

July 25, 2013

Tax Exempt 501(c)(3) Status for the Greensboro Association, Inc.

The Greensboro Association has in recent years received an increasing number of unsolicited gifts from members supplementing member dues payments. This enabled the Association in 2013 to make grants of \$11,750 to area nonprofit organizations. In addition, members have requested information about planned giving to a proposed "Fund for Greensboro", which is being designed a reserve fund for the long-term needs of the Greensboro community. An immediate concern is a potentially costly cleanup of Caspian Lake if it is invaded by Eurasian milfoil or zebra mussels now plaguing other Vermont lakes. The "Fund for Greensboro" will have an advisory committee representing the community's most important organizations to guide grant decisions to the highest priority needs of the community.

Member gifts and planned giving to the Association used to benefit the Greensboro community should be tax-deductible. The Board of the Association voted at its June, 2013 meeting to apply to the IRS for tax-exempt 501(c)(3) status and to explore an agency arrangement with the Vermont Community Foundation (VCF) to handle planned giving and legacy gifts to the "Fund for Greensboro." VCF is a statewide organization providing foundation services for small communities and has recently developed services for Craftsbury and the Northeast Kingdom. Association members have asked the Association to develop a Greensboro-focused fund. An agency arrangement with VCF supporting the "Fund for Greensboro" will require that the Association have 501(c)(3) tax-exempt status.

We believe the amended Association By-Laws and other revised corporate documentation will meet IRS requirements for tax-exempt status. No change in the Association's current activities is planned. If a majority of the members attending the annual meeting on August 9, 2013 vote in favor of the amended Bylaws, we will promptly file the request for 501(c)(3) tax-exempt status with the IRS.

Clay Simpson/ on behalf of the ad hock Foundation Committee