

November 12, 2014

**PRESENTATION ON
BILL DRAFT REQUEST 447
CHARITABLE ORGANIZATIONS**



BDR 447

- Background
- Purpose
- What does it all mean?
- Overview and Explanation of Proposed Changes

Can you explain why the BDR contains a lot of blue italicized language?

- ❖ Definitions
- ❖ First change – removing it from Chapter 82
- ❖ Proposing the creation of a new statute
- ❖ Why?
 - To ensure that the law applies to all non-profits not just those created under Chapter 82
 - ❖ Girl Scout example

BDR Outline

Sec. 1 - Definitions

Sec. 2 - Registration requirements for organizations which solicit charitable contributions

Sec. 3 - Organizations exempt from registration

Sec. 4 - Disclosure requirements for all organizations whether or not the contributions are tax deductible

Sec. 5 - Certain Solicitations Exempt from Disclosure

Sec. 6 – Registration to be made available on SoS website

Sec. 7 – Specifies the penalties for registration

Sec. 8 – Enforcement provisions

Sec. 9 – Powers & Duties of SoS and AG

Sec. 10 – Authority to Promulgate Regulations

Sec. 11 - Reinstatement of chapter 598 provisions that were amended by AB 60 (basically returning the deceptive trade practice statute back to its original form)

Sec. 12 - Repeal of NRS 82.382- 82.417 (language added to Chapter 82 by AB 60 and now being moved to new chapter)

Section 3 - Clearly Defining When an Organization is Exempt from Registration Requirement

- Codifying in statute - Request for contributions is directed to a total of fewer than 15 persons annually
- Directed only to persons who are related within the third degree of consanguinity or affinity to officers, directors trustees or executive personnel of the corporation
- Corporation is recognized as a church under the IRS code section 501(c)(3)
- NEW Exemption – Direct appeal to help an individual or family

Section 4 Disclosure Requirements

- Maintain intent but improve the language to eliminate confusion in how to comply
- Would still apply to all nonprofit entities
- Disclosure informs the prospective donor whether or not the contribution may or is not tax-deductible
- Provides clarification for how to comply with disclosure requirement for a telethon or radio-thon

Section 5 Solicitations Exempt from Disclosure Requirements

- Alumni Association
- Public Broadcasting
- Direct sale of tangible goods and services
- Charitable Promotions
- Conducted by governmental entity
- Grant or Contract

Questions?

