**Non Profit Status and income tax exemption for Basic Income New Zealand**

Before BINZ can be granted an exemption from Resident Withholding Tax on interest and dividends we must have an Income Tax exemption. Inland Revenue has checked our Constitution and we must make a change before non profit status can be granted.

Under Clause **24.0 Altering the Constitution** we need to include the following paragraph:

**No addition to or alteration of the non profit aims, personal benefit clause or the winding up clause shall be made which affect the tax exempt status. The provisions and effect of this clause shall not be removed from this document and shall be included and implied into any document replacing this document.**

To do this we need to add the words “*except as provided for in Clause 24.2*” to Clause 24.1

Insert the above paragraph as Clause 24.2 and renumber the following three clauses so that 24.2 becomes 24.3, 24.3 becomes 24.4 and 24.4 becomes 24.5.

After the amendment clauses 24.0 to 24.5 will read, with insertions shown in italics, as follows:

24.0 **Altering the Constitution**

24.1 The Society may alter or replace the Constitution at a Society Meeting by a resolution

passed by a two-thirds majority of those Full Members present and voting ***except as provided for in Clause 24.2***

***24.2 No addition to or alteration of the non profit aims, personal benefit clause or the winding up clause shall be made which affect the tax exempt status. The provisions and effect of this clause shall not be removed from this document and shall be included and implied into any document replacing this document.***

24.3 Any proposed motion to amend or replace the Constitution shall be approved by the

full Committee or signed by at least 10 % of Full Members and given in writing to the

Secretary at least 21 days before the Society Meeting at which the motion is to be

considered, and accompanied by a written explanation of the reasons for the proposal.

24.4 At least 7 days before the General Meeting at which any Constitution change is to be

considered the Secretary shall give to all Full Members written notice of the proposed

motion, the reasons for the proposal, and any recommendations the Committee has.

24.5 When a Constitution change is approved by an Annual or Special General Meeting no

Constitution change shall take effect until the Secretary has filed the changes with the Registrar of Incorporated Societies.

Once this change has been adopted and registered with the Registrar of Incorporated Societies a copy will be sent to Inland Revenue to grant BINZ non profit status and grant the Income Tax exemption.