

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

SENATE BILL 132

52ND LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2015

INTRODUCED BY

Richard C. Martinez

AN ACT

RELATING TO CHARITABLE ORGANIZATIONS; AMENDING THE CHARITABLE SOLICITATIONS ACT TO INCREASE THE THRESHOLD AUDITING REQUIREMENT.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

SECTION 1. Section 57-22-6 NMSA 1978 (being Laws 1983, Chapter 140, Section 6, as amended) is amended to read:

"57-22-6. FILING OF REQUIRED DOCUMENTS.--

A. A charitable organization existing, operating or soliciting in the state, unless exempted by Section 57-22-4 NMSA 1978, shall register with the attorney general on a form provided by the attorney general; correct any deficiencies in its registration upon notice of deficiencies provided by the attorney general; and provide a copy of its IRS Form 1023 or IRS Form 1024 application for exempt status with its

.197673.1

underscored material = new
~~[bracketed material] = delete~~

underscored material = new
[bracketed material] = delete

1 registration.

2 B. The attorney general shall notify each
3 charitable organization required to register within ten
4 business days of [~~his~~] receipt of the registration form of any
5 deficiencies in the registration and may make rules in
6 accordance with the State Rules Act, as are necessary for the
7 proper administration of this section, including:

8 (1) requirements for filing additional
9 information, including disclosure of professional fundraising
10 counsel retained by the charitable organization; and

11 (2) provisions for suspending the filing of
12 reports or granting an exemption from the registration and
13 reporting requirements of this section for a charitable
14 organization subject to audit, registration, charter or other
15 requirements of a statewide, regional or national association
16 and if it is determined that such reports or registration is
17 not necessary for the protection of the public interest.

18 C. In addition to any other reporting requirements
19 pursuant to the Charitable Solicitations Act, every charitable
20 organization that has received tax-exempt status pursuant to
21 Section 501(c)(3) of the federal Internal Revenue Code of 1986,
22 as amended, and that is required to file a Form 990, 990EZ or
23 990PF pursuant to the Internal Revenue Code of 1986, as
24 amended, shall file that form and the accompanying schedule A
25 annually with the office of the attorney general up to six

.197673.1

underscored material = new
[bracketed material] = delete

1 months following the close of the charitable organization's
2 fiscal year. Extensions of time for filing may be allowed at
3 the discretion of the attorney general for good cause shown.
4 Such forms shall be public records and available for public
5 inspection. Organizations that do not file a Form 990, 990EZ
6 or 990PF pursuant to the Internal Revenue Code of 1986, as
7 amended, shall file an annual report, under oath, on the form
8 provided by the attorney general for that purpose. A
9 charitable organization that received total revenue in excess
10 of [~~five hundred thousand dollars (\$500,000)~~] one million five
11 hundred thousand dollars (\$1,500,000) shall be audited by an
12 independent certified public accountant. Audits shall be
13 performed in accordance with generally [~~acceptable~~] accepted
14 accounting principles. A charitable organization shall correct
15 any deficiencies in an annual report upon notice of
16 deficiencies provided by the attorney general.

17 D. A charitable organization that fails to register
18 before a solicitation is made or fails to timely file its tax
19 filings with the attorney general pursuant to Subsection C of
20 this section may be assessed a late filing fee of one hundred
21 dollars (\$100).

22 E. The attorney general may accept information
23 filed by a charitable organization with another state or the
24 federal government in lieu of the registration and reporting
25 requirements of the Charitable Solicitations Act if such

.197673.1

underscoring material = new
~~[bracketed material] = delete~~

1 information is determined by the attorney general to be in
2 substantial compliance with the registration and reporting
3 requirements of that act."

4 - 4 -
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25