

By: Representatives Rogers (14th), Akins,  
Chism, Dedeaux, Denny, Holland, Vince

To: Judiciary B

HOUSE BILL NO. 713

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 ACCOUNTANT.

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  
13 fund-raising functions are not carried on solely by persons who  
14 are unpaid for such services shall file a financial report for its  
15 most recently completed fiscal year with the Secretary of State.  
16 Such financial report shall be filed along with the registration  
17 statement required by Section 79-11-503 and any renewals  
18 thereafter. Such financial report shall include a balance sheet  
19 and statement of income and expense and shall be consistent with  
20 forms furnished by the Secretary of State clearly setting forth  
21 the following: gross receipts and gross income from all sources,  
22 broken down into total receipts and income from each separate  
23 solicitation project or source; cost of administration; cost of  
24 solicitation; cost of programs designed to inform or educate the  
25 public; total net amount disbursed or dedicated for each major  
26 purpose, charitable or otherwise. The report shall be signed by  
27 the president or other authorized officer and the chief fiscal  
28 officer of the organization, and shall be accompanied by an

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

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

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

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

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

72 **SECTION 2.** This act shall take effect and be in force from  
73 and after July 1, 2006.