

BY -LAWS

NEW MEXICO SOCIETY OF ENROLLED AGENTS, INC.

AS OF JULY 6, 2022

ARTICLE 1 GENERAL

1.01 NAME

This organization shall be established under the laws of the State of New Mexico as a non-profit corporation and shall be known as the New Mexico Society of Enrolled Agents, Inc., hereinafter referred to as NMSEA. The Society is a chartered affiliate of the National Association of Enrolled Agents, Inc. (NAEA).

1.02 PURPOSE

The organization may exercise all lawful powers granted to it pursuant to law and may engage in all lawful purposes and activities that advance the Enroll Agent designation.

- a. To promote and protect the interests of Enrolled Agents.
- b. To require a professional level of competency and integrity.
- c. To develop and distribute educational materials and programs to the Members.
- d. To encourage unenrolled tax professionals to become Enrolled Agents through education and mentoring.

ARTICLE II DEFINITIONS AND PARLIAMENTARY AUTHORITY

2.01 CIRCULAR 230

"Circular 230" means the United States Treasury Department Circular 230, Title 31, Code of Federal Regulations, Subtitle A, Part 10, as amended.

2.02 MEMBER

"Member" will refer to Members and Members Emeritus

2.03 ASSOCIATE

"Associate" will refer to unenrolled practitioners/members.

2.04 DATE OR TIME

Any reference to the date or time of notice, ballot, or other written communication in these Bylaws means the date or time marked or stamped by the US Postal Service, shown on the record of an IRS approved carrier, or, for electronic notice, the date or time printed on the originating electronic notice.

2.05 PARLIAMENTARY AUTHORITY

The Society will use as a recognized parliamentary authority the current version of Roberts' Rules of Order.

ARTICLE III MEMBERS

3.01 QUALIFICATIONS AND RIGHTS OF MEMBERSHIP

- a. A member must be a current Enrolled Agent and a current member of NAEA.
- b. The date for identifying Members of the Society entitled to exercise any rights regarding any lawful action of the Society will follow the membership status within NAEA.
- c. "Life Membership" will be granted by the Board of Directors. Life Members will have all the privileges of Members but will not be required to pay Society dues.
- d. Members Emeritus will be persons who have been Members for the preceding five (5) years and who are "inactive status" under Circular 230. A Member Emeritus will not be required to fulfill continuing education (CE) requirements.

3.02 MEMBER OBLIGATION TO FOLLOW SOCIETY RULES

Each Member of the Society agrees to be bound by these Bylaws and any amendments hereto, and by the lawful actions of the Board of Directors or the voting Members of the Society. Each Member will abide by the Society's Policies and Procedures manual.

3.03 CE REQUIREMENTS

Each Member will be in compliance with Circular 230 and NAEA CE requirements.

3.04 MEMBER LIABILITY

No Member will be personally or otherwise held liable for any obligations of the Society.

ARTICLE IV ASSOCIATES

4.01 QUALIFICATIONS AND RIGHTS OF ASSOCIATES

- a. The Board may establish an Associate category for any individual who is not an Enrolled Agent.
- b. A tax professional Associate is an individual who is engaged in some aspect of tax practice.
- c. The Academic Associate status is for part-time or full-time students who aspire to enter into the practice of tax as an Enrolled Agent in the future.

4.02 ASSOCIATES' OBLIGATION TO FOLLOW SOCIETY RULES

Each Associate of the Society agrees to be bound by these Bylaws, and any amendments thereto and by the lawful actions of the Board or voting Members of the Society. Each Associate will abide by the Society's Policies and Procedures manual.

4.03 ASSOCIATES SHALL NOT

- a. Have the right to vote on any issue that comes before the Society
- b. Hold elective office in the Society
- c. Hold themselves out to the public as an Enrolled Agent as part of their membership with NMSEA or NAEA.

4.04 ASSOCIATE MATTERS

The Board will determine all other matters including but not limited to dues, period of affiliation, qualifications, restrictions, privileges and benefits, discipline, and termination of Associate status.

4.05 DISCIPLINE

Actions against an Associate in this Section will be processed in accordance with the Society's current Policies and Procedures manual. An Associate may be disciplined (which may include private or public censure, suspension, or termination) if:

- a. An Associate violates the Society Bylaws, Policies and Procedures manual, or Circular 230
- b. An Associate is determined by the Board to have engaged in an act discreditable to the profession, or
- c. An Associate is convicted of a Felony.

ARTICLE V

MEMBERSHIP DUES AND FINANCIAL EXIGENCY

5.01 SETTING ANNUAL DUES

The Board of Directors will set the amount of the annual dues for the Society for the following year at the final Board meeting of the calendar year. The amount of the annual dues will be circulated to the membership not later than thirty (30) days after the Board meeting.

