



### All good things must come to an end...

- BUT WHY!?
- Charitable Mission Resolved and/or changed.
- Change in Economy/Lack of Resources
- Other Organizations
- Involuntary Termination Compliance/legal issues.



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## Dissolution

- State Law Requirements
  - -Chapters 22 and 11 of TX Business Organizations Code
  - "Fundamental Action" Voting and Notice Requirements
  - Plan of Distribution/Dissolution
  - State Filings TX Form 652, Certificate of Termination of a Domestic Nonprofit Corporation or Cooperative Association

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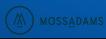
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#### Dissolution

- Other State Law Considerations
  - -Additional Considerations (e.g., Employees, etc.)
  - Attorney General Regts (e.g., Notice and/or Approval of Transaction)
  - Uniform Prudent Management of Institutional Funds Act ("UPMIFA")
  - Miscellaneous (e.g., Charitable Registration, Permits, Licensing, etc.)

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### Dissolution

- Federal Tax Requirements
  - Public Charities
    - Final annual information return (Form 990 Series Final)
    - Form 990, Schedule N
  - Private Foundations
    - Final annual information returns (Form 990-PF Final)
    - Termination vs. Dissolution
    - Termination Tax Section 507 of Internal Revenue Code
      - Voluntary Termination
      - Involuntary Termination
      - Transfer of assets to Public Charity
      - Conversion to Public Charity

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Title search: When Things Don't Work Out: Combining, Winding Down and Dissolution Issues

Also available as part of the eCourse 2024 Nonprofit Organizations Fundamentals eConference

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