

Non-Profit Organization

Definition

A Non-Profit Organization is an incorporated organization which exists for educational or charitable reasons, and from which its shareholders or trustees do not benefit financially.

Any money earned by a non-profit organization must be retained by the organization, and used for its own expenses, operations, and programs. Many non-profit organizations also seek tax exempt status, and may also be exempt from local taxes including sales taxes or property taxes. Well-known non-profit organizations include Habitat for Humanity, American Red Cross, and United Way.