



STATE OF NORTH CAROLINA
DEPARTMENT OF REVENUE

P. O. BOX 25000

RALEIGH, N. C. 27640

G. LYNCH
SECRETARY

JAMES P. S
DEPUTY SEC

March 2, 1982

Ms. Mary Jo P. Godwin, President
North Carolina Public Library
Directors Association
310 N. Tryon Street
Charlotte, North Carolina

Re: North Carolina Public Library Directors
Association

Dear Ms. Godwin:

Thank you for sending us a copy of the amendments adopted by the above corporation for our examination.

It is our opinion that this organization qualifies for exemption from franchise tax and income tax under Sections 105-125 and 105-130.11(a)(4), respectively, of the General Statutes of North Carolina.

This exemption is contingent upon the organization's operating within the scope of the applicable provisions of the Internal Revenue Code. This exempt status becomes invalid at the same time as, and upon a determination by the Internal Revenue Service that the organization does not qualify for a tax exempt status under the Internal Revenue Code of 1954 or corresponding provisions of any subsequent Federal Tax Laws.

If the above entity becomes subject to tax on unrelated business income as provided in G.S. 105-130.11(b) it will be required to complete the income tax schedules of the regular corporation tax return, Form CD-404, and file the return on or before the 15th day of the 5th month following its year end, subject to any extensions of time which may be granted. However, if such income does not exceed \$1,000, the organization will not be required to file Form CD-404.

This organization will not be required to file Form CD-427, Return of Organization Exempt From Income Tax, unless requested to do so at a later date.

Very truly yours,

W. B. MATTHEWS, DIRECTOR
Corporate Income and Franchise Tax Division

Douglas J. Williams
By: Douglas J. Williams, Administrative Officer

DJW:vh