

RESOLUTION OF THE HOMEOWNERS ASSOCIATION

RE: EXCESS INCOME APPLIED TO FOLLOWING YEAR ASSESSMENTS

WHEREAS the _____ **Homeowners Association** is a California corporation duly organized and existing under the laws of the State of California; and,

WHEREAS, the members desire that the corporation shall act in full accordance with the rulings and regulations of the Internal Revenue Service;

NOW, THEREFORE, the members hereby adopt the following resolution by and on behalf of the _____ **Homeowners Association**

RESOLVED, that any excess of membership income over membership expenses, **for the year ended** _____, **200_**, as defined in IRS Reg. 1.277-1, shall be applied against the subsequent tax year member assessments, as provided by IRS Revenue Ruling 70-604.

This resolution is adopted and made a part of the minutes of the meeting of _____, **200_**.

BY: _____
_____, Secretary