

Nonprofit Law Section

State Bar of Montana

GUIDE FOR NONPROFIT ORGANIZATIONS

Inspection of Corporate Documents

Tax-exempt organizations are required to comply with document disclosure obligations imposed by both federal and state laws. This guide summarizes the basic requirements of these laws, but is not intended as a substitute for legal advice.

1. Disclosure to the General Public. Tax-exempt organizations are required by federal law¹ to make available for public inspection copies of the following documents:

- a. Its application for recognition of exemption (usually IRS Form 1023 or Form 1024), any supporting materials submitted along with the application, and any IRS documents issued with respect to the application (essentially, any and all documents exchanged during the application process); and
- b. The organization's three most recent annual information returns, such as Form 990, along with all schedules and supporting documentation filed with the return.

These documents must be made available during regular business hours at the office(s) of the organization. The organization must furnish copies of the documents for no charge other than reasonable copying fees and actual postage costs. In-person inspection requests generally must be satisfied immediately, and written requests must be satisfied within 30 days. However, organizations often choose to avoid the copying requirements (although not the public inspection requirements) by making the documents "widely available," meaning that the documents are freely available online (posted on a web page the organization maintains or in a database of such documents maintained by a third party, such as GuideStar²).

2. Disclosure to Members. Montana law obligates nonprofit organizations to provide a number of different types of corporate documents to members of the organization.³ Thus, nonprofit organizations with no members do not have these obligations. These documents include, but are not limited to:

- a. Articles of incorporation, bylaws, as well as any amendments or restatements to these documents currently in effect;
- b. All resolutions adopted by the board of directors relating to characteristics, qualifications, rights, limitations and obligations of members or any type of members;
- c. Minutes of all meetings of members and records of all actions approved by the members, for the past three years;
- d. Basic financial statements showing the organizations' assets and liabilities;
- e. Names and addresses of current directors and officers; and
- f. The organization's most recent annual report delivered to the secretary of state.

¹ Internal Revenue Code § 6104(d); see also Treas. Reg. §§ 301.6104(d)-1 through 301.6104(d)-3.

² See <http://www.guidestar.org/>.

³ See Montana Code Annotated § 35-2-906 et seq.

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NOTICE: THIS GUIDE IS NOT LEGAL ADVICE

This guide has been prepared as a public service and for general information purposes only. The information in this guide is not legal advice. Legal advice is dependent upon the specific facts and circumstances of each situation. Furthermore, the information contained in this guide is not guaranteed to be up to date. This guide should not be used as a substitute for obtaining legal advice from an attorney licensed or authorized to practice in your jurisdiction. You should always consult a suitably qualified attorney regarding any specific legal problem or matter.