

**BYLAWS
of
CALIFORNIA SOCIETY OF TAX CONSULTANTS, INC.**

**ARTICLE 1
NAME, PRINCIPAL OFFICE, ORGANIZATION AND FISCAL YEAR**

- 1.01 Name.** The name of this organization shall be California Society of Tax Consultants, Inc., hereinafter referred to as CSTC and/or Society.
- 1.02 Principal Office.** The principal office of the Society is located in the State of California at a location determined by the Society Board of Directors.
- 1.03 Organization.** The Society is a California non-profit mutual benefit corporation consisting of Chapters authorized by the Society Board of Directors. The Society is organized under the tax-exempt rules of IRC 501(c) (6). Chapters may be grouped geographically into Districts if the objectives of the Society are better served. All Chapter property, including bank accounts, is property of the Society.
- 1.04 Fiscal Year.** The fiscal year of the Society shall be July 1 through June 30

**ARTICLE 2
MEMBERSHIP**

- 2.01 Eligibility for Membership.** There shall be six (6) classes of membership:
- a) **Active.** Individuals actively engaged in the field of tax preparation and consultation, or accounting as defined:
 - in Treasury Circular 230, or
 - by State Regulatory authority, or
 - by California Tax Education Council, or
 - by the Accreditation Council for Accounting & Taxation, or
 - by possessing an associate or baccalaureate degree with a minimum of 24 semester hours in accounting, or
 - by having a minimum of 5 years bookkeeping experience in public practice.
 - b) **Student.** Individuals enrolled in a tax or accounting class/program but not actively engaged in the profession of tax preparation or accounting. Student members shall have all the privileges and responsibilities of membership except that of voting and holding office.
 - c) **Inactive.** Individuals who are no longer active in the field of tax preparation or accounting, for compensation during the membership year. Inactive members shall have all the privileges and responsibilities of membership except voting and holding office.
 - d) **Honorary.** Non-members who have performed outstanding service to the organization. These include, but are not limited to individuals who are educators, government employees, officers and employed accountants of banks and financial institutions.

Honorary members shall have all the privileges and responsibilities of membership except that of voting, holding office and paying dues.

- e) **Associate.** Any Individuals not eligible for one of the other classes of membership who wish to gain knowledge of tax and accounting matters. Associate members shall have all the privileges and responsibilities of membership except that of voting and holding office.
- f) **Member Emeritus.** Members who have performed outstanding service to the organization. Members Emeritus shall have all the privileges and responsibilities of membership except that of paying dues.

2.02 Requirements of Membership. Each member of the Society will be bound by these Bylaws, by the lawful actions of the Board or the voting members of the Society, by the Society Code of Ethics and:

- a) Members who qualify under Treasury Circular 230, or who are licensed by a state regulatory authority, or who are registered with the California Tax Education Council shall fulfill all requirements applicable to the member, including their requirements for education. Members not subject to the provisions of a State Regulatory authority or to the rules of Treasury Circular 230 shall complete an annual minimum of 20 hours of approved tax or accounting education.
- b) Each member shall pay dues as set forth by the Society Board of Directors.

2.03 Disciplinary Action. Members are subject to discipline, which may include warning, suspension or termination of membership.

- a) Actions, which may result in disciplinary action, include but are not limited to, the following:
 - 1) Member violation of any provision of the Society Bylaws, Code of Ethics, Treasury Circular 230 or educational requirements and statutes regulating tax preparers and non-profit corporations.
 - 2) Member conviction of a felony or misdemeanor involving moral turpitude.
 - 3) Members presentation of the official position of the Society without prior approval of the Society Board of Directors.
 - 4) Determination by the Board of Directors or Trial Board that a member is guilty of any act to discredit the tax profession.
- b) Actions against a member under this section shall be processed in accordance with the Policies and Procedures adopted by the Society Board of Directors.

2.04 Termination of Membership. A membership shall terminate whenever any of the following events have occurred:

- a) Resignation of member.
- b) Expiration of the period of membership unless the membership is renewed on terms fixed by the Board.
- c) A member failed to satisfy the requirements of membership.

- d) The Society Board of Directors decides that disciplinary action should be termination of membership.

