

## **Chapter Seventeen: Dissolution of the Association**

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Upon dissolution, all of the organization's assets remaining after payment of its lawful obligations shall be distributed in accordance with the requirements of Section 501(c)(3) of the Internal Revenue Code and regulations promulgated thereunder. For example: If an association dissolves, it must distribute its assets to another 501(c)(3) organization such as another USBC association, the Bowlers to Veterans Link, Susan G. Komen for the Cure, or the International Bowling Museum and Hall of Fame.

Any association that is liquidated, dissolved, or terminated must file a final IRS Form 990 by the 15th day of the fifth month after the liquidation, dissolution, or termination.

Any association which enters into a merger effectively dissolves on the day the new merged association begins.

### **Non-Profit Status**

A non-profit organization is one that directs all of its revenues to its stated purpose. USBC's purpose is expressed in its mission statement:

“The United States Bowling Congress, as the national governing body, ensures the integrity and protects the future of the sport, provides programs and services, and enhances the bowling experience.”

As a non-profit organization, all business and non-business related revenue must be reported to the IRS by filing the appropriate tax forms.

Although associations are non-profit organizations, they can still generate more income than expenses at the end of a fiscal year. The result is more appropriately called a surplus than a profit. Non-profit status is based more on an association's purpose rather than its year-to-year financial situation.