

## EASY STEPS TO OPEN A BANK ACCOUNT FOR NA GROUP

One of the biggest challenges for NA groups/areas is maintaining a bank account so that checks can be written to pay for meeting rental space, supplies, make contributions, etc. If a trusted servant uses their Social Security Number to open the bank account and then relapses, dies, or moves without returning the funds, the group/area loses access to the funds. Also, this adds additional burdens to a service position during transition forcing a new checking account to be opened every time a new trusted servant steps in to do the service plus commingling NA funds creates a host of additional problems. It is well documented a NA bulletin that membership checking accounts should not use personal SSN. It is strongly recommended that NA groups/areas use a EIN number to open any NA related bank/checking accounts. Here is a step-by-step process that is recommend.

- I. Obtain an Employer Identification Number (EIN) for the group. This sounds scary but it is easy to do. See below.
- II. Have a group business meeting to designate two or three individuals as authorized signatures on the new account. Document this group decision as business meeting notes and have the secretary sign it.
- III. Take the IRS info (#1) and the business meeting notes (#2) to the bank and open a new account.

### Step I - Obtain an Employer Tax ID (EIN) Number

The easiest way to obtain an EIN is by applying online:

1. Access the IRS Online Assistant by going to [www.irs.gov](http://www.irs.gov), entering "EIN" in the "Search" box on the upper right of the screen.
2. When the search results come up, under the Employer Identification Number box, click on: "Apply for an Employer Identification Number (EIN) Online."
3. On the next page, scroll below Steps 1, 2, and 3 and click on "APPLY ONLINE NOW".
4. On the next screen, click on the "Begin Application" button.
5. On the next screen, scroll down the list and click on "View Additional Types, Including Tax-Exempt and Governmental Organizations". Click Continue.
6. On the next screen, click on "Community or Volunteer Group". Click Continue.
7. On the next screen, click Continue.
8. This takes you to the "Responsible Party" screen. This requires entry of a group member's name and SSN. This can be any member of the group (does not have to be the treasurer, etc.). After entry of SSN, you have a choice of clicking "I am a member of the group...", or "I am a third party applying ....". I recommend you choose "I am a member...". Click Continue.
9. On the next screen, enter the address info for the individual. Has to be a physical address Click continue.
10. On the next screen, enter the name of the group, county, State and month/year group started. The month/year info is not critical info. Suggest you
11. On the next screen, "Tell us More about the Community or Volunteer Group", click No for each question.
12. On the next screen, "What does your Business or Organization Do?", click **OTHER** at the bottom.
13. On the next screen, click Other at the bottom and enter **"Self Help"**
14. On the next screen, "How would You Like to Receive your Confirmation Letter?"  
click "Receive Letter Online" and Continue
15. The next screen will show you a summary of your entries. If everything is OK, click Submit at the bottom.
16. In a few minutes, you will have access to a PDF document that provides your official IRS EIN number for the group. Print out a copy of this info to take to the bank to open the new checking account.

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Active service members should seek their own legal counsel regarding risks doing volunteer work for NA. One suggested solution may be purchasing an umbrella policy to protect one's individual assets from litigation arising from NA or KANA service activities. **"Step II - Business Meeting**

As noted above, have a business meeting, select designated members for signature on the account, document it with a letter and have the secretary sign it.

### **Step III - Opening a Bank Account**

In order for a group to open a bank account as a group entity (not under the name of the treasurer), the bank will usually require at least four things:

- A minimum balance.
- A copy of the group minutes of your business meeting that includes the name of your organization.
- A list of all officers of the organization and anyone else who may be a cosigner on the account, including some form of ID such as driver's license and Social Security Number on each person. I suggest you have at least two co-signers on the account. So they need to be present at the bank with their ID info.
- A copy of your new IRS EIN statement that shows the Tax ID Number for the organization.

### **Financial Legalities and Concerns**

Once you get your EIN, you are responsible for all legal and illegal use of the number. Following certain guidelines will help avoid problems:

- Number should not be "loaned" or otherwise used by any other group, or person.
- Maintain accurate records and paper trail. Examples may include minutes of business meetings, any changes in officers, and financial records including receipts.
- If you change your address after you receive your EIN you must notify the IRS of the new address — use Form 8822, "Change of Address."
- If the group should ever close, the group officers need to cancel their Tax ID Number/EIN with IRS by written notice when the bank account closes.
- Active service members should seek their own legal counsel regarding risks doing volunteer work for NA. One suggested solution may be purchasing an umbrella policy to protect one's individual assets if litigation arising from NA service activities."