



ASK *the experts*

Can You Move Your Nonprofit Across State Lines?

How easy is it to move your nonprofit organization to a new state?

Q:

I am thinking of starting a nonprofit to expand my current enterprise in entomology education for lay audiences. My major concern is in the “portability” of a nonprofit.

My understanding is that a nonprofit’s tax-exempt status is a federal concern but the corporate structure is determined on a state-by-state basis. If so, how portable is a nonprofit organization? I am hoping to leave Cincinnati and relocate to Arizona or New Mexico. The trouble is that I am a temporary worker, freelance writer and illustrator, and entomology educator, all of which don’t let me save enough money to move, let alone make necessary purchases to build my businesses.

I look forward to learning what my options are. Thank you for your help.

*Eric R. Eaton
Cincinnati, Ohio*

As a member of the Society for Nonprofit Organizations, you are invited to send in, every month, one question which you or your organization would like answered. You will receive a written response from one of our panel of experts—professionals located throughout the country. Selected questions and answers will be published in each issue of *Nonprofit World*. If you prefer that your question appear anonymously, please let us know. Send questions to: Ask the Experts, *Nonprofit World*, 6314 Odana Rd., Suite 1, Madison, WI. 53719. Include your name, address, phone number, and Society membership number.

A:

Yes, you would incorporate in a state and be subject to that state’s regulations concerning nonprofit reporting. However, nonprofit organizations are very portable. You could move

the organization to another state but would have to have a registered agent in the state in which you incorporated. That person and address would receive official mailings, etc.

If you are raising funds from the public, you will want to register your organization with the Secretary of State

or the Department of Regulation for your new state. For more guidelines on starting a nonprofit organization, an excellent reference is the newly revised and expanded *Nonprofit Organization Start-Up Kit* (to order, see page 26). Best of luck!