

# Lawful Purpose Expenditures Code Summary

This one-page chart lists the lawful purpose expenditures that are allowed, and the codes to use when reporting these expenditures. Refer to the code information for restrictions not noted in this chart.

CODE	CODE	CODE
<b>1</b> To and by 501(c)(3) organizations or 501(c)(4) festival organizations.	<b>11</b> To and by a nonprofit organization which is a church or a body of communicants.	<b>18</b> Fees paid to the state for organization license, premises permits, and gambling manager license.
<b>2</b> Relieving the effects of poverty, homelessness, or disability.	<b>12</b> Water quality testing for public waters, provided that the MPCA has approved the project.	<b>19</b> Recognizing humanitarian service demonstrated through volunteerism or philanthropy.
<b>3</b> Program for education, prevention, or treatment of problem gambling.	<b>13</b> - Wildlife management project that benefits the public-at-large, provided that the DNR has approved the project. - Costs related to grooming and maintaining snowmobile or all-terrain vehicle trails that are grant-in-aid trails, or other trails open to public use, provided that DNR has approved the project. - Supplies and materials for safety training and education programs coordinated by the DNR.	<b>20</b> Contribution to another licensed organization, with Board approval.
<b>4</b> Funding a public or private nonprofit education institution registered with or accredited by Minnesota or any other state.		<b>21</b> Contribution to a parent organization that has received prior Board approval.
<b>5</b> Scholarships.		<b>Real Property/Capital Assets</b>
<b>6</b> - Recognition of military service (open to the public). - Active military personnel in need.		<b>22</b> Repair, maintenance, or improvement of owned real property and capital assets, or replacement of owned capital asset that is no longer repairable, subject to annual limit.
<b>7</b> Activities and facilities benefiting youth under age 21.		<b>23</b> Acquisition or improvement of capital assets (excluding real property) used exclusively for lawful purpose, with a cost greater than \$2,000, with Board approval.
<b>8</b> Payment of local, state, and federal taxes on receipts from lawful gambling.	<b>14</b> Conducting nutritional programs, food shelves, and congregate dining programs primarily for persons who are age 62 or older or disabled.	<b>24</b> Acquisition, erection, improvement, or expansion of real property used exclusively for lawful purpose, with Board approval.
<b>9</b> Real estate taxes and assessments on gambling premises: - owned by a licensed organization (includes veterans organizations), or - wholly leased by a licensed 501(c)(19) veterans organization.	<b>15</b> To community arts organizations or expenditures to fund arts programs in the community.	
<b>10</b> - Contributions to the United States, state of Minnesota, or any of its subdivisions or agencies or instrumentalities (except a direct contribution to a law enforcement or prosecutorial agency). - A fund administered and regulated by a city or county (for lawful purposes).	<b>16</b> Utility costs (fuel for heating, water, electricity, and sewer costs) for building wholly owned or wholly leased by licensed veteran or fraternal organizations and used as their primary headquarters (if portion leased out, percent-age for primary headquarters allowed with GCB Director approval).	<b>25</b> Erection or acquisition of comparable building to replace building destroyed or made uninhabitable due to fire or catastrophe, or taken or sold under eminent domain proceeding, with Board approval.
	<b>17</b> Meals and other membership events of licensed veterans organizations, limited to members and spouses only, held in recognition of military service (limit \$5,000 per year for all organizations at post home).	<b>26</b> Contribution to non-licensed 501(c)(19) organization that is not affiliated with contributing organization and whose owned or leased property is not a permitted premises.