advertising**

#### **Unrelated Business Income Tax (UBIT):**

- **Definition:** Income from a trade or business that is regularly carried on and not substantially related to the organization's exempt purpose is considered unrelated business income.
- **Tax Implications:** Such income is subject to UBIT, and the non-profit must report it on IRS Form 990-T and pay taxes accordingly.

#### **Assessing Your Situation:**

- **Related vs. Unrelated Income:**

- **Related Income:** If the advertising directly promotes artists and furthers your exempt purpose, it may be considered related income.
- **Unrelated Income:** If you're selling advertising space to general businesses for commercial purposes, this is likely unrelated business income.

- **Frequency and Scale:**

- **Regular Activity:** Regularly engaging in advertising sales

increases the likelihood of it being considered unrelated business activity.

- **Substantiality Test:** If unrelated business activities become a substantial part of your operations, it could jeopardize your tax-exempt status.

#### 4. Will This Work?

##### Possible Solutions and Recommendations:

##### 1. Ensure Activities Align with Exempt Purposes:

- **Program Services:** Design advertising services to directly support artists (e.g., featuring local artists' work or promoting arts events).
- **Educational Component:** Incorporate educational content into your digital signage to align with your mission.

##### 2. Manage Unrelated Business Income:

- **Limit Scope:** Keep unrelated activities insubstantial relative to your total activities (generally less than 15-20% of total resources).
- **Report and Pay UBIT:** Accurately report unrelated business income and pay any taxes owed to remain compliant.

##### 3. Establish Clear Boundaries with For-Profit Business:

- **Arm's Length Transactions:** Any dealings between the non-profit and your for-profit tech company must be conducted at fair market value.
- **Avoid Shared Resources:** Do not commingle funds or share resources without proper documentation and compensation.

##### 4. Consider Alternative Structures:

- **Form a Supporting Organization:** Create a separate non-profit that supports your main non-profit's mission.
- **Benefit Corporation or Social Enterprise:** If the commercial aspect is significant, consider forming a benefit corporation or social enterprise that allows for profit-making while pursuing social goals.

##### 5. Develop Comprehensive Policies:

- **Conflict of Interest Policy:** Adopt policies requiring disclosure of potential conflicts and procedures for handling them.
- **Financial Controls:** Implement strict financial controls to



prevent misuse of non-profit assets.

## 6. Consult Professionals:

- **Legal Counsel:** Seek advice from an attorney experienced in non-profit law to navigate complex regulations.
- **Tax Advisor:** Consult a tax professional to understand the implications of UBIT and ensure compliance.

## 5. Potential Risks

### Jeopardizing Tax-Exempt Status:

- **Private Benefit Concerns:** Excessive benefit to private interests or insiders can lead to revocation of tax-exempt status.
- **Operational Compliance:** Failing to operate exclusively for exempt purposes due to substantial unrelated activities can result in losing tax-exempt status.

### Penalties:

- **Intermediate Sanctions:** The IRS may impose penalties on individuals who engage in excess benefit transactions with the non-profit.
- **Back Taxes and Fines:** The organization may be liable for back taxes and fines if found non-compliant.

## 6. Summary

- **Yes, It's Possible But Complex:** It's possible for your non-profit to engage in certain commercial activities and for you to run a separate for-profit business, but it requires careful structuring and compliance with IRS regulations.
- **Maintain Focus on Exempt Purpose:** Ensure that the non-profit's primary activities are in line with its exempt purposes and that any commercial activities are appropriately managed.
- **Professional Guidance is Essential:** Due to the complexities and potential risks, professional legal and tax advice is crucial to set up your operations correctly.

## Next Steps

### 1. Schedule Consultations:

- **Attorney:** Find a lawyer with experience in non-profit and tax law to review your plans and documents.
- **Tax Professional:** Engage a CPA familiar with non-profit taxation to advise on UBIT and financial management.

### 2. Develop Documentation:

- **Bylaws and Policies:** Draft or revise your bylaws, conflict of interest policies, and financial controls.
- **Operational Plans:** Create detailed plans for how the non-profit and for-profit entities will operate separately.

### 3. Evaluate Activities:

- **Mission Alignment:** Reassess the advertising and tech development activities to see if they can be more closely aligned with your non-profit's mission.
- **Activity Scaling:** Determine the scale of commercial activities to ensure they don't overshadow your exempt purposes.

### 4. Stay Informed:

- **IRS Resources:** Review IRS publications, such as **Publication 557**, for guidance on tax-exempt status.
  - ◆ **Link:** <https://www.irs.gov/pub/irs-pdf/p557.pdf>
- **State Regulations:** Check Colorado state laws regarding non-profit operations and commercial activities.

## Final Thoughts

Balancing a non-profit's mission with commercial activities is a delicate process that requires diligent planning and adherence to regulations. Your goal to support artists is admirable, and with the right structure and professional guidance, you can create a sustainable model that benefits the community while complying with legal requirements.

**Remember:** Always prioritize transparency, proper governance, and alignment with your non-profit's exempt purposes to maintain your tax-exempt status and avoid potential pitfalls.

If you have further questions or need clarification on specific aspects, feel free to ask!

## You said:

How do I pay the workers of a non-profit?

ChatGPT

Paying workers in a non-profit organization involves several important steps to ensure compliance with federal and state laws, maintain your tax-exempt status, and uphold ethical standards. Below is a comprehensive guide on how to compensate employees of a non-profit like **Distribute Creatives**.

## 1. Understand Employment Laws and Regulations

### Federal Laws

- **Fair Labor Standards Act (FLSA):**
  - **Minimum Wage and Overtime:** Non-profits must pay at least the federal minimum wage and overtime pay for non-exempt employees.
  - **Classification of Employees:** Determine if employees are exempt or non-exempt based on their job duties and salary.
- **Anti-Discrimination Laws:**
  - **Equal Employment Opportunity:** Comply with laws prohibiting discrimination based on race, color, religion, sex, national origin, age, disability, or genetic information.

### State Laws (Colorado)

- **Minimum Wage:** Colorado may have a higher minimum wage than the federal rate. Check current rates at the Colorado Department of Labor and Employment.
- **Employment Regulations:** Adhere to state-specific labor laws, including meal breaks, rest periods, and final paycheck requirements.

