

# Alaska Statutes - Chapter 10.20.: ALASKA NONPROFIT CORPORATION ACT

## Article 01.: SUBSTANTIVE PROVISIONS

### 10.20.005.: Purposes.

Corporations may be organized under this chapter for any lawful purpose, including, but not limited to, one or more of the following: charitable; religious; benevolent; eleemosynary; educational; civic; cemetery; patriotic; political; social; fraternal; literary; cultural; athletic; scientific; agricultural; horticultural; animal husbandry; and professional, commercial, industrial, or trade association purposes. Trade unions and other labor organizations may also be organized under this chapter, but cooperative corporations, electric and telephone cooperatives, and organizations subject to state insurance or banking laws may not be organized under this chapter.

### 10.20.031.: Filing list of registered corporations.

The department shall file a list of the name of each corporation, the address of the registered office and the name and address of the registered agent with each clerk of the superior court. The department shall provide a periodic supplement to the list indicating additions, deletions and changes at least once every six months. The commissioner shall make the list available to the public for a fee prescribed by the commissioner.

### 10.20.136.: Shares of stock and dividends prohibited; compensation, benefits, and distributions.

A corporation may not have or issue shares of stock. No dividend may be paid and no part of the income or profit of a corporation may be distributed to its members, directors, or officers. A corporation may pay compensation in a reasonable amount to its members, directors, or officers for services rendered, may confer benefits upon its members in conformity with its purposes, and upon dissolution or final liquidation may make distribution to its members as permitted by this chapter, and a payment, benefit, or distribution under this section may not be considered to be a dividend or a distribution of income or profit.

## Article 02.: FORMATION OF CORPORATIONS

### 10.20.146.: Incorporators.

Three or more natural persons at least 19 years of age may act as incorporators of a corporation by signing and delivering in duplicate to the commissioner articles of incorporation for the corporation.

### 10.20.151.: Articles of incorporation; relationship to bylaws.

(a) The articles of incorporation must set out

- (1) the name of the corporation;
- (2) the period of its duration, which may be perpetual;

- (3) the purpose or purposes for which the corporation is organized;
- (4) provisions, not inconsistent with law, which the incorporators elect to set out in the articles of incorporation for the regulation of the internal affairs of the corporation, including provision for distribution of assets on dissolution or final liquidation;
- (5) the address of its initial registered office, and the name of its initial registered agent at the address;
- (6) the number of directors constituting the initial board of directors, and the names and addresses of the persons who are to serve as the initial directors;
- (7) the name and address of each incorporator.

(b) It is not necessary to set out in the articles of incorporation any of the corporate powers enumerated in this chapter.

(c) Unless the articles of incorporation provide that a change in the number of directors shall be made only by amendment to the articles of incorporation, a change in the number of directors made by amendment to the bylaws is controlling. In all other cases, if a provision of the articles of incorporation is inconsistent with a bylaw, the provision of the articles of incorporation shall be controlling.

(d) In addition to the matters required to be set out in the articles of incorporation by (a) of this section, the articles of incorporation may also contain a provision eliminating or limiting the personal liability of a director to the corporation for monetary damages for the breach of fiduciary duty as a director. The articles of incorporation may not eliminate or limit the liability of a director for

(1) a breach of a director's duty of loyalty to the corporation;

(2) acts or omissions not in good faith or that involve intentional misconduct or a knowing violation of law; or

(3) a transaction from which the director derives an improper personal benefit.

(e) The provisions of (d) of this section do not eliminate or limit the liability of a director for an act or omission that occurs before the effective date of the articles of incorporation or of an amendment to the articles of incorporation authorized by (d) of this section.

