



Ohio Revised Code

Section 1745.40 Distributions prohibited; compensation and other permitted payments.

Effective: May 22, 2012

Legislation: House Bill 267 - 129th General Assembly

(A) Except as otherwise provided in division (B) of this section, an unincorporated nonprofit association may not pay dividends or distribute any part of its income or profits to a member, manager, officer, or other private person.

(B) An unincorporated nonprofit association may do any of the following:

(1) Pay reasonable compensation or reimburse reasonable expenses to a member or manager for services rendered;

(2) Confer benefits on a member or manager in conformity with its nonprofit purposes;

(3) Repurchase a membership and repay a capital contribution made by a member to the extent authorized by its governing principles;

(4) Make distributions of property to members upon winding up and termination to the extent permitted by section 1745.52 of the Revised Code.
