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*CHARITABLE ORGANIZATION REGISTRATION INFORMATION
PURSUANT TO THE GEORGIA CHARITABLE SOLICITATIONS ACT OF 1988, AS AMENDED*

The Georgia Charitable Solicitations Act of 1988, as amended, O.C.G.A. Title 43, Chapter 17, regulates the solicitation and collection of charitable contributions in Georgia. Unless exempted by provisions of this Act, **organizations and individuals that solicit contributions from the public for charitable purposes are required to register with the Secretary of State**, and to disclose financial information and other facts relating to the organization. The Act allows the Secretary of State to take action against those persons and firms who violate its provisions. The following information is a general overview of the Act. Additional information may be obtained by securing a copy of the Act or contacting the Securities and Business Regulation division.

SOLICITATION - The request or acceptance directly or indirectly of money, credit, property, financial assistance, or any other thing of value to be used for any charitable purpose.

CHARITABLE ORGANIZATION - A charitable organization is any benevolent, philanthropic, patriotic or such associated group or person who solicits or obtains contributions from the general public, any part of which is used for charitable purposes. **The term charitable organization does not include religious organizations.**

RELIGIOUS ORGANIZATIONS - An entity conducting regular worship services or is qualified as a religious organization under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended.

REGISTRATION - Charitable organizations that solicit funds in or from Georgia must register with the Secretary of State unless they are exempt from registration as set forth in the Act. Submit initial filing fee of \$25.00 with completed C100 application. **Nonprofit incorporation is not a requirement for registration as a charitable organization and is a process separate from charitable registration.** Persons desiring to incorporate or register an out-of-state corporation in Georgia should contact the Corporations Division at (404) 656-2817 for information.

RENEWAL OF REGISTRATION - A charitable organization registration is valid for a period of 12 months from its effective date and must be renewed on or before the expiration date of each year. A renewal notice is mailed to the organization in the month prior to its expiration date. That notice should be signed and returned with the requested attachments, including financial statements and the renewal fee of \$10.00. The applicant is responsible for filing their renewal whether or not the notice is received. If additional time is needed, **a written request for an extension must be received before the expiration date.** This request must specify the date when renewal will be completed.

FINANCIAL DISCLOSURES

- If the organization has received or collected any charitable contributions an IRS Form 990 dated within one year of filing must be attached to C100 application.
- If the charitable organization has received or collected more than \$1,000,000.00 during its preceding

fiscal year, a **certified** financial statement prepared in accordance with generally accepted accounting principles by an independent certified public accountant is required.

- If the charitable organization has received or collected more than \$500,000.00 but not more than \$1,000,000.00 during its preceding fiscal year, a financial statement **reviewed** in accordance with generally accepted accounting principles by an independent certified public accountant is required .
- If the charitable organization has received less than the amount required by the IRS to file Form 990 or Form 990 EZ, a financial statement that discloses the income and expenses for the fiscal year will be acceptable.
- If the charitable organization is newly formed and has not received charitable contributions; a signed statement from an officer of the organization attesting to the financial status of the organization will be accepted in lieu of a financial statement.

REINSTATEMENT OF REGISTRATION - If an organization's registration expires, the C100 application and \$25.00 are required to reinstate the registration. The entire application must be filed along with the financial statements required for that filing period.

AMENDMENTS - A charitable organization must keep its registration current with the Secretary of State by amending its registration within 30 days to reflect any change to the initial registration statement. The registration form (C100) is a continuous filing form and is also used for filing amendments. The section of the form to be amended should be circled, updated and filed with the execution page (page 1) manually signed by an authorized agent and notarized. The fee for filing amendments is \$15.00.

EXEMPTIONS - Organizations exempt from registration under the Act include the following:

- **EDUCATIONAL** - Institutions and those organizations, foundations, associations, corporations, charities, and agencies operated, supervised, or controlled by or in connection with a nonprofit educational institution, provided that those organizations are qualified under Section 501 (c) (3) of the Internal Revenue Code of 1986, as amended.
- **PROFESSIONAL ASSOCIATIONS** - Professional, business and trade associations that do not solicit members or funds from the general public.
- **FRATERNAL AND SOCIAL ORGANIZATIONS** - Fraternal, civic, benevolent, patriotic and social organizations if persons without any form of compensation carry on solicitations and solicitation is confined to their membership.
- **NAMED INDIVIDUALS** - Persons requesting any contributions for the relief of any other individual who is specified by name at the time of the solicitation if all of the contributions collected, without any deductions whatsoever are turned over to the named beneficiary. If contributions exceed \$5,000.00, a written accounting of funds may be required.
- **\$25,000.00 EXEMPTION** - A charitable organization whose total gross revenue has been less than \$25,000.00 for both the immediately preceding and current calendar or which is exempt from filing a federal annual information return.
- **HUNTERS, FISHERMEN AND TARGET SHOOTERS** - Any local or state organization of hunters, fishermen and target shooters which has been granted tax exempt status.
- **POLITICAL ORGANIZATIONS** - Political parties, political action committees and candidates for federal or state office who file financial information with federal or state election commissions.
- **MULTI-LEVEL ORGANIZATIONS** - In the case of organizations with national, state and/or local chapters, only one entity among the three need register as a charitable organization. For example, if a national organization is registered with the Secretary of State, the state and local affiliates are not required to register. Should an organization's local chapter affiliate be registered as a charitable organization, the state and national affiliates need not register as long as they do not directly solicit contributions in the state. Financial and other records of the state or national

organization and each affiliate must be available for inspection by the Secretary of State.

PROVING EXEMPTIONS - In all cases, the burden of proving entitlement to an exemption falls upon the charitable organization. An organization claiming an exemption from registration as a charitable organization is advised to carefully review the wording of the Act to insure its legal operation.

FEDERAL TAX CONSIDERATIONS - The Secretary of State does not provide tax advice to charitable organizations. For information relating to federal tax laws, tax-exempt or nonprofit status contact the Internal Revenue Service at 1-877-829-5500. For information concerning state tax exemptions contact the Georgia Department of Revenue at 404-656-7043.

LOCAL ORDINANCES - A charitable organization should contact the applicable city and county governments to determine what, if any, local ordinances apply to its activities.

RAFFLES AND BINGO GAMES - If the organization wishes to conduct a raffle, the sheriff's office of the county in which the organization is located must be notified. Information regarding bingo games should be directed to the Georgia Bureau of Investigation.

DISCLOSURE REQUIREMENTS - Upon solicitation, a charitable organization is required to disclose its name and location, and state that a full description and financial statement or summary of the organization is available.