

By: Representative Yancey

To: Business and Commerce

HOUSE BILL NO. 845

1 AN ACT TO AMEND SECTION 79-11-507, MISSISSIPPI CODE OF 1972,
2 TO CLARIFY THAT A CHARITABLE ORGANIZATION'S ANNUAL FINANCIAL
3 STATEMENT FILED WITH THE SECRETARY OF STATE MUST BE ACCOMPANIED BY
4 FORMS REQUIRED TO BE FILED WITH THE INTERNAL REVENUE SERVICE FOR
5 THE ORGANIZATION'S MOST RECENT FISCAL YEAR END; AND FOR RELATED
6 PURPOSES.

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

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

10 79-11-507. (1) Every charitable organization registered
11 pursuant to Section 79-11-503 that shall receive in any fiscal
12 year contributions in excess of Seven Hundred Fifty Thousand
13 Dollars (\$750,000.00) via monetary donations and all of whose
14 fund-raising functions are carried on by persons who are unpaid
15 for such services, and every charitable organization registered
16 pursuant to Section 79-11-503 whose fund-raising functions are not
17 carried on solely by persons who are unpaid for such services,
18 shall file a financial statement for its most recently completed
19 fiscal year with the Secretary of State. The financial statement
20 shall be filed along with the registration statement required by



21 Section 79-11-503 and any renewals or final report thereafter.
22 The financial statement shall include a balance sheet and
23 statement of income and expense and shall be consistent with forms
24 furnished by the Secretary of State clearly setting forth the
25 following: gross receipts and gross income from all sources,
26 broken down into total receipts and income from each separate
27 solicitation project or source; cost of administration; cost of
28 solicitation; cost of programs designed to inform or educate the
29 public; and total net amount disbursed or dedicated for each major
30 purpose, charitable or otherwise. The statement shall be signed
31 by the president or other authorized officer and the chief fiscal
32 officer of the organization, and shall be accompanied by an
33 opinion signed by an independent certified public accountant that
34 the financial statement therein fairly represents the financial
35 operations of the organization in sufficient detail to permit
36 public evaluation of its operations. The financial statement
37 shall be accompanied by any and all forms required to be filed by
38 a charitable organization with the United States Internal Revenue
39 Service for the organization's most recent fiscal year end.

40 (2) Every organization registered pursuant to Section
41 79-11-503 that shall receive in any fiscal year contributions of
42 at least Two Hundred Fifty Thousand Dollars (\$250,000.00) but not
43 more than Seven Hundred Fifty Thousand Dollars (\$750,000.00) via
44 monetary donations and all of whose fund-raising functions are
45 carried on by persons who are unpaid for their services shall file



46 a financial statement reviewed by an independent certified public
47 accountant along with the registration statement required by
48 Section 79-11-503 and any renewals or final report thereafter with
49 the Secretary of State upon forms prescribed by him. The reviewed
50 financial statement shall cover the most recently completed fiscal
51 year and include such information as required by the Secretary of
52 State by rule or otherwise, including, but not limited to, the
53 gross receipts from contributions and the use of the proceeds of
54 such contributions. The statement shall be signed by the
55 president or other authorized officer of the organization who
56 shall certify under penalties of perjury that the statements
57 therein are true and correct to the best of the signer's
58 knowledge. The reviewed financial statement shall be accompanied
59 by any and all forms required to be filed by a charitable
60 organization with the United States Internal Revenue Service for
61 the organization's most recent fiscal year end.

62 (3) Every organization registered pursuant to Section
63 79-11-503 that shall receive in any fiscal year contributions not
64 in excess of Two Hundred Fifty Thousand Dollars (\$250,000.00) and
65 all of whose fund-raising functions are carried on by persons who
66 are unpaid for their services shall file a financial report along
67 with the registration statement required by Section 79-11-503 and
68 any renewals or final report thereafter with the Secretary of
69 State upon forms prescribed by him. Such financial report shall
70 cover the most recently completed fiscal year and include such



71 information as required by the Secretary of State by rule or
72 otherwise, including, but not limited to, the gross receipts from
73 contributions and the use of the proceeds of such contributions.
74 The report shall be signed by the president or other authorized
75 officer of the organization who shall certify under penalties of
76 perjury that the statements therein are true and correct to the
77 best of the signer's knowledge. Such financial report shall be
78 accompanied by any and all forms required to be filed by a
79 charitable organization with the United States Internal Revenue
80 Service for the organization's most recent fiscal year end.

81 (4) Any charitable organization receiving more than
82 Twenty-five Thousand Dollars (\$25,000.00) but less than Seven
83 Hundred Fifty Thousand Dollars (\$750,000.00) via monetary
84 donations shall, at the request of the Secretary of State, submit
85 additional financial information, including, but not limited to,
86 an audited financial statement prepared in accordance with
87 generally accepted accounting principles and accompanied by an
88 opinion signed by an independent certified public accountant that
89 the financial statement therein fairly represents the financial
90 operations of the organization in sufficient detail to permit
91 public evaluation of its operations.

92 (5) The Secretary of State, pursuant to Section 79-11-509,
93 may promulgate rules to provide for extensions of the due date for
94 filing of the financial statements required by this chapter and
95 may impose an administrative penalty against any organization



96 which fails to comply with this section within the time
97 prescribed, or fails to furnish such additional information as is
98 requested by the Secretary of State within the required time.

99 **SECTION 2.** This act shall take effect and be in force from
100 and after July 1, 2024.

