

# Checklist for Launching a County Taxpayers Association

## I. Initial Vision & Gathering Support

- \_\_\_\_\_ Define Mission and Focus: Establish that your organization will advocate for clear budgets, fair appraisals, and accountable local government, specifically focusing on transparency, education, and fiscal accountability. While initially focusing on property tax reform, prepare for potential expansion to other forms of taxation [Query].
- \_\_\_\_\_ Confirm Non-Partisan Approach: The Texans vs Taxes initiative explicitly supports nonpartisan, locally focused civic work. Ensure your group adheres to this principle.
- \_\_\_\_\_ Gather Organizers: Recruit 3–7 organizers to help establish the association.
- \_\_\_\_\_ Schedule an Organizing Meeting: Use a provided minutes template to document your initial organizing meeting.

## II. Core Foundational Documents & Initial Setup

- \_\_\_\_\_ File Certificate of Formation (Form 202) with the Texas Secretary of State (SOS): This is the first official step to create your legal entity as a Texas nonprofit corporation.
- \_\_\_\_\_ Adopt Bylaws: This is the next critical step after filing the Certificate of Formation. Bylaws serve as the organization's internal rulebook, defining its governance and operation. Templates for both Form 202 and bylaws are available.
- \_\_\_\_\_ Request an Employer Identification Number (EIN): Obtain an EIN for your newly formed corporation.
- \_\_\_\_\_ Open a Dedicated Bank Account: Establish a bank account for the association with simple dual-control rules.

## III. Detailed Requirements for Certificate of Formation (Form 202)

- \_\_\_\_\_ Article 1 – Entity Name and Type: Choose a unique name that is distinguishable from other entities on file with the SOS. Perform a name availability search on the Texas Secretary of State's official portal. Ensure the name does not falsely imply affiliation with a governmental entity.
- \_\_\_\_\_ Article 2 – Registered Agent and Registered Office: Designate a Registered Agent (individual resident of Texas or organization registered in Texas). The association cannot act as its own agent. Designate a Registered Office (a physical street address in Texas).
- \_\_\_\_\_ Article 3 – Management: Management is vested in a Board of Directors. List at least three initial directors. Directors must be natural persons. Alternatively, if managed by members, explicitly state this.
- \_\_\_\_\_ Article 4 – Membership: State whether the corporation 'shall have members' or 'will have no members'.
- \_\_\_\_\_ Article 5 – Purpose: Provide a specific purpose statement for the corporation, crucial for tax-exempt status. Example: 'The corporation is organized for charitable and educational purposes, including promoting civic engagement, educating the public on matters of local taxation and government spending, and advocating for fiscally responsible policies within [County Name], Texas.'
- \_\_\_\_\_ Initial Mailing Address: Provide an address (street or P.O. box) for the Texas Comptroller.
- \_\_\_\_\_ Supplemental Provisions/Information: Include dissolution clause and other tax-exempt provisions.
- \_\_\_\_\_ Organizer: List the name and address of the organizer.
- \_\_\_\_\_ Effectiveness of Filing: Choose effective date or event.
- \_\_\_\_\_ Execution: Organizer signs and dates form (no notarization).

- \_\_\_\_\_ Filing and Fees: Filing fee is \$25. Submit in duplicate by mail, courier, or electronically.

#### IV. Detailed Requirements for Bylaws

- \_\_\_\_\_ Governing Law and Conflicts: Acknowledge bylaws are subject to Texas Non-Profit Corporation Act and Certificate of Formation.
- \_\_\_\_\_ Purposes (Article I): Define nonprofit purpose, fiscal responsibility advocacy, prohibition on profit-sharing, ability to influence legislation but not campaigns.
- \_\_\_\_\_ Board of Directors (Article II): Powers, qualifications, number ( $\geq 3$ ), terms (2 years), election, meetings.
- \_\_\_\_\_ Officers (Article III): Required officers, terms (1 year), election, duties.
- \_\_\_\_\_ Members (Article IV): Eligibility (county residents  $\geq 18$ ), enrollment (financial contribution), rights, annual meeting requirements.
- \_\_\_\_\_ Committees (Article V): Establish standing committees, policy committees, and special-purpose committees.
- \_\_\_\_\_ Executive Director (Article VI - Optional): Possibility of hiring an ED by majority vote.
- \_\_\_\_\_ Indemnification (Article VII): Provide indemnification insurance and protections for directors/officers.
- \_\_\_\_\_ Operations (Article VIII): Execution of documents, disbursement rules, recordkeeping, fiscal year, Robert's Rules.
- \_\_\_\_\_ Amendment (Article IX): Procedures for amending Certificate of Formation and Bylaws.

#### V. Post-Formation & Ongoing Operations

- \_\_\_\_\_ Seek Tax-Exempt Status: Apply for state/federal exemptions (501(c)(4) or 501(c)(3)). Consult professionals.
- \_\_\_\_\_ Funding Operations: Member dues, donations, sponsorships. Publish annual summary.
- \_\_\_\_\_ Pick Measurable Projects: Start with 1–2 measurable projects.
- \_\_\_\_\_ Publish Goals and Meeting Dates: Make objectives and schedule public.
- \_\_\_\_\_ Maintain Registered Agent and Office: Ensure ongoing compliance.
- \_\_\_\_\_ Periodic Reports: SOS may require periodic reports. Failure to file can lead to termination.
- \_\_\_\_\_ Record Keeping and Public Inspection: Maintain accurate records, make available for inspection. Failure is a misdemeanor.
- \_\_\_\_\_ Share Wins and Lessons: Communicate successes with other counties.