ARTICLE 3 DUES

3.01 Annual Dues. Annual dues for all classes of Members shall be set by the Society Board of Directors.

3.02 Payment of Dues. Membership dues are due and payable on the anniversary date of the member's enrollment each year.

3.03 Dues Split. A percentage (split) of dues received may be shared with each chapter as set forth by the Society Board of Directors. Dues of Inactive members will not be shared with the chapters.

ARTICLE 4 OFFICERS

4.01 Officers.

a) **Society.** The officers of the Society shall consist of a President, First Vice President, Second Vice President, Secretary and Treasurer. All officers must have been Active members in good standing for not less than two (2) years prior to their election and must remain in good standing to continue in their office. These officers shall perform the duties prescribed by these Bylaws, by the parliamentary authority adopted by the Society and by Policies and Procedures set forth by the Board of Directors.

b) **Chapter.** The officers of the chapter shall consist of a President, First Vice President, Secretary and Treasurer, and a second Vice President if the chapter so wishes. All must be members in good standing prior to their election and must remain in good standing to continue in their office. These officers shall perform the duties prescribed in their Chapter Handbook or by the parliamentary authority adopted by the Society.

4.02 Term of Office. All officers shall be elected for a one-year term. Officers may serve no more than 2 consecutive terms in the office to which they are elected, unless those offices cannot be filled by election or appointment. A term of office shall begin on July 1 of the calendar year following the election.

4.03 Society Treasurer. The Society Treasurer shall serve as the CFO of the Society and shall be responsible for the supervision of all financial activities of the Society and shall be a signer on all bank accounts. The treasurer of the Society may not concurrently be serving as a Chapter Treasurer.

ARTICLE 5 BOARD OF DIRECTORS

5.01 Executive Board.

- a) **Composition.** The Executive Board shall consist of the following:
 - 1. Society: President, First Vice President, Second Vice President, Secretary, Treasurer, Past President. The Executive Director shall be an ex-officio member.
- b) **Duties and Responsibilities:** The Executive Committee is authorized to act in place of the board when necessary. Such action shall be ratified by the Board of Directors no later than the next regularly scheduled board meeting.

5.02 Board of Directors.

- a) **Composition.** The Board of Directors shall consist of the elected officers, past President, the Regional Directors, and such advisory positions as the board deems appropriate. No one person shall be able to serve simultaneously as both an Officer and a Regional Director.
- b) **Directors:**
 - 1. Two (2) Regional Directors shall be elected by the members of each Region.
- c) **Duties and Responsibilities.**
 - 1. The Board of Directors shall be the governing body of the Society and Chapters and shall define, delegate, and monitor the organization's work. The Board of Directors shall establish and promulgate a Code of Ethics and Policy and Procedures to implement these bylaws.

ARTICLE 6 MEETINGS

6.01 Annual Meeting. The Society Annual Meeting shall be held at the Summer Symposium. The purpose of the meeting shall be to receive a report of the activities of the current year and to install the incoming officers. The meeting shall be conducted by the current President. A quorum for this meeting is two percent (2%) of the membership.

6.02 Special Meetings. Notification of the special Board meetings shall contain the names(s) of the party(ies) calling the meeting, the date, time, place and the purpose of the meeting, and be electronically (e-mail or fax) transmitted to all Board members at least seven (7) business days prior to the meeting. Board members must acknowledge receipt of the notice.

6.03 Board Meetings.

a) **Executive Board.** At the discretion of the President, meetings of the Executive Board shall be held prior to the Board of Directors Meeting or at any other time so specified by the President. Special meetings of the Executive Board may be called by the President, and shall be called upon written request of three members of the Executive Board.

b). **Board of Directors.**

1. **Regular.** The number, time and place of regular meetings of the Board of Directors shall be set by the President with the approval of the Board. A quorum for these meetings is fifty percent (50%) of the Board members. The outgoing President or designated appointee will appoint a member to install the newly elected Society Officers. This installation must be performed prior to the first Board of Directors meeting of the New Year.
2. **Special.** The date, time and place of special meetings of the Board of Directors may be called by the President or by written request of two (2) members of the Board. The purpose of the special meeting shall be stated in the call and no other business shall be transacted. The special meeting may be held in person, by conference call, or by other electronic means. A quorum for these meetings is sixty (60%) of the Board members.

