

## ***Leaving the ELCA Procedural Advice***

**Provided by St Paul's Lutheran Church, Maumee, OH**

### **Non Profit Status**

This is a word of caution for those churches considering leaving the ELCA. Make sure you know and understand the provisions of your tax exempt status prior to taking your final vote. Most churches do not carry their own 501(c)(3) status, but rather are covered by the blanket status of their governing church body (ELCA).

If this scenario applies to your church, and you vote to leave the ELCA without immediately affiliating with another governing body offering a 501(c)(3) blanket, you will no longer be considered a tax exempt organization.

Your other alternative to affiliating with another governing body such as LCMC is to become your own 501(c)(3) Nonprofit organization.

### **How to apply for tax-exempt status for your nonprofit.**

Even after you've incorporated, obtaining federal tax-exempt status is a critical step in forming a nonprofit organization. Most of the real benefits of being a nonprofit flow from your 501(c)(3) tax-exempt status, such as the tax-deductibility of donations, access to grant money, and income and property tax exemptions. (For general information on forming a nonprofit corporation, read Nolo's article [How to Form a 501\(c\)\(3\) Nonprofit Corporation.](#))

To apply for tax-exempt status, you must complete IRS Form 1023, *Application for Recognition of Exemption Under Section 501(c)(3) of the Internal Revenue Code*. Completing this form can be a daunting task because of the legal and tax technicalities you'll need to understand.

You can obtain a copy of Form 1023 from the IRS website at [www.irs.gov](http://www.irs.gov) or by calling 800-TAX-FORM.