

 **What are the Requirements for Exemption under Section 501(c) (3)?**

To be tax-exempt under section 501(c) (3) of the Internal Revenue Code, an organization must be [organized](http://www.irs.gov/Charities-%26-Non-Profits/Charitable-Organizations/Organizational-Test-Internal-Revenue-Code-Section-501%28c%29%283%29) and [operated](http://www.irs.gov/Charities-%26-Non-Profits/Charitable-Organizations/Operational-Test---Internal-Revenue-Code-Section-501%28c%29%283%29) exclusively for the following purposes:

* Religious
* Charitable
* Scientific
* Testing for Public Safety
* Literary or educational
* To Foster National or International Amateur sport competition
* Prevention to cruelty for children or animals

Also the organization must not be organized or operated for the benefit of private interests such as the creator or the creator’s family, shareholders of the organization, other designated individuals, or persons controlled directly or indirectly by such private interests.

In addition, it may not be an [action organization](http://www.irs.gov/Charities-%26-Non-Profits/Charitable-Organizations/Political-and-Lobbying-Activities)*.* It may not attempt to influence legislation as a substantial part of its activities and it may not participate in any campaign activity for or against political candidates. Please visit the IRS website to get more information about the exemption requirements at [http://www.irs.gov/Charities-&-Non-Profits/Charitable-Organizations/Exemption-Requirements---Section-501%28c%29%283%29-Organizations](http://www.irs.gov/Charities-%26-Non-Profits/Charitable-Organizations/Exemption-Requirements---Section-501%28c%29%283%29-Organizations)