## 2. Classify Workers Correctly

### Employees vs. Independent Contractors

- **Employees:**
  - **Definition:** Individuals who work under your organization's control and direction.
  - **Payroll Taxes:** You must withhold income taxes and pay employer taxes.
- **Independent Contractors:**
  - **Definition:** Self-employed individuals providing services under a contract.

- **Payment:** Typically paid via invoice without tax withholdings.
- **Avoid Misclassification:**
  - **Penalties:** Misclassifying employees as contractors can result in fines and back taxes.
  - **IRS Guidelines:** Refer to IRS Publication 15-A for worker classification criteria.

### 3. Determine Reasonable Compensation

#### IRS Requirements

- **Reasonable Compensation:** Pay should be fair market value for the services rendered.
- **Private Inurement Prohibition:** Excessive compensation can lead to penalties or loss of tax-exempt status.

#### Setting Compensation Levels

- **Market Research:**
  - **Comparable Positions:** Look at salaries for similar roles in other non-profits and local businesses.
  - **Salary Surveys:** Use resources like GuideStar Nonprofit Compensation Report or [Charity Navigator](#).
- **Board Approval:**
  - **Independent Review:** The board of directors or a compensation committee should approve salaries to ensure they are reasonable.
  - **Documentation:** Keep detailed records of how compensation decisions were made.

### 4. Establish Payroll Systems

#### Obtain Employer Identification Numbers

- **Federal EIN:**
  - **Purpose:** Required for tax filings and reporting.
  - **Application:** Apply online at the IRS website.
- **State Tax Accounts:**
  - **Colorado Withholding Account:** Register with the Colorado Department of Revenue.
  - **Unemployment Insurance:** Register with the Colorado Department of Labor and Employment.

#### Set Up Payroll Processing

- **Payroll Providers:**

- **Options:** Use services like Gusto, ADP, or Paychex that specialize in non-profit payroll.
- **Benefits:** They handle tax withholdings, filings, and compliance.

- **In-House Payroll:**

- **Software:** Use accounting software with payroll capabilities like QuickBooks.
- **Responsibilities:** You are responsible for calculating wages, taxes, and submitting filings.

### **Withhold and Pay Taxes**

- **Federal Taxes:**

- **Income Tax Withholding:** Based on employee W-4 forms.
- **FICA Taxes:** Social Security and Medicare taxes, both employee and employer portions.

- **State Taxes:**

- **Income Tax Withholding:** Required for employees working in Colorado.
- **Unemployment Taxes:** Paid to the state for unemployment insurance.

## **5. Comply with Reporting and Filing Requirements**

### **Federal Reporting**

- **Form W-4:** Employees complete to determine withholding allowances.
- **Form W-2:** Provide to employees by January 31st each year.
- **Form 941:** Quarterly federal tax return for income tax withheld and employer/employee Social Security and Medicare taxes.

### **State Reporting**

- **Colorado Wage Withholding:** Regular deposits and reports as required.
- **State Unemployment Insurance Reports:** Quarterly filings detailing wages paid.

### **Annual Filings**

- **Form 990:** Non-profits report compensation of officers and key employees.
  - **Transparency:** Discloses salaries to the IRS and public; affects public perception.

## 6. Develop Employment Policies

### Employee Handbook

- **Contents:**

- **Compensation Policies:** Salary structure, pay periods, raises, bonuses.
- **Work Hours and Overtime:** Define standard workweek and overtime eligibility.
- **Benefits:** Health insurance, retirement plans, leave policies.
- **Conduct and Ethics:** Expectations for employee behavior.

### Conflict of Interest Policy

- **Purpose:** Prevent private benefit and ensure decisions are made in the organization's best interest.
- **Implementation:** Require employees and board members to disclose potential conflicts.

## 7. Offer Employee Benefits

### Health and Wellness Benefits

- **Health Insurance:**

- **Group Plans:** May be available through brokers or associations.
- **Requirements:** Under the Affordable Care Act, employers with 50+ employees must offer health insurance.

### Retirement Plans

- **403(b) Plans:**

- **Similar to 401(k):** Designed for non-profit organizations.
- **Contributions:** Employee deferrals, employer matching possible.

### Other Benefits

- **Paid Time Off:** Vacation, sick leave, personal days.
- **Professional Development:** Training opportunities, conferences.

## 8. Ensure Compliance with Workers' Compensation

### Insurance Requirement

- **Mandatory Coverage:** Colorado law requires employers to carry workers' compensation insurance.
- **Purpose:** Provides medical and wage benefits to employees

injured on the job.

### **Obtaining Coverage**

- **Insurance Providers:** Purchase through private insurers authorized in Colorado.
- **Cost Factors:** Based on payroll size, industry risk, and claims history.

## **9. Consider Volunteer and Intern Use**

### **Volunteers**

- **Unpaid Work:** Volunteers can perform services without compensation.
- **Limitations:**
  - **No Coercion:** Volunteering must be genuinely voluntary.
  - **No Displacement:** Should not replace paid staff positions.

### **Interns**

- **Paid Interns:** Must be paid at least minimum wage unless certain criteria are met.
- **Unpaid Interns:**
  - **Educational Experience:** Internship should provide educational benefits.
  - **Compliance:** Follow the Department of Labor's guidelines on unpaid internships.

## **10. Maintain Accurate Records**

### **Payroll Records**

- **What to Keep:**
  - **Employee Information:** Personal details, hire dates, job titles.
  - **Time Sheets:** Hours worked, overtime.
  - **Pay Rates:** Salary changes, bonuses.
  - **Tax Withholdings:** W-4 forms, withholding amounts.
- **Retention Period:** Keep records for at least four years as required by the IRS.

### **Financial Records**

- **Accounting Systems:** Use software to track income and expenses.
- **Audit Preparation:** Detailed records facilitate audits and financial reviews.

## 11. Address Unrelated Business Income (If Applicable)

### Advertising Income

- **Unrelated Business Income Tax (UBIT):**
  - **Applicability:** Income from activities not substantially related to the non-profit's exempt purpose.
  - **Tax Filing:** Report on IRS Form 990-T and pay taxes on net income from unrelated activities.
- **Avoiding UBIT:**
  - **Related Activities:** Structure advertising to promote your exempt purpose, such as showcasing artists.
  - **Sponsorships vs. Advertising:** Acknowledge sponsors without promoting products to avoid UBIT.

