

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 (≥ 3), terms (2 years), election, meetings.
- _____ Officers (Article III): Required officers, terms (1 year), election, duties.
- _____ Members (Article IV): Eligibility (county residents ≥ 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.