

NORTH CAROLINA GENERAL ASSEMBLY  
1981 SESSION

CHAPTER 1210  
HOUSE BILL 1444

AN ACT TO SUPPLEMENT THE GOVERNING INSTRUMENTS OF CERTAIN  
NONEXEMPT CHARITABLE TRUSTS.

The General Assembly of North Carolina enacts:

**Section 1.** G.S. 36A-54 is amended by redesignating subsections (b) and (c) as subsections (c) and (d) respectively, and by inserting a new subsection (b) to read:

"(b) Notwithstanding any provisions in the laws of this State or in the governing instrument to the contrary, unless otherwise decreed by a court of competent jurisdiction except as provided in subsection (c), the governing instrument of each trust that is a nonexempt charitable trust described in section 4947(a)(1) of the Code shall be deemed to contain the following provisions:

- (1) The trust shall be operated exclusively for charitable, educational, religious and scientific purposes within the meaning of section 501(c)(3) and section 170(c)(2) of the Code.
- (2) Upon any dissolution, winding up, or liquidation of the trust, its assets shall be distributed for one or more exempt purposes within the meaning of section 501(c)(3) of the Code, or shall be distributed to the Federal government, or a state or local government for a public purpose."

**Sec. 2.** The first sentence of G.S. 36A-54(a) is amended by deleting the phrase "subsection (b)" and inserting in lieu thereof the phrase "subsection (c)".

**Sec. 3.** G.S. 36A-54(b) is amended by deleting the phrase "subsection (a)" each time it appears and inserting in lieu thereof the phrase "subsections (a) or (b)".

**Sec. 4.** This act is effective upon ratification.

In the General Assembly read three times and ratified, this the 18th day of June, 1982.