

What's new in 2011

(Registration and Requirements)

Charity & Nonprofit Education Program

Secretary of State

Division of Corporations & Charities

October 2011

Division of Corporations & Charities

www.sos.wa.gov/corps/

- Corporations Program
 - Profit Entities (Corporations, LLCs, and Partnerships)
 - Nonprofit Corporations
 - Trademarks
- Charities Program
 - Charitable Organizations
 - Commercial Fundraisers
 - Charitable Trusts
- Special Programs



The difference between. . .



- Nonprofit Corporation
- Charitable Organization
- Tax Exempt Status

Why do Nonprofit Corporations and Charities register twice at SOS?

- Corporate laws require annual license fee and an annual report listing officers and directors
- Charitable organization laws require certain financial information each year
- Title 24 RCW and WAC 434-112
&
• RCW 19.09 and WAC 434-120



Charities Not Required to Register



- Political Organizations
- Churches and their integrated auxiliaries
- Charities raising < \$50,000 a year and no paid staff
- Appeals on behalf of a specific, named individual



Financial Reporting Requirements

- Law was amended in 2007 to add tiered financial reporting requirements in 2010
- Law was amended in 2011 by adding definitions, reducing filing requirements, removed the requirement to attach the 990 and /or audit.



Financial Tiers

- Tier One (\$1M or less)
- Tier Two (over \$1M)
- Tier Three (over \$3M)
- Board must review financials before submission to our office. (New checkbox)



Tier One

- If \$1M or less in annual gross revenue, averaged over last 3 completed accounting years:

– Use annual renewal form to file.



STATE OF ARKANSAS
 DEPARTMENT OF REVENUE
 Charitable Organization Registration Renewal Form
 CHARITABLE ORGANIZATION REGISTRATION RENEWAL
 Including the W-9 STATE COMPLETED BY THE DRIVE

Check the appropriate box:
 Initial Registration fee
 Renewal fee
 Late fee \$50
 No Registration fee
 Waiver/Non-Traditional Fund Drive - No Fee (optional) (Type)

REGISTRATION NUMBER: If I agree, _____
 (Send your registration number) <http://www.dor.state.ar.gov/charitableorgs.htm>

CHARITABLE ORGANIZATION REGISTRATION RENEWAL - Including THE W-9 STATE COMPLETED BY THE DRIVE

GENERAL INFORMATION

Organization's Legal Name: _____
 Mailing Address Line 1: _____
 Mailing Address Line 2: _____
 City: _____ State: _____ Zip Code: _____ County: (If not only) _____
 Phone: () _____ Website: _____
 Email: _____

Check here if the organization prefers to receive annual renewal notices via email. (Email address is required above)

CHARITABLE ORGANIZATION REGISTRATION RENEWAL (Chapter 109-10-101)
 A Charitable Organization Registration Renewal is required for all registered charitable organizations. Please complete this form and file it with the Department of Revenue. If you have a 2010-2011 registration, please check the "Renewal" box on the top left of this registration form.

STREET ADDRESS (Different from Mailing Address)
 Check if the Street Address is the same as the Mailing Address. A Street Address is required below.
 If the organization uses a P.O. Box as its Mailing Address, a Street Address is required below.
 Street Address (If none, please indicate by providing "No, Street Address is not used")
 Address: _____
 City: _____ State: _____ Zip Code: _____ County: (If not only) _____

Tier Two

- If more than \$1M and up to \$3M:
Must make one of the following available for public inspection:
 - The Federal financial reporting form (990, 990PF, 990EZ) which must be prepared by CPA
 - or
 - An audited financial statement prepared by an independent CPA

Do NOT file IRS 990 and/or audit with SOS anymore!

Tier Three

- If annual gross revenue is more than \$3M:
 - Obtain an audited financial statement prepared by an independent CPA.
 - The audited financial statement must be available to the public - paper copy or accessible online

Do Not file a copy of the audit with the SOS anymore!



Annual Filing Requirements

- Nonprofit Annual Report and License Fee
 - Online at www.sos.wa.gov/corps
 - Paper form also available
- Charities registration renewal
 - Paper form available (download, print, mail) at www.sos.wa.gov/charities



Don't Get Rejected!

- Incomplete information – no blanks please
- Missing attachments – lists, letters, etc.
- Missing signature- 
- Missing fee - checkboxes at top of forms

2011 Legislation

- HB 1485 effective 7/22/11
 - Reorganized and streamlined law
 - Clarified with definitions and explanations
 - Allowed 20 days after receipt of registration to solicit
 - Raised filing threshold to \$50K
 - Organizations are no longer required to attach a copy of its 990, 990EZ or 990PF. *(Must meet the federal requirements relating to public inspection and disclosure.)*
 - Organizations are no longer required to attach a copy of its financial audit, if one is required.

Confused yet?