## 12. Seek Professional Assistance

### Legal Counsel

- **Employment Attorney:** Advises on labor laws, drafts employment contracts, and reviews policies.
- **Non-Profit Specialist:** Ensures compliance with IRS regulations and state laws.

### Accountant or Tax Professional

- **Payroll Taxes:** Assists with tax filings, payroll setup, and financial compliance.
- **Financial Management:** Helps with budgeting, financial reporting, and audits.

## Summary

To pay workers in your non-profit:

1. **Comply with Federal and State Laws:**
  - Understand and adhere to labor laws and tax regulations.
2. **Establish Fair Compensation:**
  - Determine reasonable salaries approved by the board.
3. **Set Up Payroll and Tax Systems:**
  - Obtain necessary tax IDs and establish payroll processes.
4. **Develop Policies and Procedures:**
  - Create an employee handbook and conflict of interest policies.
5. **Offer Competitive Benefits:**



- Provide benefits to attract and retain qualified staff.
- 6. Maintain Transparency and Records:**
  - Keep accurate payroll and financial records; report compensation on Form 990.
- 7. Manage Unrelated Business Income:**
  - Understand UBIT and structure activities to align with your mission.
- 8. Consult Professionals:**
  - Work with legal and accounting experts to ensure compliance.

### Additional Resources

- **Colorado Department of Labor and Employment**
  - **Website:** <https://cdle.colorado.gov/>
- **Internal Revenue Service (IRS)**
  - **Charities and Nonprofits:** <https://www.irs.gov/charities-and-nonprofits>
  - **Form 990 Resources:** <https://www.irs.gov/forms-pubs/about-form-990>
- **National Council of Nonprofits**
  - **Resources on Compensation and Benefits:** <https://www.councilofnonprofits.org/tools-resources>
- **Society for Human Resource Management (SHRM)**
  - **Non-Profit HR Practices:** <https://www.shrm.org/>

### Final Notes

- **Prioritize Compliance:** Non-profits are subject to strict regulations to maintain tax-exempt status.
- **Transparency is Key:** Openly reporting and justifying compensation builds trust with donors and the public.
- **Regular Reviews:** Periodically review compensation and policies to ensure they remain appropriate and compliant.
- **Mission Alignment:** Always align compensation practices with the mission and values of your non-profit.

**Disclaimer:** This information provides a general overview and may not cover all aspects of paying workers in a non-profit. It is not legal or tax advice. For specific guidance tailored to your organization's

circumstances, please consult a qualified attorney or tax professional.

**You said:**

Knowing everything we've discussed. Please help me answer the question in the form \*How will this nonprofit's assets be distributed if it dissolves? Enter information about the distribution of assets.

ChatGPT

Based on everything we've discussed and your intention to apply for **501(c)(3)** tax-exempt status with the IRS, here's how you can answer the question in the form:

**Question:**

*How will this nonprofit's assets be distributed if it dissolves?*

**Enter information about the distribution of assets.**

**Suggested Text to Enter:**

**"Upon the dissolution of Distribute Creatives, after paying or making provision for the payment of all liabilities, all remaining assets shall be distributed exclusively for one or more exempt purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code. Specifically, such assets shall be distributed to one or more organizations that are organized and operated exclusively for charitable, educational, or scientific purposes and that at the time qualify as exempt organizations under Section 501(c)(3) of the Internal Revenue Code, or corresponding section of any future federal tax code. If no such organizations are available, assets shall be distributed to the federal government, or to a state or local government, for a public purpose. Any assets not so disposed of shall be disposed of by a court of competent jurisdiction in the county where the principal office of Distribute Creatives is located, exclusively for such exempt purposes."**

**Explanation:**

- **Compliance with IRS Requirements:**

- This dissolution clause includes the necessary language required by the IRS for organizations seeking 501(c)(3) status.
- It ensures that upon dissolution, the assets will continue to be used exclusively for tax-exempt purposes.
- **Alignment with Your Non-Profit's Mission:**
  - The clause allows your assets to benefit other organizations with similar charitable, educational, or scientific purposes.
- **Flexibility:**
  - If you have a specific organization in mind to receive the assets, you can name it in the clause. However, leaving it open provides flexibility and ensures compliance if circumstances change.

#### **Instructions for Entering the Information:**

1. **Copy the Suggested Text:**
  - Highlight the text provided above and copy it.
2. **Paste into the Form:**
  - In the field labeled "Enter information about the distribution of assets," paste the text.
3. **Review for Accuracy:**
  - Ensure that the organization's name, **Distribute Creatives**, is correctly inserted.
  - Verify that there are no typos or errors in the text.
4. **Proceed to Next Steps:**
  - Continue with the remaining sections of your Articles of Incorporation or form.

#### **Additional Considerations:**

- **Legal Review:**
  - While this language is standard for non-profits seeking 501(c)(3) status, it's advisable to consult with an attorney experienced in non-profit law to review your Articles of Incorporation.
- **Consistency Across Documents:**
  - Ensure that this dissolution clause is consistent with any similar provisions in your bylaws or other governing documents.
- **State Requirements:**

- This clause should also meet Colorado state requirements for non-profit corporations.

#### **Why This Clause is Important:**

- **Maintaining Tax-Exempt Status:**

- Including this clause is crucial for the IRS to grant and maintain your 501(c)(3) status.

- **Public Trust and Accountability:**

- It assures donors and the public that your organization's assets will continue to support charitable purposes, even if the organization dissolves.

- **Legal Compliance:**

- It protects the organization and its directors by clearly outlining the process for asset distribution.

#### **Example of the Clause Filled In:**

**"Upon the dissolution of Distribute Creatives, after paying or making provision for the payment of all liabilities, all remaining assets shall be distributed exclusively for one or more exempt purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code. Specifically, such assets shall be distributed to one or more organizations that are organized and operated exclusively for charitable, educational, or scientific purposes and that at the time qualify as exempt organizations under Section 501(c)(3) of the Internal Revenue Code, or corresponding section of any future federal tax code. If no such organizations are available, assets shall be distributed to the federal government, or to a state or local government, for a public purpose. Any assets not so disposed of shall be disposed of by a court of competent jurisdiction in the county where the principal office of Distribute Creatives is located, exclusively for such exempt purposes."**

#### **Final Steps:**

- **Save a Copy:**

- Keep a copy of the completed form for your records.

- **Submit the Form:**

- Follow the instructions provided by the Colorado Secretary of State for submitting your Articles of Incorporation.

