

PACs and Incorporation: Fact Sheet

	Unincorporated PAC	Incorporated PAC
Articles of Incorporation (part 1 of 3)	None	Filed with the Secretary of State's office.
Bylaws (part 2 of 3)	Accountable to Parent's Bylaws. Parent's bylaws may be updated to provide for a PAC.	Filed with the Secretary of State's office. PAC is accountable own bylaws. May be identical to Parent's, or designed to complement Parent's Bylaws.
Board of Directors (part 3 of 3)	None.	Filed with the Secretary of State's office. May be unique to PAC or Identical to Parent.
Church Membership	Members of the Parent Church as allowed or disallowed in bylaws.	PAC may choose whether or not to have voting members. (Not recommended until PAC has transitioned to General Council Affiliation.)
Bank Account	PAC must use Parent Church's bank account unless other permanent arrangements are made. (Such as a nonprofit LLC) Income from the PAC could be held in the Parent Church's accounting system in a designated account.	May have separate bank account in the name of the PAC's Non-profit corporation.
Income/Donations/Bill payment	Taken/paid in the name of the Parent Church.	Taken/paid in the name of the PAC's Non-profit or the Parent Church.
Giving Credit/Tax deductible donations – end of year receipting (part 1 of 2 - IRS)	Parent Church responsible.	PAC responsible for receipting if donations were received to their Bank account.
Employment & employment taxes (part 2 of 2 – IRS)	Parent Church responsible. (Reported under Parent EIN)	PAC or Parent Church can be responsible. (Reported under PAC or Parent EIN)
Purchase of Real Property	Parent Church must hold deed and title.	PAC or Parent Church can hold deed and title.