5.02 PAYMENT OF DUES

Membership dues for the Society are due and payable annually to the NAEA using a method of payment approved by NAEA.

5.03 FINANCIAL EXIGENCY

The Board may, by a majority vote, establish the existence of financial exigency. The Board may then request voluntary contributions from the membership.

ARTICLE VI

MEMBERSHIP STATUS

6.01 TERMINATION OR SUSPENSION OF MEMBERSHIP

Whenever the Board, in good faith, determines that any of the following events have occurred, membership will be suspended or terminated in compliance with NAEA rules:

- a. Suspended for nonpayment of membership dues or assessments thirty days, and terminated after 75 days beyond the due date
- b. Terminated for occurrence of any events that render a Member ineligible for membership or for failure to satisfy or maintain member qualifications
- c. Suspended for the period of the Member's enrollment to practice before the IRS is suspended
- d. Terminated if the enrollment to practice before the IRS is terminated.

6.02 WAIVERS

In the event of hardship or extenuating circumstances, the Board upon written request, may waive the payment of delinquent dues and/or CE required hours.

6.03 DISCIPLINE

Actions against a Member under this Section will be processed by the Board in accordance with the Society's current Policies and Procedures manual.

A Member may be disciplined through private or public censure, suspension, or termination if:

- a. A Member violates the Society Bylaws, Policies and Procedures manual or, Circular 230.

- b. A Member is determined by the Board of Directors to have engaged in an action discreditable to the profession
- c. A Member is convicted of a Felony.

6.04 REINSTATEMENT

Any Member terminated within the previous six months for nonpayment of dues or nonreporting of required CE hours, and whose record shows no complaint or charges pending, may be eligible for reinstatement.

ARTICLE VII MEETINGS

7.01 ANNUAL MEETING

The annual meeting of the Members will be held in July of each year.

7.02 REGULAR MEETINGS

Monthly Society meetings will take place at the discretion of the Board.

7.03 VOTING

Each Society Member is entitled to one vote on each matter to be decided at the meetings. Cumulative and proxy voting will be prohibited. Unless otherwise specified by these Bylaws or by parliamentary authority, all matters to come before a meeting of the Society will be decided by a majority of the members present whose membership has been verified.

ARTICLE VIII BOARD MEETINGS

8.01 TIME AND PLACE OF MEETINGS

The time and place of all regular meetings will be set by the President with the approval of the Board. Regular Board meetings will take place monthly, May through December, in person, virtually, or hybrid.

8.02 CALLING OF MEETING

Additional meetings of the Board of Directors may be called by the President, or upon written request from a majority of the Board.

8.03 OPEN MEETINGS

All regular meetings of the Board will be open to the Membership. Members attending these meetings will be heard upon recognition by the President. The Board will meet in closed Executive Session when discussing personal, legal, ethical, or similar confidential issues.

8.04 QUORUM

a Quorum at a meeting of the Board will be a majority of the Board.

8.05 ACTION BY CONSENT

Any action required or permitted to be taken by the Board may be taken without meeting in person if there is a Quorum of the Board consent to such action.

ARTICLE IX GOVERNANCE

9.01 GOVERNANCE

The Board of Directors will be the governing body of the Society.

9.02 BOARD OF DIRECTORS

a. The elected members shall be the President, Vice-President, Secretary, Treasurer, and two (2) Directors-at-Large. The Immediate Past President will also be a member of the Board. A combined Secretary/Treasurer under one office is permitted. Each Board member will have such authority and responsibility, including attendance at Board meetings and voting, customary for their office and in accordance with the law, Bylaws, and Policies and Procedures of the Society.

b. The Board of Directors shall be elected only by the Members of the Society.

9.03 PRESIDENT

The President shall be the chief executive officer of the Society and shall preside at all meetings of the general membership and the Board of Directors.

9.04 VICE-PRESIDENT

The Vice-President shall, when called upon, assist the President and in the absence of the President shall discharge the duties of the office of President and Chair of the Board of Directors.

9.05 SECRETARY

The Secretary shall have access and shall oversee the safe storage of all books, documents, and other papers belonging to NMSEA. He/She shall keep an accurate record of all Board and membership meetings.

9.06 TREASURER

The Treasurer shall be responsible for all financial reports and oversees the preparation of all tax returns due by the Society. He/She shall handle all financial matters for the Society.

9.07 DIRECTORS AT LARGE

The Directors at Large will attend all Board meetings and will vote in all elections.

