

HOUSE BILL 483

C2

6lr0743
CF SB 354

By: **Delegate Wolek**

Introduced and read first time: January 23, 2026

Assigned to: Economic Matters

A BILL ENTITLED

1 AN ACT concerning

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

3 FOR the purpose of increasing the minimum gross income amounts from charitable
4 contributions at which a charitable organization must include a certain audit or a
5 certain review with the charitable organization's registration statement; increasing
6 the amount of cash receipts from charitable contributions the Secretary of State may
7 accept an affidavit attesting to under certain circumstances; increasing the
8 maximum amount of gross income of a charitable organization at which the
9 Secretary of State may require an audit or review of the charitable organization; and
10 generally relating to audit and review thresholds for charitable organizations.

11 BY repealing and reenacting, without amendments,
12 Article – Business Regulation
13 Section 6–402(a)
14 Annotated Code of Maryland
15 (2024 Replacement Volume and 2025 Supplement)

16 BY repealing and reenacting, with amendments,
17 Article – Business Regulation
18 Section 6–402(b)(7), (c)(1)(v), and (d)
19 Annotated Code of Maryland
20 (2024 Replacement Volume and 2025 Supplement)

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

23 **Article – Business Regulation**

24 6–402.

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



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

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

5 (7) (i) an audit by an independent certified public accountant if the
6 gross income from charitable contributions in the most recently completed fiscal year is at
7 least ~~[\$750,000]~~ **\$1,000,000**; or

8 (ii) a review by an independent certified public accountant if the
9 gross income from charitable contributions in the most recently completed fiscal year is at
10 least ~~[\$300,000]~~ **\$500,000** but less than ~~[\$750,000]~~ **\$1,000,000**;

11 (c) The Secretary of State may accept other documentation in place of any item
12 required under subsection (b) of this section, including, in place of the audit or review
13 required by subsection (b)(7) of this section, supporting documents indicating, and an
14 affidavit attesting, that:

15 (1) the charitable organization:

16 (v) has cash receipts from charitable contributions not exceeding
17 ~~[\$300,000]~~ **\$500,000** and amounting to 20% or less of the charitable organization's gross
18 income during the immediately preceding fiscal year that are used for program services or
19 management and general expenses of the charitable organization, as set forth under
20 COMAR 01.02.04.04.A and C;

21 (d) The Secretary of State may require an audit or review if the amount of gross
22 income is less than ~~[\$750,000]~~ **\$1,000,000**.

23 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July
24 1, 2026.