- **Follow Up:**

- After submission, monitor for any communications regarding your filing and be prepared to provide additional information if requested.

### **Additional Resources:**

- **IRS Publication 557:**

- Provides detailed information on the requirements for tax-exempt status.
- **Link:** <https://www.irs.gov/pub/irs-pdf/p557.pdf>

- **Colorado Secretary of State:**

- Offers guidance on forming a non-profit corporation in Colorado.
- **Website:** <https://www.sos.state.co.us/>

- **Colorado Nonprofit Association:**

- Provides resources and support for non-profit organizations in Colorado.
- **Website:** <https://coloradononprofits.org/>

If you have any more questions or need assistance with other parts of the incorporation process, feel free to ask!

### **You said:**

Help me with the next step. Nonprofit Corporation Distributed Creatives Additional information (optional) - Step 6 of 11 Attachments and additional information are uncommon, but can be included. This information is optional and will be viewable by the public. Check that there isn't any personal or financial information in your attachments that you don't want available to the public. For more information, see our FAQs. Enter any additional information that you want to include in your filing. Do you need to attach additional information? Yes No FAQ menu Attachments & additional information Q1. Do I need to add any additional information or attachments to a filing? A1. For some filings, such as trademarks and restated constituent filed documents, an attachment will be required. Otherwise, additional information is optional. Any additional information that has not already been required may be added here. If you're unsure if you need to add additional information, you may want to speak to a business advisor or attorney. Attachments and any

additional information included is public record. Review your document and remove personal information before submitting your filing. See the FAQ on Ratification of Defective Corporate Actions. Q2. How do I add an attachment to my online filing? A2. Instructions for adding an attachment. Q3. How do I name my attachment? A3. Keep your name simple. Use letters and numbers. Our system doesn't accept documents that have special characters in the title. If you have more than one attachment you should name them differently. Remember that the attachment name is viewable to the public. Refer to our list of acceptable characters. Q4. What types of document formats may be attached to an online filing? A4. Attachments to online filings must be in PDF or TXT (text) format. If filing a trademark document, you can also use JPG. Rich Text Format (.rtf) should not be used. Our software does not currently handle documents signed using electronic signature technology or is password-protected. Q5. How large can my attachment be? A5. Total size of all attachments must be 10 MB or less. To check the size of a document, right click the document name and choose Properties. Up to five attachments may be added to an online filing. If scanning results in documents larger than 10 MB, scan the document and save each page as a separate file, then add each one as a separate attachment (up to five). Q6. How can I view my attachment while filing online? A6. After you add an attachment the page will display the link of the document name. To view the attachment, click the document name link. You should always double check your attachment to make sure that you added the correct one. To remove an attachment before the filing is completed, select the check box next to the document title on the Manage Attachments page and click "Delete Attachments". This will remove any attachments in which the text box was checked. When you click "Continue", you will be taken to the "You're not done yet" page. This page will provide an image of the form you completed including the document(s) you attached. If the attachment needs to be changed, click "Return to Form" at the bottom of the screen to return to the Manage Attachments page. Once the document is filed, you can only correct mistakes by filing another form. Q7. How can I verify that my attachment is filed? A7. To view the attachment of a filed document: From the Business home page, select "Search" from the left-navigation or select "Search business database". Enter the trademark or entity name or ID number. Click on "Search". If you enter a name, a list of search results will be displayed. Select the ID Number of your record to go to your

Summary page. From the Summary page, scroll down and click on "Filing History and Documents". Click on the document number to view a document. A PDF image of the document will open. The last page(s) of the PDF image will be the attachment(s). Use the browser's "Back" button to return to Filing History and Documents or close the page. Q8. Will the additional information included in the filing be reviewed by your office? A8. No. Our office will not review filings and the information contained in them. After payment is successfully processed, the document will be filed and available to the public. It is the filer's responsibility to review the filing, including any attachments. Q9. I included an attachment by mistake or included the wrong attachment, can I remove it? A9. No. Once filed, the form becomes a legal document and we have the duty to preserve it in its original form. Our office is a filing repository and once a legal document is filed, we don't have the authority to remove it. Q10. How can I add or change the owner of a business? A10. Ownership is not filed with the Colorado Secretary of State's office. Questions should be addressed to the IRS or your legal, business, or tax advisor(s).

ChatGPT

Certainly! I'd be happy to assist you with **Step 6 of 11** in your non-profit corporation filing for **Distribute Creatives**.

### **Understanding Step 6: Additional Information (Optional)**

At this step, you're given the option to include any **additional information or attachments** with your filing. This section is optional and primarily used for:

- Including any **special provisions** or clauses that are not covered in the standard form.
- Attaching required documents if your organization has unique circumstances.
- Adding any **extra details** that you believe are important for the formation of your non-profit.

**Important Note:** Any information or attachments you include will become part of the public record. Ensure that you do not include any personal, confidential, or financial information that you do not want

publicly accessible.

## **Do You Need to Attach Additional Information?**

### **Common Reasons to Include Attachments:**

#### **1. Custom Provisions or Clauses:**

- If your non-profit requires specific provisions not covered in the standard Articles of Incorporation.
- Examples might include special membership structures, unique voting rights, or specific operational limitations.

#### **2. IRS Required Language:**

- You've already included the necessary dissolution clause in the previous steps.
- If there are additional IRS-required provisions for 501(c)(3) status that were not included earlier, you might attach them here.

#### **3. Bylaws (Typically Not Required at This Stage):**

- While bylaws are essential, they are usually adopted internally and not filed with the state.
- Unless specifically required, you do not need to attach your bylaws.

#### **4. Supporting Documents:**

- If there are legal documents, consents, or approvals pertinent to your filing.

### **If You Do Not Have Additional Information:**

#### **• Select "No":**

- If you have provided all the required information in the previous steps and have no extra details to add, you can confidently select "**No**" and proceed to the next step.

#### **• Proceed Without Attachments:**

- Most non-profit filings do not require additional attachments unless there are special circumstances.

### **If You Do Have Additional Information:**

#### **• Select "Yes":**

- If you have specific information or documents that need to be included.

#### **• Prepare Your Attachment:**

- Ensure it is in an acceptable format (PDF or TXT).
- Avoid using special characters in the file name.



- Double-check that the attachment does not contain sensitive personal information.

