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## contact US

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## HELLO - IS ANYONE THERE?

### Tell us how you really feel...

The Secretary of State's office, Division of Corporations and Charities, holds customer service as one of our core values. We have internal and external customers - lawyers, bankers, chiefs, and everyday people. All of them are trying to start businesses, combine businesses, and sometimes close businesses by completing transactions in our office. We want to make these transactions as simple as the laws that created them will allow.

Some of the things we have on our wish list for the future are:

- Combining nonprofit corporation renewals with charitable solicitation program renewals and adding the registration with the Combined Fund Drive as well – all in one filing;
- Electronic renewal notices for corporations and charitable organizations that choose to receive them (HB 1040 would allow this, if passed); and
- Virtual hold, which would allow callers to keep their place in line, but receive a call back, instead of waiting for 10 minutes or more for a representative.

Having said that, I am asking you to go to our web site at [www.sos.wa.gov/corps](http://www.sos.wa.gov/corps) and take our Customer Survey located in the lower right-hand corner of the page. Tell us what you need from our office.



Budgets are tight and resources are harder to come by, but that doesn't mean we can't find ways to make life better. Tell us how you really feel and we promise to consider each idea, implementing those we can and planning for those that are a bit out of reach right now. Together, we might be able to shrink the bureaucracy and red tape and maybe find a better way.

Thank you Pam Floyd, Director



*the* BUZZ

**DEPARTMENT OF  
LABOR & INDUSTRIES**

L&I Enforces Contractor  
Licensing Requirements

Contractors are required to be current in their registration at the Secretary of State's office before renewing their account with the Department of Labor & Industries.

A contractor that is a corporation or limited liability company may forget to file an annual report and become administratively dissolved, and have only five years to reinstate or start over with their business structure.

Out-of-state contractors may have to pay expensive back fees for doing business without being registered.

Contractors are reminded to register or renew their business structure with the Secretary of State before renewing their industrial insurance account with Labor & Industries.

**HAPPENINGS**

***CHARITIES REGISTER ONLINE***

Certain organizations can now register with the Charities Program Online!

Online filings are now available for organizations conducting fundraising activities in Washington State, but are exempt from the registration requirements with the Charities Program.

If an organization conducts fundraising activities and meets any of the following criteria, the organization is eligible to submit an online "Optional Registration."

- Any entity that is totally volunteer run *AND* raises less than \$25,000 a year from the public
- Fundraising activities are on behalf of a specific individual if *ALL* of the proceeds are for the direct benefit of that individual
- Churches and their Integrated Auxiliaries

- Political Organizations

We invite all organizations who qualify to complete the online registration.

Visit the Charities Program Web site at

<http://www.sos.wa.gov/charities/OnlineFilingsareNowAvailable.aspx>

Quick, easy and no registration fee!



**MORE CHARITIES UPDATES**



**Charities and Nonprofit Outreach and Education**

The Charities and Nonprofit Outreach and Education program is gearing up for a busy 2011 with multiple, free workshops planned all over the state.

Workshops will provide an overview of registration requirements with the Office of the Secretary of State, tax laws (state and federal), state gambling laws and state liquor laws as they relate to charitable and/or nonprofit events and organizations. Overviews of board governance will also be offered.

These workshops are not intended to replace legal and financial advice from experienced professionals; they are intended as an introduction to requirements for charities and nonprofit organizations in Washington State.

Organizations can also schedule a presentation at their conference or meeting. Please call Teresa Glidden, Charities and Nonprofit Education Coordinator, at 360-725-0373 for more information.

## HIGHLIGHTS

### LEGISLATIVE UPDATE 2011

**HB 1040** is a Secretary of State request bill, sponsored by Representatives Peder- sen, Armstrong, Kirby, Warnick, Kelly, and Hunt. This bill will allow the Secretary's office to send corporate and charitable renewal notices by electronic mail if the en- tity chooses to receive their notices in this manner. It will also amend the Electronic Authentication Act. The companion bill in the Senate is **SB 5082**.

The Secretary's office has also introduced **HB 1485** regarding revision of the Char- itable Solicitation Act, RCW 19.09. The purpose of the revision is to streamline filing for charitable organizations and update language for easier understanding.

Other bills to note: **HB 1052**, addressing the authority of shareholders and boards of directors to take certain actions under the Corporation Act; **SB 5234**; nonprofit, establishment of an association as a nonprofit stewardship organization for un- wanted drug disposal.

