

April 21, 2005

**H 1456. CHARITABLE ENTITY EXEMPTION STANDARD.** *TO PROVIDE THAT TAX-EXEMPT STATUS FOR CHARITABLE AND SIMILAR ORGANIZATIONS IS CONDITIONED ON THE ORGANIZATION'S USING A MINIMUM AMOUNT OF ITS GROSS INCOME FOR ITS CHARITABLE OR SIMILAR PURPOSE.* Enacts new GS 105-130.11(b1) as title indicates, requiring that at least 65% of organization's gross receipts, including amounts raised by a paid solicitor, be spent for purpose on which organization's exemption is based. Exempts religious organizations from new subsection's requirements. Makes conforming changes. Effective for tax years beginning after January 1, 2006.

**Intro. by Blust.**

Ref. to Finance

GS 105