**10.20.153.: Provisions considered to be in articles of incorporation by operation of law; option to exclude provision.**

(a) The articles of incorporation of every nonprofit corporation which is a private foundation, as defined in 26 U.S.C. 509 (Internal Revenue Code of 1954), are considered to contain provisions prohibiting the corporation from

(1) engaging in an act of self-dealing, as defined in 26 U.S.C. 4941(d) (Internal Revenue Code of 1954), which would give rise to liability for the tax imposed by 26 U.S.C. 4941(a) (Internal Revenue Code of 1954);

(2) retaining excess business holdings, as defined in 26 U.S.C. 4943(c) (Internal Revenue Code of 1954), which would give rise to liability for the tax imposed by 26 U.S.C. 4943(a) (Internal Revenue Code of 1954);

(3) making an investment which would jeopardize the carrying out of any of its exempt purposes, within the meaning of 26 U.S.C. 4944 (Internal Revenue Code of 1954), so as to give rise to liability for the tax imposed by 26 U.S.C. 4944(a) (Internal Revenue Code of 1954); and

(4) making taxable expenditures, as defined in 26 U.S.C. 4945(d) (Internal Revenue Code of 1954), which would give rise to liability for the tax imposed by 26 U.S.C. 4945(a) (Internal Revenue Code of 1954).

(b) The articles of incorporation of every nonprofit corporation that is a private foundation, as defined in 26 U.S.C. 509 (Internal Revenue Code of 1954), are considered to contain a provision requiring the corporation to distribute, for the purposes specified in its articles of incorporation, for each taxable year, amounts at least sufficient to avoid liability for the tax imposed by 26 U.S.C. 4942(a) (Internal Revenue Code of 1954).

(c) A nonprofit corporation may at any time amend its articles of incorporation or other instrument governing the corporation, by any amendment process open to it under the laws of this state, to provide that some or all provisions of (a) and (b) of this section do not apply to the corporation. A nonprofit corporation formed after August 23, 1971 may provide in its articles of incorporation that some or all provisions of (a) and (b) of this section do not apply to the corporation.

(d) In this section, references to provisions of the Internal Revenue Code of 1954 include future amendments to those provisions.

#### **10.20.156.: Filing of articles of incorporation.**

(a) Duplicate originals of the articles of incorporation shall be delivered to the commissioner. Upon finding that the articles of incorporation conform to law, the commissioner shall, when all fees prescribed by this chapter have been paid,

(1) endorse on each duplicate original the word "filed," and the date of the filing;

(2) file one duplicate original in the commissioner's office;

(3) issue a certificate of incorporation and affix the other duplicate original to it.

(b) The certificate of incorporation, together with the duplicate original of the articles of incorporation affixed by the commissioner, shall be returned to the incorporators or their representative.

#### Article 06.: FOREIGN CORPORATIONS

**10.20.455.: Admission of foreign corporation.** A foreign nonprofit corporation may not transact business in the state until it has procured a certificate of authority from the commissioner. A foreign corporation may not procure a certificate of authority to transact business in the state which a corporation organized under this chapter is not permitted to transact. A foreign corporation may not be denied a certificate of authority because the laws of the state or country under which it is organized governing its organization and internal affairs differ from the laws of the state. Nothing in this chapter authorizes the state to regulate the organization or the internal affairs of a foreign corporation.

**10.20.480.: Application for certificate of authority.**

To procure a certificate of authority to transact business in the state, a foreign corporation shall file an application in duplicate with the commissioner.

**10.20.495.: Filing of application for certificate of authority.**

(a) Upon finding that the application conforms to law, the commissioner shall, when all fees prescribed in this chapter have been paid

(1) endorse on each document the word "filed," and the date of the filing;

(2) file one duplicate original of the application in the commissioner's office;

(3) issue a certificate of authority to transact business in the state and affix the other duplicate original application to it.

(b) The certificate of authority, together with the duplicate original of the application affixed to it by the commissioner, shall be returned to the corporation or its representative.

#### Article 07.: BIENNIAL REPORTS AND NOTICES

**10.20.620.: Biennial report of domestic and foreign corporations.**

Each domestic corporation and each foreign corporation authorized to transact business in the state shall file a biennial report within the time prescribed by this chapter. The information contained in the biennial report shall be given as of June 30 of the reporting year.

**10.20.625.: Contents of biennial report.**

The biennial report must set out

(1) the name of the corporation and the state or country where it is incorporated;

(2) the address of the registered office of the corporation in the state, and the name of its registered agent in the state at that address, and, in the case of a foreign corporation, the address of its principal office in the state or country where it is incorporated;

(3) a brief statement of the character of the business in which the corporation is engaged in the state;

(4) the names and addresses of the directors and officers of the corporation;

(5) the real and personal property assets of the corporation.