### **Recommendations for Your Situation**

Based on our previous discussions and assuming that:

- You have included all required information in the standard form.
- You have provided the necessary clauses, such as the dissolution clause, in earlier steps.
- There are no additional unique provisions or documents you need to include.

**You likely do not need to attach any additional information at this step.**

### **Action Steps:**

#### **1. Select "No":**

- Indicate that you do not need to attach additional information.

#### **2. Proceed to the Next Step:**

- Continue with the filing process.

### **Additional Tips**

#### **● Review Your Information:**

- Before proceeding, review the information you've entered to ensure completeness and accuracy.

#### **● Future Amendments:**

- If you later find that you need to add information, you can file an amendment to your Articles of Incorporation.

#### **● Record Keeping:**

- Keep copies of all documents and filings for your records.

### **When to Consider Professional Advice**

#### **● Complex Provisions:**

- If you're uncertain about specific provisions or whether additional clauses are necessary.

#### **● Legal Compliance:**

- To ensure full compliance with state and federal regulations, especially when planning to apply for 501(c)(3) status.

#### **● Unique Circumstances:**

- If your non-profit has unusual structures, purposes, or

operational plans.

### Summary

- **Step 6** is optional and typically does not require action unless you have specific additional information to include.
- **For your filing of Distribute Creatives:**
  - **Select "No"** for attaching additional information.
  - Proceed to **Step 7** of the filing process.

If you have any doubts or specific questions about what might need to be included, feel free to ask, and I'll be glad to provide further assistance!

### You said:

Nonprofit Corporation Distributed Creatives Delayed effective date -  
Step 7 of 11 \*Do you want this filing to take effect immediately? Yes No

ChatGPT

Certainly! You're now at **Step 7 of 11** in the filing process for your non-profit corporation, **Distribute Creatives**, focusing on the **Delayed Effective Date**.

### Understanding the Delayed Effective Date

#### Question:

*Do you want this filing to take effect immediately?*

- **Yes**
- **No**

#### Explanation:

- **Selecting "Yes":** Your filing will become effective **immediately upon processing** by the Colorado Secretary of State. This means your non-profit corporation will be officially formed as soon as the filing is accepted.
- **Selecting "No":** You can specify a **future date** on which you want your filing to become effective. This date can be up to **90**

**days** after the date of filing.

## Considerations for Choosing "Yes" or "No"

### Choosing "Yes" (Effective Immediately)

#### Advantages:

- **Immediate Operation:** Allows you to start conducting business, entering contracts, opening bank accounts, and performing other corporate activities right away.
- **Simplification:** Avoids the need to track a future effective date.
- **Timely Compliance:** If you have upcoming deadlines or events, forming the corporation immediately ensures you're compliant.

#### When to Choose "Yes":

- You're ready to **start operations immediately**.
- There's **no strategic advantage** to delaying the effective date.
- You have **pressing matters** that require the corporation to be formed now.

### Choosing "No" (Delayed Effective Date)

#### Advantages:

- **Planning Ahead:** Align the effective date with the start of a fiscal year, a significant event, or a strategic business timeline.
- **Preparation Time:** Provides additional time to organize resources, finalize plans, or complete prerequisites before officially starting.
- **Tax Considerations:** May align better with tax planning strategies (consult a tax professional if this is a consideration).

#### When to Choose "No":

- You prefer the corporation to become effective on a **specific future date**.
- You need time to **complete certain preparations** before the corporation is active.
- There are **strategic reasons** to delay the formation date.

## Recommendations for Your Situation

Based on your previous inputs about **Distribute Creatives**, here's what you might consider:

- **Select "Yes" (Effective Immediately) if:**
  - You're **ready to operate** and want to begin supporting artists right away.

- There's **no specific benefit** to delaying the effective date.
- You have **upcoming activities** that require the corporation to be legally established.
- **Select "No" (Delayed Effective Date) if:**
  - You need additional time for **planning or preparation**.
  - You want the corporation to become effective on a **significant date** (e.g., the first of the month, a meaningful anniversary).
  - There are **tax or legal considerations** that make a future date advantageous (consult a professional if unsure).

### Important Notes

- **Maximum Delay:** In Colorado, the delayed effective date cannot be more than **90 days** from the date of filing.
- **Irrevocability:** Once filed with a delayed effective date, it may not be possible to change it without additional filings.
- **Legal Status:** Until the effective date, the corporation **does not legally exist** and cannot conduct business as a corporate entity.

### Action Steps

1. **Decide on Your Preferred Effective Date:**
  - **Select "Yes"** if you want the corporation to be effective immediately.
  - **Select "No"** if you wish to specify a future effective date.
2. **If You Select "No":**
  - You will be prompted to **enter the desired effective date**.
  - Ensure the date is **within 90 days** of your filing.
  - **Double-check** the date for accuracy.
3. **Proceed to the Next Step:**
  - After making your selection, continue with the filing process.

### Example Scenarios

- **Scenario 1:** You're eager to launch **Distribute Creatives** and start your projects to support artists as soon as possible.
  - **Recommendation:** Select **"Yes"** to have the filing take effect immediately.
- **Scenario 2:** You plan to launch your organization at the beginning of the next month or after a significant event.

- **Recommendation:** Select "**No**" and specify the desired future effective date.

### Additional Considerations

- **Consult Professionals (Optional):**
  - If you're uncertain about the implications of your choice, consider consulting with a **legal or tax advisor**.
  - They can provide guidance tailored to your specific circumstances.
- **Record the Effective Date:**
  - Note the date your corporation becomes effective for your records and future compliance requirements.

### Summary

- **Selecting "Yes":** Your non-profit will be officially formed **immediately**, allowing you to commence operations without delay.
- **Selecting "No":** You'll set a **specific future date** for your non-profit to become official, which can be beneficial for strategic planning.

Based on your eagerness to support artists and move forward with your mission, you might find that selecting "**Yes**" is the best option. However, choose the option that aligns best with your organizational plans.

If you have any further questions or need assistance with the next steps, feel free to ask!

