

Small Business Fundraiser Compliance Checklist

Action Checklist — ClearLegalTips.com (2026)

Work through these steps before, during, and after your campaign to keep it legal and stress-free.

Before You Launch

- Decided whether each dollar is a gift, a reward/sale, a loan, or an investment
- Chose a platform and read its rules on business fundraising and fees
- Wrote down exactly how the funds will be used
- Confirmed you are NOT offering equity or profit-sharing (or lined up securities counsel if you are)

Get the Language Right

- Stated clearly that you are a for-profit business, not a charity
- Removed any claim that contributions are tax-deductible
- Did not promise a tax receipt or imply nonprofit status
- Disclosed how supporters' money will be used

Taxes & Money

- Set aside a share of what you raise for income tax
- Planned to report the money as business income
- Checked whether any rewards trigger sales tax
- Started a contribution log and will keep records for three years

If It Is More Than a Gift

- Used a written promissory note for any money you must repay
- Treated rewards and pre-sales as taxable sales revenue
- For a charity-tie promotion, checked state commercial co-venturer rules

Keep It Alive

- Posted regular updates on how funds are used
- Thanked supporters honestly, without calling gifts charitable donations
- Reconciled the contribution log at the end of the campaign

INSTRUCTIONS FOR USE

This checklist is general information, not legal or tax advice. When equity, large sums, employee-relief funds, or charity partnerships are involved, talk to a licensed attorney or tax professional in your state.