

Tracy's Takeaways

A Guide for Nonprofits Soliciting Charitable Contributions

- 1. If you are soliciting charitable contributions in a state that regulates fundraising activities, you will need to be registered with the applicable State Charity Office, unless you are exempt or excluded.**
 - ✓ You may need to register before you begin fundraising.
 - ✓ You will have to renew annually as long as you are soliciting in the state(s).
- 2. Your organization's IRS 990 returns and other registration materials filed with the IRS and state registration offices must be:**
 - ✓ Timely filed
 - ✓ Accurate
 - ✓ Complete
 - ✓ Free of material falsifications, misrepresentations, and omissions
- 3. You will need to make sure that all of your organization's fundraising professionals (both professional fundraising counsel and professional solicitors) and commercial co-venturers:**
 - ✓ Are properly registered
 - ✓ Have filed copies of their contracts with state charity offices as required.
- 4. Communicate with your fundraising professionals and commercial co-venturers regarding state registration compliance.**
 - ✓ Make sure that what you are reporting is consistent with what they are reporting.
- 5. Your organization's solicitations must be truthful.**
 - ✓ You may not misrepresent how the funds will be used or the intended beneficiary.
 - ✓ You may not tell potential donors that contributions are tax deductible unless they are.
- 6. Your organization's solicitation materials may need to contain specific disclosure statements.**
 - ✓ Your professional fundraisers and commercial co-venturers may also have to make specific disclosures when soliciting for your benefit.
- 7. Fundraising on the Internet is considered solicitation, and may require registration in your state of domicile plus other states.**
- 8. Charitable organizations are responsible for establishing and maintaining control over all fundraising activities conducted on their behalf.**
 - ✓ This includes employees, volunteers, professional fundraisers, consultants, and commercial co-ventures

The information provided in this document does not constitute legal advice, and is not intended to substitute for legal counsel.

Prepared By:
Tracy L. Boak • Attorney At Law
41 Madison Avenue, 40th Floor • New York, NY 10010
Telephone: 212 889-0575 • Fax 212 748-8120
tracy@perlmanandperlman.com