

By: Senator(s) Doxey

To: Judiciary, Division B

SENATE BILL NO. 2461

1 AN ACT TO AMEND SECTION 79-11-507, MISSISSIPPI CODE OF 1972,  
2 TO INCREASE THE AMOUNT CHARITABLE ORGANIZATIONS MAY RECEIVE IN  
3 CONTRIBUTIONS IN ANY FISCAL YEAR BEFORE IT SHALL FILE A FINANCIAL  
4 REPORT ACCOMPANIED BY AN OPINION SIGNED BY AN INDEPENDENT  
5 CERTIFIED PUBLIC ACCOUNT; AND FOR RELATED PURPOSES.

6 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI:

7 **SECTION 1.** Section 79-11-507, Mississippi Code of 1972, is  
8 amended as follows:

9 79-11-507. (1) Every charitable organization registered  
10 pursuant to Section 79-11-503 which shall receive in any fiscal  
11 year contributions in excess of Two Hundred Fifty Thousand Dollars  
12 (\$250,000.00) and every charitable organization whose fund-raising  
13 functions are not carried on solely by persons who are unpaid for  
14 their services shall file a financial report for its most recently  
15 completed fiscal year with the Secretary of State. The financial  
16 report shall be filed along with the registration statement  
17 required by Section 79-11-503 and any renewals thereafter. The  
18 financial report shall include a balance sheet and statement of  
19 income and expense and shall be consistent with forms furnished by  
20 the Secretary of State clearly setting forth the following: gross  
21 receipts and gross income from all sources, broken down into total  
22 receipts and income from each separate solicitation project or  
23 source; cost of administration; cost of solicitation; cost of  
24 programs designed to inform or educate the public; total net  
25 amount disbursed or dedicated for each major purpose, charitable  
26 or otherwise. The report shall be signed by the president or  
27 other authorized officer and the chief fiscal officer of the  
28 organization, and shall be accompanied by an opinion signed by an

29 independent certified public accountant that the financial  
30 statement therein fairly represents the financial operations of  
31 the organization in sufficient detail to permit public evaluation  
32 of its operations. The financial report shall be accompanied by  
33 any and all forms required to be filed by a charitable  
34 organization with the United States Internal Revenue Service.

35 (2) Every organization registered pursuant to Section  
36 79-11-503 that shall receive in any fiscal year contributions not  
37 in excess of Two Hundred Fifty Thousand Dollars (\$250,000.00) and  
38 all of whose fund-raising function are carried on by persons who  
39 are unpaid for their services shall file a financial report along  
40 with the registration statement required by Section 79-11-503 and  
41 any renewals thereafter with the Secretary of State upon forms  
42 prescribed by him. The financial report shall cover the most  
43 recently completed fiscal year and include such information as  
44 required by the Secretary of State by rule or otherwise,  
45 including, but not limited to, the gross receipts from  
46 contributions and the use of the proceeds of such contributions.  
47 The report shall be signed by the president or other authorized  
48 officer of the organization who shall certify under penalties of  
49 perjury that the statements therein are true and correct to the  
50 best of their knowledge. The financial report shall be  
51 accompanied by any and all forms required to be filed by a  
52 charitable organization with the United States Internal Revenue  
53 Service.

54 (3) Any charitable organization receiving more than  
55 Twenty-five Thousand Dollars (\$25,000.00) but less than Two  
56 Hundred Fifty Thousand Dollars (\$250,000.00) shall, at the request  
57 of the Secretary of State, submit additional financial  
58 information, including, but not limited to, an audited financial  
59 statement prepared in accordance with generally accepted  
60 accounting principles and accompanied by an opinion signed by an  
61 independent certified public accountant that the financial

62 statement therein fairly represents the financial operations of  
63 the organization in sufficient detail to permit public evaluation  
64 of its operations.

65 (4) The Secretary of State pursuant to Section 79-11-509 may  
66 impose an administrative penalty against any organization which  
67 fails to comply with subsection (1), (2) or (3) of this section  
68 within the time therein prescribed, or fails to furnish such  
69 additional information as is requested by the Secretary of State  
70 within the required time.

71 **SECTION 2.** This act shall take effect and be in force from  
72 and after July 1, 2007.