### You said:

Nonprofit Corporation Distributed Creatives Filer information - Step 8 of 11 Causing this document to be delivered to the Secretary of State for filing shall constitute the affirmation or acknowledgment of each individual causing such delivery, under penalties of perjury, that the document is the individual's act and deed, or that the individual in good faith believes the document is the act and deed of the person on whose behalf the individual is causing the document to be delivered for filing, taken in conformity with the requirements of part 3 of article 90 of title

7, C.R.S., and, if applicable, the constituent documents, and the organic statutes, and that the individual in good faith believes the facts stated in the document are true and the document complies with the requirements of that Part, the constituent documents, and the organic statutes. This perjury notice applies to each individual who causes this document to be delivered to the Secretary of State, whether or not such individual is named in the document as one who has caused it to be delivered. This means that you're promising under the law that you're acting in good faith and that the information you provided is true and correct. \*I have read and understood the perjury notice above. Enter the name and address of the individual filing this document. Same as an incorporator.

ChatGPT

Certainly! You're now at **Step 8 of 11** in the filing process for your non-profit corporation, **Distribute Creatives**. This step focuses on **Filer Information** and acknowledging the **Perjury Notice**.

### **Understanding Step 8: Filer Information and Perjury Notice**

#### **Perjury Notice Explanation**

The perjury notice is a legal statement that requires you to affirm that:

- **Good Faith:** You are acting in good faith.
- **Truthfulness:** The information provided in the document is true and correct to the best of your knowledge.
- **Compliance:** The document complies with all applicable laws and regulations.

By proceeding, you're acknowledging that you understand these obligations and that providing false information can have legal consequences, including penalties for perjury.

#### **Action Required:**

- **Check the Box:** *"I have read and understood the perjury notice above."*

#### **Filer Information**

You are then prompted to:

- **Enter the Name and Address of the Individual Filing this Document.**

- **Option:** *"Same as an incorporator."*

## **Steps to Complete This Section**

### **1. Acknowledge the Perjury Notice**

- **Check the Box:**
  - Confirm that you have read and understood the perjury notice by checking the box provided.
  - This is a mandatory step to proceed with the filing.

### **2. Determine Who is Filing the Document**

- **Who is the Filer?**
  - The filer is the individual who is submitting the Articles of Incorporation to the Colorado Secretary of State.
  - This person is responsible for ensuring the document is accurate and complete.
- **Options:**
  - **Same as an Incorporator:**
    - ◆ If you (or one of the incorporators) are filing the document, you can select *"Same as an incorporator."*
  - **Different Individual:**
    - ◆ If someone else is filing the document on behalf of the incorporators (e.g., an attorney or authorized representative), you will need to enter their name and address.

### **3. If You Select "Same as an Incorporator"**

- **Action Steps:**
  - **Select the Option:**
    - ◆ Check the box or select *"Same as an incorporator."*
  - **Verify Information:**
    - ◆ Ensure that the incorporator's name and address are correct and match the information previously provided.

### **4. If You Need to Enter Different Filer Information**

- **Action Steps:**
  - **Enter Name:**
    - ◆ Provide the full legal name of the individual filing the document.
  - **Enter Address:**
    - ◆ Provide the mailing address, including street address, city, state, and ZIP code.

- **Ensure Accuracy:**
  - ◆ Double-check all information for correctness.

## **Recommendations for Your Situation**

Based on our previous discussions:

- **You are one of the incorporators of Distribute Creatives.**
- **You are filing the document yourself.**

Therefore, you can:

- **Select "Same as an Incorporator":**
  - This simplifies the process by automatically using the information you've already provided.

## **Action Steps:**

- 1. Check the Box:**
  - *"I have read and understood the perjury notice above."*
- 2. Select "Same as an Incorporator":**
  - Check the option indicating that the filer is the same as an incorporator.
- 3. Proceed to Next Step:**
  - Continue with the filing process.

## **Additional Considerations**

### **Reviewing the Information**

- **Ensure Consistency:**
  - Verify that all the information about the incorporator (name and address) is accurate and consistent throughout the filing.
- **Multiple Incorporators:**
  - If there are multiple incorporators and you are selecting "Same as an incorporator," the system may prompt you to select which incorporator is the filer.
  - **Action:** Select your name from the list provided.

### **If Represented by Someone Else**

- **Attorney or Representative:**
  - If an attorney or another authorized individual is filing on your behalf, you would not select "Same as an incorporator."
  - **Action:** Enter the representative's name and address in the fields provided.



## Understanding Your Affirmation

By completing this step:

- **Legal Responsibility:**
  - You affirm that all information is true, correct, and compliant with Colorado laws and regulations.
- **Perjury Consequences:**
  - Providing false information knowingly can result in penalties, including charges of perjury.

## Summary

- **Step 1:** Check *"I have read and understood the perjury notice above."*
- **Step 2:** Select *"Same as an incorporator."*
  - If prompted, select your name from the list of incorporators.
- **Step 3:** Verify that your name and address are correct.
- **Step 4:** Proceed to the next step in the filing process.

## Next Steps in the Filing Process

After completing the filer information:

- **Review Your Filing:**
  - You'll likely have an opportunity to review all the information before submitting.
- **Payment:**
  - Be prepared to pay the filing fee (usually via credit/debit card).
- **Confirmation:**
  - Once submitted, you should receive a confirmation of your filing.

## Additional Resources

- **Colorado Secretary of State:**
  - For any questions or assistance, you can contact their office.
  - **Website:** <https://www.sos.state.co.us/>
  - **Business Filing FAQs:** <https://www.sos.state.co.us/pubs/business/businessHome.html>
- **Legal Advice:**
  - If you have concerns about the perjury notice or the

information you're providing, consider consulting with a legal professional.

### **Final Reminders**

- **Accuracy is Crucial:**
  - Double-check all entered information for errors before submission.
- **Record Keeping:**
  - Keep copies of all filings and confirmations for your records.
- **Ongoing Compliance:**
  - After incorporation, remember to fulfill any additional requirements, such as obtaining an EIN, applying for tax-exempt status, and filing annual reports.

If you have any further questions or need assistance with the subsequent steps, feel free to ask!

### **You said:**

Nonprofit Corporation Distributed Creatives Notifications - Step 9 of 11  
Our office can send email and text notifications to you about due dates and other events affecting this business record. Information about notifications. Our office doesn't send out reminders by mail and it's the entity's responsibility to file documents whether or not a notice is received. \*Do you want to sign up for email notifications? Your email address will not be sold or otherwise disclosed by our office, and will not appear on your filed document. Consider using a business email address that will remain accessible if you have changes in personnel. Yes. No, I don't want to sign up for email notifications, or I am already signed up for email notifications. \*Do you want to receive text notifications on your phone? Your cell phone number will not be sold or otherwise disclosed by our office, and will not appear on your filed document. By giving your number, you consent to receive notifications from our office. You can choose to stop receiving these texts at any time. You'll receive about 2-5 messages per year. Reply HELP for help, STOP to unsubscribe this phone number from future notifications. SMS terms | Privacy policy Message and data rates may apply. Yes. No, I don't want to sign up for text messages, or I am already subscribed to notifications.

