

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.