



## BYLAWS OF THE NATIONAL ASSOCIATION OF TAX CONSULTANTS

### ARTICLE I - CONSTRUCTION

- 1.1 Wherever in the Bylaws or other documents of the corporation the term "Association" is used, such term shall be construed to refer to the corporation, and whenever the term "Executive Council" is used, such term shall be the equivalent of the Board of Directors.

### ARTICLE II - PURPOSE

- 2.1 The purpose and objectives of the Association shall be to serve the common interests of its members and to promote and protect the best interests of the Association in the following manner:
- (A) To educate its members through continuing education programs, seminars, conventions and other services to its members.
  - (B) To promote, maintain and elevate the standards of proficiency, integrity and common interests of members of the Association and to encourage adherence to its code of ethics.
  - (C) To disseminate information and instruction to the public in order that the public be informed of the services available from member tax practitioners.
  - (D) To cultivate cooperation among the members, to promote and protect the best interests of the Association, and to cooperate with and support organizations and professional groups with similar purposes and objectives.
  - (E) To encourage and assist its members in the formation and development of affiliated state organizations which will further the purpose and objectives of the Association.

### ARTICLE III - MEMBERSHIP

- 3.1 Classes: The membership of the Association Shall consist of three (3) classes of members, the first class to be designated "Regular", and the second class to be designated "Associate" and the third class to be designated "Honorary". Membership shall consist of members of an affiliated state organization as classified by that state, or members-at-large in non-affiliated states.

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- 3.2 Regular Members: The Regular Membership of the Association shall consist of persons (a) whose background, experience or interests indicate that they will support the purposes of the Association, (b) who qualify as a tax consultant or tax practitioner duly authorized under applicable local law to prepare tax returns; and (c) who agree to abide by the Articles of Incorporation, Bylaws, and Code of Ethics. Regular Members, for notice and voting purposes, shall be those whose current dues have been paid. Regular Members shall be entitled to one (1) vote each.
- 3.3 Associate Members: Associate Membership may be granted to any person in any business or profession interested in the tax preparation field, but not currently preparing taxes. Such members shall be subject to the same annual dues as Regular Members. Such members shall have no vote.
- 3.4 Honorarv Members: Past Presidents of the Association shall be granted Honorary Membership. Each such Honorary Member shall have all the rights and privileges of a Regular Member; however, he or she shall not be required to pay annual or other regular dues.
- 3.5 Certificates of Membership: Certificates of Membership in the Association may be issued. The respective member's name shall be entered in the Membership Register of the Association as the certificates are issued. The certificates shall exhibit the member's name and shall be signed by the President and the Secretary.
- 3.6 Status of Membership: Membership in the Association shall be personal, shall not survive the death of any individual member, and may not be transferred by any means.
- 3.7 Termination and Expulsion of Membership: Any member shall be subject to expulsion or suspension of membership for cause. Such cause shall include, but is not limited to, any action by a member which is detrimental to the best interests of the Association, or for failure to adhere to the Code of Ethics, or for failure to actively support Association purposes. Initiation of suspension or termination procedures shall be upon complaint of any Regular Member or by initiation of the Executive Council. Such detailed complaint by a Regular Member shall be in writing and signed by the member making the complaint. Upon initiation of such proceeding, the matter shall be referred by the Executive Council to the jurisdiction of the affiliated state organization. For all other members the Executive Council shall review the matter. In the event that any such expulsion or suspension is contemplated, the Executive Council shall notify, in writing, the member of the reasons for the proposed action, and of the time and place of the meeting of the Executive Council at which the action is to be considered, not later than ten (10) days prior thereto. At the meeting, the member shall be entitled to respond to the stated reasons, and be heard in his or her own defense. If the member does not appear at the hearing, the Executive Council shall render its decision upon a review of the situation. Upon the conclusion of the hearing, a vote will be taken. A two-thirds (2/3) vote of the Executive Council shall be required to expel a member. Wherever suspension for a specific period is deemed a sufficient method of dealing with the infraction, the Executive Council shall fix the period of time during which membership shall be suspended.

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- 3.8 Education Requirements: Education requirements shall be established by the Executive Council.