6.04 Meeting Notices.

a) **Society.**

1. **Regular Board meetings.** Notification of the regular Board meetings shall contain an agenda and be mailed or electronically (e-mail or fax) transmitted to the officers, immediate past president, directors and each committee chair at least thirty (30) days prior to the meeting.
2. **Special Board meetings.** Notification of the special Board meetings shall contain the names(s) of the party (ies) calling the meeting, the date, time, place and the purpose of the meeting, and be electronically (e-mail or fax) transmitted to all Board members at least two (2) business days prior to the meeting. Board members must acknowledge receipt of the notice.
3. **Special General Membership meetings.** Notification of special general membership meetings shall be mailed or electronically (e-mail or fax) transmitted to the members at least ten (10) business days before the meeting.

b) **Chapter.** Notification of the regular Board meeting should contain an agenda and be mailed or electronically (e-mail or fax) transmitted to the officers, immediate past president, directors and each committee chair at least five (5) days prior to the meeting.

**ARTICLE 7
NOMINATIONS AND ELECTIONS**

7.01 Nominations.

- a) Nominees for officers and Regional Directors must be Active members in good standing for the period stated in Bylaw Article 4, 4.01 Officers, A. No one

person may run concurrently for both an Officer and a Regional Director position.

- c) Nominations may be made by members nominating themselves or others to the nominating committee, or by the nominating committee. All nominations must be submitted to the Executive Director by the Nominating committee not less than 60 days prior to the annual meeting. A Nominee's permission must be obtained before placing their name on the ballot.

7.02 Elections.

- a) **Society.** Officers shall be elected prior to the Society Annual Meeting. A plurality of the votes cast will be necessary for a candidate to be elected.
- b) **Chapters.** Officers shall be elected prior to the Society Annual Meeting. A plurality of the votes cast will be necessary for an officer to be elected. Directors receiving majority of votes cast will be elected to available positions.

ARTICLE 8 COMMITTEES

8.01 Standing Committees.

- a) The Standing Committees of the Society shall be: Education, Membership, Governance, and Administration.
- c) Committee duties are defined in Policies and Procedures.

8.02 Other Committees. Other Committees. Additional committees may be appointed by the President. The President shall be an ex officio member of all committees except the Nominating Committee.

ARTICLE 9 PRIVACY POLICY

9.01 The California Society of Tax Consultants Inc shall hold the privacy protection of its members as a primary concern. Policies determining the use and gathering of printed and electronic information shall be outlined in the Society Policy and Procedures. A Privacy Policy statement shall be provided to each member annually upon renewal of dues and to each new member upon acceptance of his/her application for membership.

ARTICLE 10 PARLIAMENTARY AUTHORITY

10.01 The rules contained in the current edition of "Rosenberg's Rules of Order", latest version, shall govern the Society in all cases to which they are applicable and in which they are not inconsistent with these bylaws, with any special rules of order the Society may adopt, or with any statutes applicable to this organization.

10.02 Elections & Annual Ballot.

- a) Voting shall be by electronic ballot. If unable to comply, member must contact the Executive Director. All ballots must be received by the Society office not later than 5 business days prior to the Annual Meeting. A plurality of the votes cast will be necessary for a candidate to be elected.10.03
- b) **Proxy Votes.** Proxy votes will not be permitted.

ARTICLE 11 AMENDMENT OF SOCIETY BYLAWS

- 11.01 Amendments to the bylaws**, if any, shall be included as a part of the annual ballot. Bylaw amendments may only be submitted for placement on the annual ballot by the Society Board of Directors or by a Chapter. A Society submitted amendment must be approved by a majority of the Society Board of Directors. A Chapter submitted amendment must be approved by either a majority of a Chapter Board of Directors or by a majority of a Chapter membership. Submission of Bylaw amendments shall be provided in writing to the Society office at least sixty (60) days prior to the annual meeting. If approved, the amendments will become effective at the date specified in the amendment, but not earlier than the July 1st following the vote. Approval requires a two-thirds (2/3) vote of the members voting.

ARTICLE 12 DISSOLUTION

- 12.01** Dissolution of California Society of Tax Consultants, Inc. shall follow the provisions of the California Corporations Code. Upon dissolution all remaining assets, after payment of all costs and expenses of such dissolution, shall be distributed to organizations determined by the Board of Directors, which have qualified for non-profit exemption under Internal Revenue Code Section 501. None of the assets will be distributed to any member, officer or trustee of the organization.

