

Nonprofit Organization Recognition Eligibility & Support Documents

Nonprofit (NP) organizations is a not-for-profit corporation. Non-Profit organizations are usually charitable entities and are exempt from paying Federal income taxes.

Nonprofit organizations recognized by the Office of Small Business and DVBE Services (OSDS) are eligible for benefits under the state's Prompt Payment Act. This includes processing invoice payments in a timely manner.

To qualify for Recognition, NPs must:

- Be a formed tax exempt corporation registered with the California Secretary of State.
- File Articles of Incorporation and/or Corporate Bylaws with the California Secretary of State.
- File a 'Return of Organization Exempt from Income Tax' (Form 990) with the Internal Revenue Service.

Additional considerations:

- Non-profit organization are **not** eligible for [small business certification](#) because the applicant business must be a *for-profit* business and owned by one or more individuals and/or businesses.
- Non-profit organizations are **not** eligible for [DVBE certification](#) because the applicant business must be at least 51 percent owned by one or more disabled veterans.

NONPROFIT RECOGNITION SUPPORT DOCUMENT REQUIREMENTS

1. First time applicants must provide:

- Internal Revenue Service (IRS) official documentation verifying the firm's Federal Employer Identification Number (FEIN)

2. All NP applicants must provide:

- A completed "Nonprofit Recognition Application"
- Entire, signed Federal Tax Form 990-Return of Organization Exempt from Income Tax Form (for the most recently completed tax year.)

3. Applicants formed less than 1 year ago must provide:

- Articles of Incorporation as filed with the California Secretary of State (*Applicable if Tax Form 990 is unavailable.)

If you have any questions regarding the NP Recognition eligibility requirements and support documents, please contact OSDS at Certification@dgs.ca.gov or (916) 375- 4940.