9.08 IMMEDIATE PAST PRESIDENT

The Immediate Past President shall automatically without election be a member of the Board of Directors. If the immediate past president is not available, the next most recent past president shall be asked to assume the post.

9.09 VACANCIES

If for any reason a seat on the Board becomes vacant, the Board will elect a Member within thirty (30) business days to serve the remainder of the term.

9.10 SOCIETY RECORDS

All correspondence, papers, and records produced by Officers, Directors, or committee chairpersons while conducting the business of the Society, are the property of the Society and available upon request to the membership.

a. The following are permanent records:

- a. Corporate Charter
- b. NM Public Regulation Commission or Secretary of State
- c. IRS determination letter for 501(c)(6) status

b. All other documents will be held for at least five (5) years, or longer if required by law and properly destroyed.

9.11 EFFECTIVE DATE

Once the Bylaws are ratified, they will go into effect immediately.

ARTICLE X ELECTION PROCEDURES

10.01 QUALIFICATIONS AND ELECTIONS

a. Only Members will be eligible to serve as Board members of the Society

b. Board members shall serve until their successors have been elected and installed.

10.02 TERM OF OFFICE

a. The term of office shall be two years and shall run from August 1 through July 31.

b. All elected Board members may serve for only two (2) consecutive terms in a given position.

ARTICLE XI COMMITTEES

11.01 GENERAL

The Board shall establish procedures for the creation and operation of all committees.

11.02 COMMITTEE CHAIRPERSONS

Committee chairpersons will be Members, and the majority of each committee will be comprised of Members.

ARTICLE XII FISCAL YEAR

12.02 FISCAL YEAR

The fiscal year of the Society will be from March 1st through February 28th, or other such period established by the Board.

ARTICLE XIII INDEMNIFICATION AND INSURANCE

13.01 INDEMNIFICATION

To the fullest extent permitted by law, NMSEA shall indemnify and hold harmless any and all past, present and future Board Members as identified and defined in these Bylaws, and at its discretion and in accordance with law, may indemnify and hold harmless any agent or employee of the Society of and from all liabilities, expenses, and counsel fees reasonably incurred in connection with all claims, demands, causes of action, and other legal proceedings to which they may be subjected by reason of any alleged or actual action or inaction in the performance of the duties of such Board Member, Director, employee or agent on behalf of NMEA.

13.02 INSURANCE

NMSEA shall have the right to purchase and maintain insurance to the full extent permitted by law on behalf of all its agents, including officers, directors' and employees, against any liability asserted or incurred by the agent in such capacity arising out of the agent's status as such.

ARTICLE XIV AMENDMENTS

14.01 AMENDMENTS

Amendments to these Bylaws, that have been properly circulated, may be made at any regular meeting of the Members by a two-thirds (2/3) majority vote of the Members voting.

14.02 AMENDMENT PROPOSALS

- a. Proposals to amend these Bylaws may be made by Members of the Society or by the Board.
- b. All proposed amendments by Members must be signed by three (3) Members and presented to the Bylaws committee. That committee will prepare an analysis of the proposed amendment and report to the Board whether the proposal is appropriate to be submitted to the Membership for a vote.
- c. If the committee reports that the proposal is not appropriate, and the Board agrees, the proponents of the proposed amendment will be notified. They may resubmit the proposal with the signatures of 20% of the Members to require the proposal to be submitted to the Membership for a vote.
- d. The Board will cause the proposed amendment, together with the analysis of the Bylaws Committee to be circulated to the Membership.
- e. Notice of any proposed amendment to these Bylaws that requires approval of the Membership must be made thirty (30) days prior to the date on which the vote will be taken.

14.03 HOUSEKEEPING AMENDMENTS

The board is authorized to adopt certain amendments to the Bylaws without Membership approval relating to:

- a. Renumbering to maintain a consistent numbering system
- b. Maintaining a consistent system of naming or referencing the Society, Board, Officers, Committee Chairpersons, and Committees
- c. Correcting and changing titles of Articles and Sections to reflect the intent of the Article or Section
- d. Correcting typographical errors for publication
- e. Correcting certain grammatical errors provided there is no change to the intent of the sentence.

ARTICLE XV DISSOLUTION

15.01 DISSOLUTION

- a. The dissolution of the Society will follow the requirements of New Mexico's Secretary of State Regulations Commission and of the Internal Revenue Service.
- b. Upon dissolution, it will be the obligation of the Board of Directors to ensure that all debts, obligations, and claims against the Society are paid with Society funds. Refer to Section 5.03 Financial Exigency.
- c. Any assets remaining after these settlements will be distributed to one or more qualified non-profit organizations as defined under Section 501 of the Internal Revenue Code. The Board of Directors will make that selection.