## ARTICLE IV - MEETINGS OF MEMBERS

- 4.1 Annual Meeting:The annual meeting of the members shall be held during each fiscal year at such time and place as may be set by the Executive Council.
- 4.2 Special Meetings: Special meetings of the members may be called by the President, the Executive Council or by petition of five percent (5%) of the Regular Members in good standing.
- 4.3 Notice of Meeting: Written or printed notices stating the date, place and hour of the meeting, and, in case of a special meeting, the purpose or purposes for which the meeting is called, shall be delivered not less than ten (10) nor more than fifty (50) days before the date of the meeting, either personally or by mail, by or at the direction of the President or the Secretary, or the members calling the meeting, to each member entitled to vote at such meeting. If mailed, such notice shall be deemed to be delivered when deposited in the United States Mail, addressed to the member at his address as it appears in the record of the Association, with postage thereon prepaid.
- 4.4 Quorum: Members holding four percent (4%) of the votes entitled to be cast at any meeting, represented in person or by proxy shall constitute a quorum. The vote of a majority of votes cast at a meeting at which a quorum is present shall be necessary for the adoption of any matter.
- 4.5 Proxies: At any membership meeting, any member may vote by proxy executed in writing by him or her, which proxy shall be valid only if executed and dated within sixty (60) days of the date of the meeting at which the proxy vote of the Regular Member is to be cast. Proxy votes will only cast on specific items mentioned in the proxy.

## ARTICLE V - EXECUTIVE COUNCIL (BOARD OF DIRECTORS)

- 5.1 The business and affairs of the Association shall be managed by the Executive Council (Board of Directors), which shall consist of the four (4) elected officers as provided in Article IX, the immediate past-President and the elected representatives from each region or district.
- 5.2 The Executive Council shall determine its own schedule for regular meetings. Special meetings may be held upon the call of the president, or by any three (3) members of the Executive Council.

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- 5.3 Notice of Meeting: No notice of the (regular) meeting of the Executive Council shall be required. Notice of the time and place of any special meetings of the Executive Council shall be given by the Secretary, or by the person or persons calling the meeting, by mail, telegram, or by personal communication over the telephone or otherwise, at least three (3) days prior to the date on which the meeting is to be held. Attendance of a member of the Executive Council at any meeting shall constitute a waiver of notice of such meeting, except where the Executive Council member attends a meeting for the purpose of objecting to the transaction of any business because a meeting is not lawfully called or convened. Neither the business to be transacted nor the purpose of any meeting of the Executive Council need be specified in the notice or any waiver of notice of such Meeting.
- 5.4 Quorum: a majority of the Executive Council present or by proxy shall constitute a quorum for the transaction of business. The act of the majority of the Executive Council present at a meeting at which a quorum is present shall be the act of the Executive Council. At any meeting of the Executive Council at which a quorum is present, any business may be transacted and the Executive Council may exercise all of its power.
- 5.5 Proxies: A regular member may carry the signed proxy for one executive member. The proxy must be dated not more than thirty (30) days prior to the meeting. the proxy will be a voting proxy.

## ARTICLE VI - ACTIONS BY WRITTEN CONSENT

- 6.1 Any corporate action required or permitted by the Articles of Incorporation or Bylaws to be taken at a meeting of the members or Executive Council members of the Association, may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all of the members or Executive Council members entitled to vote with respect to the subject matter thereof. Such consent shall have the same force and effect as a unanimous vote, and maybe described as such.

## ARTICLE VII - WAIVER OF NOTICE

- 7.1 Whenever any notice is required to be given to any member or Executive Council member of the Association by the Articles of Incorporation or Bylaws, a waiver thereof in writing signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be equivalent to the giving of such notice.

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## ARTICLE VIII - INDEMNIFICATION OF EXECUTIVE COUNCIL AND OFFICERS

- 8.1 The Association shall indemnify each member of the Executive Council or officer now or hereafter serving the Association and each person who at the request of or on behalf of the Association is now serving or hereafter serves as an Executive Council member or officer of any other corporation, whether for profit, or not for profit, and his or her respective heirs, executors, and personal representatives. Such officers shall be indemnified against expenses actually and necessarily incurred by him/her in connection with the defense of any action, suit or proceeding in which he/she is made a party by reason of being or having been such Executive Council member or officer, except in relation to matters as to which he/she shall be adjudged in such action, suit or proceeding to be liable for negligence or misconduct in the performance of duties. Such indemnification shall not be deemed exclusive of any other rights to which such person may be entitled under any Bylaw, agreement, vote of Executive Council members or members, or otherwise.