New “Special Purpose Corporation”
law in 2012

New nonprofit corporation law
maybe in 2013



Charities & Nonprofit Education Program

- **2006 – Roundtables Across the State**
- **2007 – SOS received authority from Legislature to create Program**
- **2007 – Charities Advisory Council Appointed**
- **2010 – Program Funded; Coordinator Hired**
- **2011 – First Educational Symposium in Spokane**

Washington Secretary of State *Sam Reed* Contact Us | Connect: Search: Web Site SEARCH

Charities Program

Home | Charity Search | Starting a Charity | **Training** | Corporations Home | Combined Fund Drive

About the Charities Program
The Charities Program registers individuals, organizations, and commercial fundraisers that raise or collect contributions from the general public to support charitable activities. [More »](#)

Information for Donors

- [Charity Search](#)
- [Give, But Give Wisely Brochure \(PDF\)](#)
- [How to file a formal complaint](#)
- [Commercial Fundraiser Activity Report](#)
- [Frequently Asked Questions](#)
- [Legal Actions Filed by the Attorney General](#)
- [Reducing Unwanted Telephone Solicitations and Junk Mail](#)
- [Federal Trade Commission - Do Not Call Registry](#)
- [Other Available Resources for Donors](#)

Governing Laws and Regulations

- [Charitable Solicitations Act, 19.09 RCW](#)
- [Charitable Trust Act, 11.110 RCW](#)
- [Washington Administrative Code, 434-120](#)
- [Non-profit Corporations Act](#)
- [2011 Legislative Amendments](#)

Information For Charitable Organizations

Online Services

- [Online "Optional Registration" NRM: Order a Confirmation Letter](#)
- [Order a Charitable Trust Directory](#)

News

Did you receive a post card?

« BACK NEXT »

SUBSCRIBE

Charities Advisory Council

- [About the Charities Advisory Council](#)
- [List of Council Members](#)

Customer Feedback

We value your feedback, and would appreciate if you took a few moments to respond to some questions.

www.sos.wa.gov/charities

Training Signup - Mozilla Firefox

http://www.sos.wa.gov/charities/training/signup.aspx

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Educational Opportunities

Be sure to keep checking back here as we will be continually adding symposiums in different regions of the state, as well as shorter workshops.

Training Registration

Below are upcoming training sessions. To find out more and to register, click on the title.

- [Fundraising Fundamentals - Spokane - Spokane 10/20/2011 10:00 AM](#)
- [Fundraising Fundamentals - Olympia Area - Tumwater 11/14/2011 10:00 AM](#)

Would you like us to come to you?

The Charities and Nonprofit Education and Outreach program is happy to work with an organization to ensure that the necessary educational information is accessible. If you would like to discuss an educational presentation tailored for your group or conference, please contact [Teresa Glidden](#), Education and Outreach Coordinator at **360-725-9373**.

[Quick Guide to Nonprofit Board Service \(PDF\)](#)

Additional Educational Resources

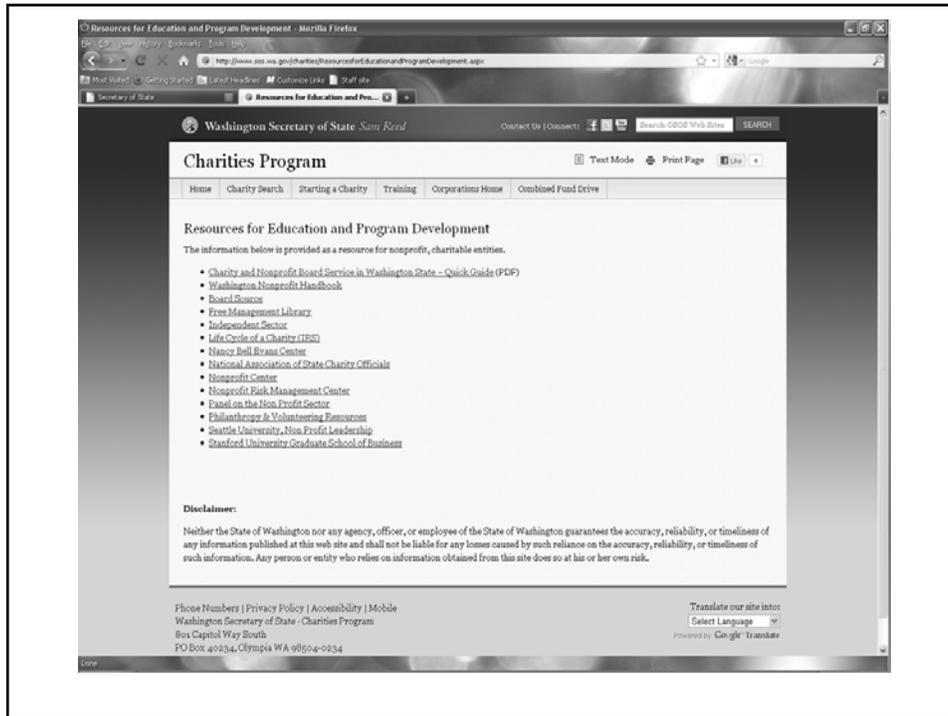
Please take a moment to take this [brief questionnaire](#) so that we can better serve your educational needs. Thank you!

Phone Numbers | Privacy Policy | Accessibility | Mobile
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www.sos.wa.gov/charities/training



Find us on Facebook!

Who to Call?

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