ChatGPT

Certainly! You're now at **Step 9 of 11** in the filing process for your non-profit corporation, **Distribute Creatives**. This step focuses on **Notifications** from the Colorado Secretary of State's office.

## Understanding Step 9: Notifications

### Purpose of Notifications:

- The Colorado Secretary of State's office offers to send **email and text notifications** to keep you informed about important events related to your business record, such as:
  - **Due Dates:** Reminders for filing periodic reports or other required documents.
  - **Other Events:** Notifications about changes or updates that may affect your non-profit.

### Key Points:

- **No Mail Reminders:** The office does **not** send reminders by mail. It's the entity's responsibility to file documents on time, whether or not a notice is received.
- **Privacy Assurance:**
  - **Email Address:** Your email will not be sold or disclosed and will not appear on your filed documents.
  - **Cell Phone Number:** Your phone number will not be sold or disclosed and will not appear on your filed documents.
  - **Consent:** By providing your number, you consent to receive notifications. You can unsubscribe at any time.

## Options to Consider

### 1. Email Notifications

*Do you want to sign up for email notifications?*

- **Yes.**
- **No, I don't want to sign up for email notifications, or I am already signed up for email notifications.**

### Considerations:

- **Benefits of Email Notifications:**

- **Timely Reminders:** Helps ensure you don't miss important filing deadlines.
- **Record Keeping:** Emails can be easily saved and referenced later.
- **Convenience:** Receive notices directly to your email, which is likely checked regularly.
- **Recommendations:**
  - **Use a Business Email Address:** Consider using an email address that remains accessible even if there are personnel changes (e.g., **info@distributedcreatives.org**).

## 2. Text Notifications

*Do you want to receive text notifications on your phone?*

- **Yes.**
- **No, I don't want to sign up for text messages, or I am already subscribed to notifications.**

**Considerations:**

- **Benefits of Text Notifications:**
  - **Immediate Alerts:** Text messages can provide quick reminders, which may be helpful if you frequently check your phone.
  - **Limited Messages:** You'll receive about 2-5 messages per year.
  - **Opt-Out Options:** You can stop receiving texts at any time by replying "STOP."
- **Message and Data Rates:**
  - **Note:** Standard message and data rates may apply, depending on your mobile plan.

## Recommendations for Your Situation

Based on the importance of staying compliant and not missing any critical deadlines for your non-profit, it may be beneficial to **sign up for both email and text notifications**.

- **Sign Up for Email Notifications:**
  - **Action:** Select "**Yes**" to receive email notifications.
  - **Provide Email Address:** Enter a reliable email address that you check regularly.
- **Sign Up for Text Notifications:**
  - **Action:** Select "**Yes**" to receive text notifications.

- **Provide Cell Phone Number:** Enter a mobile number where you can receive texts.

## **Action Steps**

### **1. Decide on Email Notifications:**

- **If Yes:**
  - ◆ **Select "Yes."**
  - ◆ **Provide Email Address:**
    - ◇ Enter an email address you monitor regularly.
    - ◇ Preferably use a business email that remains consistent over time.
- **If No:**
  - ◆ **Select "No, I don't want to sign up for email notifications, or I am already signed up for email notifications."**

### **2. Decide on Text Notifications:**

- **If Yes:**
  - ◆ **Select "Yes."**
  - ◆ **Provide Cell Phone Number:**
    - ◇ Enter your mobile number.
    - ◇ Be aware of potential message and data rates.
- **If No:**
  - ◆ **Select "No, I don't want to sign up for text messages, or I am already subscribed to notifications."**

## **Additional Considerations**

- **Responsibility to File:**
  - Remember that it's ultimately your responsibility to file required documents on time, regardless of whether you receive notifications.
- **Changing Contact Information:**
  - If your contact information changes, ensure you update it with the Secretary of State's office to continue receiving notifications.
- **Personnel Changes:**
  - Using a general business email address can help maintain continuity if personnel change.

## Summary

- **Email Notifications:**
  - **Recommended:** Yes, to stay informed about important deadlines and events.
  - **Action:** Select "**Yes**" and provide a reliable email address.
- **Text Notifications:**
  - **Optional but Beneficial:** Yes, if you prefer immediate reminders via text.
  - **Action:** Select "**Yes**" and provide your mobile phone number.
- **Proceed to Next Step:**
  - After making your selections and providing the necessary information, continue to **Step 10** of the filing process.

## Final Notes

- **Privacy Assurance:**
  - Rest assured that your contact information will not be sold or disclosed publicly.
- **Unsubscribing:**
  - You can opt out of notifications at any time if you choose.

If you have any further questions or need assistance with the next steps, feel free to ask!

## You said:

Nonprofit Corporation Distributed Creatives Filing Review - Step 10 of 11  
You're not done yet - review your filing to make certain it's correct. Your filing is not complete until you receive payment confirmation from our office. Remember that this document will be available to the public. View the PDF form in a new window - this is what will be filed and placed on the record. Entity name Distributed Creatives Principal office address Street Address 1708 Hillside Rd Boulder, CO 80302 US Mailing Address 1708 Hillside Rd Boulder, CO 80302 US Registered agent Grigory Bilham Street Address 1708 Hillside Rd Boulder, CO 80302 US Mailing Address 1708 Hillside Rd Boulder, CO 80302 US Incorporators Grigory Bilham 1708 Hillside Rd Boulder, CO, 80302 US Voting members Nonprofit

corporation has voting members: No Distribution of assets Upon the dissolution of Distribute Creatives, after paying or making provision for the payment of all liabilities, all remaining assets shall be distributed exclusively for one or more exempt purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code. Specifically, such assets shall be distributed to one or more organizations that are organized and operated exclusively for charitable, educational, or scientific purposes and that at the time qualify as exempt organizations under Section 501(c)(3) of the Internal Revenue Code, or corresponding section of any future federal tax code. If no such organizations are available, assets shall be distributed to the federal government, or to a state or local government, for a public purpose. Any assets not so disposed of shall be disposed of by a court of competent jurisdiction in the county where the principal office of Distribute Creatives is located, exclusively for such exempt purposes. Additional information N/A Attachments N/A Delayed effective date The delayed effective date as stated in the document is 09/22/2024 12:00 PM. Filer information Grigory Bilham 1708 Hillside Rd Boulder, CO, 80302 US

ChatGPT

Certainly! You're now at **Step 10 of 11** in the filing process for your non-profit corporation, **Distribute Creatives**. This step is crucial because it allows you to **review all the information** before submitting your filing to the Colorado Secretary of State.