## ARTICLE IX - OFFICERS

- 9.1 Officers Enumerated: There shall be four (4) officers of the Association: President, Vice-President, Secretary and Treasurer. An officer of the Association must be a duly authorized tax practitioner and a Regular Member in good standing or a Life Member. Officers shall be bi-annually elected by the general membership and shall serve until their successors are duly elected and qualified. In addition to the powers and duties specified below, the officers shall have such powers and perform such duties as the Executive Council may prescribe.
- 9.2 The President: The President must be a member of the Executive Council of the Association. In addition, he or she shall be an ex-officio member of all committees. He or she shall exercise the usual executive powers pertaining to the office of President. He or she shall preside at meetings of the Executive Council and of the membership.
- 9.3 The Vice-President: In the absence or disability of the President, the Vice President shall act as President.
- 9.4. The Secretary: It shall be the duty of the Secretary to keep records of the proceedings of the Executive Council and of the membership meetings; to sign all certificates of membership; to sign and execute with the President all deeds, bonds, contracts and other obligations or instruments, in the name of the Association; and to see that all notices required by the Articles of Incorporation, and/or these Bylaws are properly sent.

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- 9-5 The Treasurer: The Treasurer shall have the care and custody and be responsible for all funds and investments of the Association and shall cause to be kept regular books of account. He or she shall cause to be deposited all funds and valuable effects in the name of the Association in such depositories as may be designated by the Executive Council. In general, he or she shall perform all the duties incident to the office of Treasurer. The Treasurer shall be the Chairman of the Budget and Finance Committee. It shall be the duty of the Treasurer to administer the Membership Register; to keep the Association's seal and trademark and to affix the Association's seal to certificates of membership and other proper documents.
- 9.6 Vacancies: Vacancies in any office arising from any cause may be filled by the Executive Council at any regular or special meeting.
- 9.7 Salaries: The salaries of all officers and agents of the Association shall be fixed by the Executive Council.

## ARTICLE X - ELECTION OF OFFICERS

- 10.1 Elections: The officers shall be elected bi-annually in even numbered years utilizing the following procedures:
- 10.2 Mail Ballot: The election of officers shall be conducted by a mail ballot of all members once every two (2) years at such time and place as is determined by the Executive Council.
- 10.3 Timing: At least ninety (90) days before the date on which ballots are mailed to the members, the Executive Council shall appoint a nominating committee of at least three (3) members. At least thirty (30) days before the date the ballots are mailed, the nominating committee shall nominate at least one (1) candidate for each office. The names of the proposed nominees of the nominating committee shall be circulated to the members by mail. Additional nominations for any office may be made upon petition signed by not less than twenty-five (25) members in good standing (to which petition the nominee shall sign his or her agreement to serve, if elected), which petition shall be filed with the President not less than twenty (20) days before the date the ballots are to be mailed.
- 10.4 Contents: The ballots containing the names of all candidates (designating whether nominated by the nominating committee or by petition) shall be mailed to all of the Members no later than the date established for the mailing of ballots by the Executive Council.

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- 10.5 Counting: The ballots shall be counted at the place and on the date set forth on the ballot, which date shall be no less than twenty-one (21) days after the mailing of the ballots to the members. The ballots shall be counted by the President, and such assistants as he may select to assist in the process. All nominees or their representatives shall be entitled to attend the counting of the ballots, but no candidate shall participate directly in the counting.
- 10.6 Majority: The election shall be determined by the majority of votes cast.
- 10.7 Term of Office: The officers shall assume their new offices on July 1 following the election.
- 10.8 Removal: The Executive Council at its discretion by two-thirds (2/3) vote of all its members may remove any elected officer for cause. Any vacancy created by the death, resignation, or removal of an officer may be filled by the remaining members of the Executive Council. Such replacement shall serve until the next election and until his or her successor has been elected.
- 10.9 Executive Director: The Executive Council may employ an Executive Director and fix his or her compensation. The Executive Director shall be the chief administrative officer for the Association and shall perform such other duties as may be delegated to him or her by the Executive Council.