There are 37 bills filed that will affect some businesses in different ways. To see a list of them, visit the Legislature's web site at <http://apps.leg.wa.gov/billsbytopic/Results.aspx?letter=B&year=2011> .

To learn more about the legislative process, visit the Legislature at its home page at <http://www.leg.wa.gov/pages/home.aspx> .

### MORE HIGHLIGHTS

**Corp Sole Dissolution Notices.** Beginning January 2010, Corporation Sole enti- ties were required to file annual reports with the Secretary of State's office or face administrative dissolution. The first batch of dissolution notices were mailed the *last week of January 2011* to approximately 3,100 Corporation Soles that did not file their annual report in a timely manner. If you believe your Corporation Sole has been dissolved in error, or are unsure about how to file an annual report, please contact our office at (360) 725-0377 for assistance.

### FACT OF THE QUARTER

#### **Don't most new businesses in Washington start as a Sole Proprietor?**

Not necessarily. Recently we compared the number of new businesses that filed as Sole Proprietors/General Partnerships with the Department of Licensing to the num- ber of new Corporate Entities registered with Secretary of State, Corporations Divi- sion.

Our results show nearly a 50/50 split since August of 2008. About half of the new businesses formed in Washington are corporate entities and the other half of new businesses are Sole Proprietorships/General Partnerships. Of the new corporate entities, the vast majority have been Limited Liability Companies (LLCs).

As of August 20, 2010, the Corporations and Charities Division has hosted 402,918 active entities including Profit Corporations, Limited Liability Companies, Nonprofit Corporations, Limited Partnerships, Limited Liability Partnerships and Limited Liabil- ity Limited Partnerships.

## News TIDBITS

### DEPARTMENT OF REVENUE

#### Amnesty Program

The Department of Revenue announced a temporary am- nesty program waiving penal- ties and interest on certain un- paid taxes.

The program dates are limited to February 1, 2011 through April 30, 2011.

Details on who is eligible, what taxes are affected, and how to apply can be found at their web site:

[http://dor.wa.gov/Content/DoingBusiness/ RegisterMyBusiness/ amnesty.aspx](http://dor.wa.gov/Content/DoingBusiness/RegisterMyBusiness/amnesty.aspx) .

There are certain requirements and exclusions, so for more information, email [communications@dor.wa.gov](mailto:communications@dor.wa.gov) or call 1-800-647-7706

### WHAT DOES "Dish from the Dolliver" MEAN?

The Corporation and Charities Division is located in the his- toric Dolliver Building in down- town Olympia, named after former Washington State Su- preme Court Justice James Dolliver. "Dish" refers to the colloquial expression "dish the dirt."

### STORY IDEAS?

Send them to Kathy Kimbel, Manager in the Corporation and Charities Division [kathy.kimbel@sos.wa.gov](mailto:kathy.kimbel@sos.wa.gov)

## CORPORATIONS FOR COMMUNITIES

**GLY Construction** and **Dissmore's Foods** were selected from a statewide pool of nominees as Fall 2010 award recipients of Secretary Reed's Corporations for Communities program, which honors exceptional Washington businesses that make community a priority.

"GLY Construction and Dissmore's Foods are very deserving of this special honor," Reed said. "These two companies strongly emphasize the importance of volunteerism. Their dedication to the community clearly goes to the core of their business operations and services. I am very pleased to recognize them as corporations that stand out by how much they give back. They really embody what Corporations for Communities is all about."

**GLY Construction**, the large-category recipient, is one of the largest locally owned general contractors in the Puget Sound area. GLY regularly contributes time, money and people to organizations like YMCA, Habitat for Humanity and many others. The firm, which was founded in 1978, has built corporate facilities and

distribution centers for the likes of Microsoft, Adobe, Nintendo, Overlake Hospital and Boeing.

**Dissmore's Foods**, as recipient for the small category, offers a variety of grocery and retail services while contributing and participating with groups like Food Banks, Food @ Toy Drives, The Stuff the Bus Campaign, local FFAs, and local FHAs.

Reed also recognized several corporations for honorable mention certificates.

The honor roll includes **General Biodiesel**, **Tucci and Son's**, **Boeing**, **Nutter Corporation**, **Shree Investments**, **Safeway** and **Grays Harbor Paper**.

ELECTRONIC VERSION OF THIS NEWSLETTER IS AVAILABLE AT [WWW.SOS.WA.GOV/CORPS/](http://WWW.SOS.WA.GOV/CORPS/)

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SAM REED

Secretary of State  
*Washington*