Let's go through each section to ensure everything is accurate and complete.

## 1. Entity Name

- **Name: Distributed Creatives**

**Note:** There appears to be a discrepancy with the entity name. In the header and throughout the document, it's listed as "**Distributed Creatives**", but in the **Distribution of Assets** clause, it's referred to as "**Distribute Creatives**".

- **Action Needed:** Ensure that the entity name is **consistent** throughout the document. Decide whether your organization's official name is "**Distributed Creatives**" or "**Distribute**

**Creatives"** and update all instances accordingly.

## **2. Principal Office Address**

- **Street Address:**

- 1708 Hillside Rd
- Boulder, CO 80302
- US

- **Mailing Address:**

- Same as above

**Note:** If this is your correct principal office and mailing address, no action is needed.

## **3. Registered Agent**

- **Name: Grigory Bilham**

- **Street Address:**

- 1708 Hillside Rd
- Boulder, CO 80302
- US

- **Mailing Address:**

- Same as above

**Note:** Confirm that the registered agent's name and address are accurate. The registered agent must have a physical address in Colorado.

## **4. Incorporators**

- **Name: Grigory Bilham**

- **Address:**

- 1708 Hillside Rd
- Boulder, CO 80302
- US

**Note:** Earlier, you mentioned that another person would be involved in creating the non-profit. If this person is also an incorporator, you should include their name and address here.

- **Action Needed (if applicable):** Add the additional incorporator's information to this section.

## **5. Voting Members**

- **Nonprofit corporation has voting members: No**



**Note:** This aligns with your earlier decision to have the board of directors handle governance matters.

## 6. Distribution of Assets

"Upon the dissolution of **Distribute Creatives**, after paying or making provision for the payment of all liabilities, all remaining assets shall be distributed exclusively for one or more exempt purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code. Specifically, such assets shall be distributed to one or more organizations that are organized and operated exclusively for charitable, educational, or scientific purposes and that at the time qualify as exempt organizations under Section 501(c)(3) of the Internal Revenue Code, or corresponding section of any future federal tax code. If no such organizations are available, assets shall be distributed to the federal government, or to a state or local government, for a public purpose. Any assets not so disposed of shall be disposed of by a court of competent jurisdiction in the county where the principal office of **Distribute Creatives** is located, exclusively for such exempt purposes."

**Note:**

- **Entity Name Consistency:** The entity name here is "**Distribute Creatives**", whereas elsewhere it's "**Distributed Creatives**".
- **Action Needed:** Update the entity name for consistency.

## 7. Additional Information

- N/A

**Note:** Since you have no additional information to include, this is acceptable.

## 8. Attachments

- N/A

**Note:** No attachments are included, which is fine if none are required.

## 9. Delayed Effective Date

- **\*\*The delayed effective date as stated in the document is 09/22/2024 12:00 PM.**

**Note:**

- **Date Check:** Today's date is **September 22, 2024**. Setting the delayed effective date to the current date and time may not be

necessary.

- **Action Needed:** If you intended for the filing to take effect **immediately**, you might need to go back and select "**Yes**" to the question *"Do you want this filing to take effect immediately?"* This would remove the delayed effective date.
- **Alternatively**, if you want the effective date to be **later than today**, ensure that the date is correctly entered.

## 10. Filer Information

- **Name: Grigory Bilham**
- **Address:**
  - 1708 Hillside Rd
  - Boulder, CO 80302
  - US

**Note:** This information appears correct if you are the individual filing the document.

## Summary of Action Items

### 1. Entity Name Consistency:

- **Decide on the Correct Name:** Confirm whether your non-profit's official name is "**Distributed Creatives**" or "**Distribute Creatives**".
- **Update All Instances:** Ensure the chosen name is used consistently throughout the entire document, including the **Distribution of Assets** clause.

### 2. Incorporators:

- **Add Additional Incorporators (if applicable):** If another person is also an incorporator, include their full name and address in the **Incorporators** section.

### 3. Delayed Effective Date:

- **Effective Immediately:** If you want the filing to take effect immediately, return to **Step 7** and select "**Yes**" for the question about immediate effectiveness.
- **Correct the Date:** If you intended to have a delayed effective date, ensure that the date is set correctly and is within 90 days of the filing date.

## Next Steps

### 1. Make Corrections:

- **Return to the relevant steps** in the online filing system to make the necessary changes.
- **Double-check** all entries for accuracy after making corrections.

### 2. Final Review:

- **Generate a new PDF preview** of the filing document to verify that all changes have been applied.
- **Carefully read through** the entire document one more time to ensure everything is correct.

### 3. Proceed to Submission:

- Once all information is accurate and complete, proceed to **Step 11**, where you will **submit your filing** and **pay the required fee**.

## Additional Tips

- **Save a Copy:** Before submitting, save a copy of the final version of your filing for your records.
- **Print Confirmation:** After submission, print or save the confirmation receipt provided by the Secretary of State's office.
- **Monitor for Communication:** Keep an eye on your email for any correspondence from the Secretary of State regarding your filing.

## If You Need Further Assistance

- **Contact the Colorado Secretary of State's Office:**
  - **Phone:** (303) 894-2200
  - **Website:** <https://www.sos.state.co.us/>
- **Consult a Professional:**
  - If you're unsure about any part of the filing or need legal advice, consider consulting with an attorney experienced in non-profit law.

By ensuring all information is accurate and consistent, you'll help facilitate a smooth filing process for your non-profit corporation. If you

have any more questions or need further assistance, feel free to ask!

You have 5 responses from o1-preview remaining.

If you hit the limit, responses will switch to another model until it resets September 23, 2024.

ChatGPT can make mistakes. Check important info.