### ARTICLE XI - STATE ORGANIZATIONS

- 11.1 The Executive Council is authorized to establish or recognize State Organizations' chapters by granting charters and providing Bylaws to such State Organizations which charter shall be revocable by the Executive Council, as provided in the charter agreement.

### ARTICLE XII - COMMITTEES

- 12.1.7 The Executive Council shall establish such committees from time to time as it deems advisable for the conduct of the business of the Association. A nominating committee shall be appointed to carry out the functions provided in Article X, Section 10-3. The President shall appoint and remove the chair and members of each committee except that the Executive Council will be the ethics committee, with the President to act as chair.

### ARTICLE XIII - ADMINISTRATIVE AND FINANCIAL PROVISIONS

- 13.1 Annual Dues: Annual dues for Regular and Associate members shall be fixed from time to time by the Executive Council.
- 13.2 Fiscal Year: The fiscal year of the Association shall begin on the first day of July and end on the last day of June each year.

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- 13.3 Dues Statement: Dues statements shall be mailed to applicable members from the Association office at least thirty (30) days prior to the due date. Dues which are collected by a State Organization shall be transmitted to the Association no later than the end of the month in which collected. Dues collected by the Association shall be transmitted to a State Organization in a like manner.
- 13.4 Delinquent Dues: Dues collected by the association are delinquent sixty (60) days after the member's renewal date. At this time the member shall be dropped from membership and shall not be reinstated as a member in good standing until all dues in arrears, current dues and a reinstatement fee, as set by the Executive Council, have been paid.
- 13.5 Loans Prohibited: No loan shall be made by the Association to any officer or to any member of the Executive Council.
- 13.6 Corporate Seal: The following is an impression of the corporate seal of the Association.



- 13.7 Trademark: The following is a facsimile of the trademark of the Association.



- 13.8 Books and Records: The Association shall keep current and complete books and records of account and shall keep minutes of the proceedings of its members, Executive Council and committees having any of the authority of the Executive Council; and shall keep at its registered office a register of the names and addresses of its members entitled to vote. All books and records of the Association may be inspected by any Regular member, or his or her agent or attorney for any proper purpose at any reasonable time.
- 13.9 Annual Audit: A committee, appointed by the President, shall audit the books of account of the Association at least once each year.

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- 13.10 Rules of Procedure: The rules of procedure at meetings of the membership and of the Executive Council of the Association shall be the rules contained in *Roberts' Rules of Order on Parliamentary Procedure* newly revised so far as applicable and when not inconsistent with these Bylaws, the Articles of Incorporation or with any resolution of the Executive Council.
- 13.11 Amendment of Bylaws: These Bylaws may be altered, amended or repealed by the affirmative vote of seventy percent (70%) of members in good standing who are present at any regular or special meeting of the Association. Proxy votes will not be allowed. If these Bylaws are to be amended by vote at a regular or special meeting, the proposed changes shall be mailed to the members at least two (2) weeks prior to such regular or special meeting. Amendments to these Bylaws may be made by mailing, allowing at least thirty (30) days response time, if the members by a seventy percent (70%) vote of the members in good standing who respond approve such change and if no regular or special meeting is scheduled more than two (2) weeks from the date of such mailing and less than six (6) weeks from such date, and, if the executive committee deems the calling of a special meeting for the purpose of amendment to be overly expensive.

## ARTICLE XIV - NORMAL SCOPE OF OPERATIONS

- 14.1 In addition to the above-enumerated powers, duties and purposes of the organization the national organization shall be charged with the nationwide promotion, and education of members and the public to promote quality preparation of income tax returns and continuing education of members.

We, the undersigned, do hereby verify that the foregoing Bylaws were duly adopted by the Board of Directors of the NATIONAL ASSOCIATION OF TAX CONSULTANTS and do now constitute the Bylaws of this corporation.

*SHERRY WHAH*

President

*JOY DRYDEN*

Secretary