

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.

