

SENATE BILL 10

C2

(PRE-FILED)

6lr0494
CF 6lr0579

By: **Senator Simonaire**

Requested: July 22, 2015

Introduced and read first time: January 13, 2016

Assigned to: Judicial Proceedings

Committee Report: Favorable with amendments

Senate action: Adopted

Read second time: February 2, 2016

CHAPTER _____

1 AN ACT concerning

2 **Business Regulation – Charitable Organizations – Audit and Review**

3 FOR the purpose of increasing the minimum gross income amount at which the registration
4 statement of a charitable organization must include a certain audit; altering the
5 range of gross income amounts for which the registration statement of a charitable
6 organization must include a certain review; making a conforming change; and
7 generally relating to the auditing and review requirements for charitable
8 organizations.

9 BY repealing and reenacting, without amendments,
10 Article – Business Regulation
11 Section 6–402(a) and (c)
12 Annotated Code of Maryland
13 (2015 Replacement Volume and 2015 Supplement)

14 BY repealing and reenacting, with amendments,
15 Article – Business Regulation
16 Section 6–402(b)(7) and (d)
17 Annotated Code of Maryland
18 (2015 Replacement Volume and 2015 Supplement)

19 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
20 That the Laws of Maryland read as follows:

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



Article – Business Regulation

6–402.

(a) A registration statement shall be on the form that the Secretary of State provides.

(b) Except as provided in subsection (c) of this section, the registration statement shall contain or be accompanied by:

(7) (i) an audit by an independent certified public accountant if the gross income from charitable contributions in the most recently completed fiscal year is at least ~~[\$500,000]~~ **\$750,000**; or

(ii) a review by an independent certified public accountant if the gross income from charitable contributions in the most recently completed fiscal year is at least ~~\$200,000~~ **\$300,000** but less than ~~[\$500,000]~~ **\$750,000**;

(c) The Secretary of State may accept other documentation in place of any item required under subsection (b) of this section.

(d) The Secretary of State may require an audit or review if the amount of gross income is less than ~~[\$500,000]~~ **\$750,000**.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2016.

Approved:

Governor.

President of the Senate.

Speaker of the House of Delegates.