

Reference Guide - Non-Profit Organizations

The process to register a non-profit organization in PA varies based on several factors. To ensure you complete the basic steps to register your organization, you should create a [Entity Registration Checklist](#). After answering a series of questions, you will be provided a step-by-step guide. Complete each step and you will be on your way to operating.

Beyond the basic registration steps as determined by the checklist, there is no general license that all Pennsylvania non-profits are required to obtain. Instead, there might be a specific license based on your organization's activity. Continue reading below for specific requirements associated with your organization.

A non-profit organization should consider the following items:

1. **Federal Tax-Exempt Status (501c):** Registering as a non-profit organization does not automatically make the organization a charity. Non-profit organizations that wish to be a charity must complete the necessary registration through the IRS to obtain [charitable status](#). Obtaining charitable status allows the organization to solicit tax-deductible donations as well as obtain other tax-exempt benefits.

To qualify as exempt from federal income tax, a nonprofit corporation must meet the requirements set forth in the [Internal Revenue Code](#). Non-profit organizations that intend to apply for federal tax-exempt status will need to expand their formation documents to include language required by the IRS, per [Publication 557](#). Although exempt from income taxation, non-profit organizations, in general, are required to file [Federal Form 990](#) to report their income and expenses to the IRS.

2. **Receiving Donations:** Charities that solicit donations in PA must abide by the state's charitable solicitation law by completing [BCO-10BCO-10BCO-10](#) to register with the PA Department of State, unless they are excluded or exempted for the act. For additional information on excluded or exempt organizations in PA, refer to DOS's [Exclusions and Exemptions Chart](#). Charities who are not excluded or exempted must renew their registration yearly. The due date for the renewal is based on the charities [fiscal year end date](#). Renewals can be submitted electronically through the Department of State's [Charities System](#). For more information about the requirements under the charitable solicitation law review the Department of State's [website](#).
3. **Sales Tax Exemptions:** Charities can obtain sales tax-exempt status for sales tax-exempt purchases of goods and services used within the operations of the charity. This means they won't pay sales tax on otherwise taxable items that they purchase for use within the charity. To obtain sales tax-exempt status with the PA Department of Revenue, the charity should complete REV-72, [Application for Tax Exempt Status](#). Sales tax exemption numbers from other states are not recognized in PA.
4. **State Tax Accounts:** All non-profit organizations and charities, regardless of registration with the Department of State, should obtain any necessary state tax accounts, such as sales tax and employer accounts. You can learn more about what is, and is not, subject to PA sales tax by referring to the Department of Revenue's [Retailer's Information Guide](#). You can obtain state tax accounts by completing an online business tax registration in the Department of Revenue's [myPATH](#) system. For assistance with registering in myPATH, refer to the [Apply for State Business Taxes](#) help guide and/or the [Obtaining State Tax Accounts](#) video tutorial. There is no fee to submit your application.

Besides the items mentioned above, there are no other requirements for non-profit organizations.

After completing any requirements as determined by reviewing the items above, your organization should be ready to begin operating.