

# HOUSE BILL 514

C2, Q3, Q4

EMERGENCY BILL

6lr0736  
CF SB 4

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By: Delegate Rosenberg

Introduced and read first time: January 27, 2026

Assigned to: Economic Matters

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## A BILL ENTITLED

1 AN ACT concerning

2 **Charitable Organizations – Charitable Donation and Tax-Exempt Status –**  
3 **Revocation**  
4 **(Keeping Charities Nonpartisan Act of 2026)**

5 FOR the purpose of altering, for the purpose of certain provisions of law that regulate  
6 charitable organizations, the definition of “charitable organization” to include a  
7 certain person that is recognized by the Internal Revenue Service to receive  
8 donations that are deductible from federal income tax; prohibiting certain charitable  
9 organizations from participating in or intervening in a political campaign on behalf  
10 of or in opposition to a candidate for public office; authorizing the Secretary of State  
11 and the Attorney General, acting jointly, to order the revocation of certain  
12 tax-exempt statuses of a charitable organization under certain circumstances;  
13 requiring the Comptroller and the Director of the State Department of Assessments  
14 and Taxation to revoke certain tax-exempt statuses under certain circumstances;  
15 providing that a charitable organization whose tax-exempt status is revoked does  
16 not qualify for certain income, sales and use, and property tax exemptions; requiring  
17 the Attorney General to monitor action by the federal government for a certain  
18 purpose; and generally relating to charitable organizations.

19 BY repealing and reenacting, without amendments,  
20 Article – Business Regulation  
21 Section 6–101(a), 6–402(a), and 6.5–101(a)  
22 Annotated Code of Maryland  
23 (2024 Replacement Volume and 2025 Supplement)

24 BY repealing and reenacting, with amendments,  
25 Article – Business Regulation  
26 Section 6–101(d), 6–205, 6–402(b)(9) and (10), 6.5–101(c), and 6.5–103(c)  
27 Annotated Code of Maryland  
28 (2024 Replacement Volume and 2025 Supplement)

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 BY adding to  
2 Article – Business Regulation  
3 Section 6–402(b)(10) and 6–623  
4 Annotated Code of Maryland  
5 (2024 Replacement Volume and 2025 Supplement)

6 BY repealing and reenacting, with amendments,  
7 Article – Tax – General  
8 Section 10–104 and 11–204  
9 Annotated Code of Maryland  
10 (2022 Replacement Volume and 2025 Supplement)

11 BY repealing and reenacting, with amendments,  
12 Article – Tax – Property  
13 Section 7–202 and 7–204  
14 Annotated Code of Maryland  
15 (2019 Replacement Volume and 2025 Supplement)

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

18 **Article – Business Regulation**

19 6–101.

20 (a) In this title the following words have the meanings indicated.

21 (d) (1) “Charitable organization” means:

22 (i) a person that:

23 1. **A.** is or holds itself out to be a benevolent, educational,

24 eleemosynary, humane, patriotic, philanthropic, or religious organization; **OR**

25 **B. IS RECOGNIZED BY THE INTERNAL REVENUE**

26 **SERVICE AS AUTHORIZED TO RECEIVE DONATIONS THAT ARE DEDUCTIBLE FROM**  
27 **FEDERAL INCOME TAX UNDER § 170 OF THE INTERNAL REVENUE CODE; and**

28 2. solicits or receives charitable contributions from the  
29 public; or

30 (ii) an ambulance, fire fighting, fraternal, rescue, or police or other

31 law enforcement organization when it solicits charitable contributions from the public.

32 (2) “Charitable organization” includes an area, branch, chapter, office, or  
33 similar affiliate that solicits charitable contributions from the public within the State for a

1 charitable organization that is organized or has its principal place of business outside the  
2 State.

3 (3) "Charitable organization" does not include:

4 (i) an agency of the State government or of a political subdivision;  
5 or

6 (ii) a political club, committee, or party.

7 6-205.

8 (a) (1) The Secretary of State or the Attorney General may investigate an  
9 alleged violation of this title.

10 (2) (i) In the course of any examination, investigation, or hearing, the  
11 Secretary of State or the Attorney General may subpoena witnesses, administer oaths,  
12 examine an individual under oath, serve written interrogatories, and compel production of  
13 records, books, papers, and other documents.

14 (ii) Information obtained under this subsection is not admissible in  
15 a subsequent criminal proceeding against the person who provided the information.

16 (b) If the Secretary of State or the Attorney General finds or has reasonable  
17 grounds to believe that a charitable organization, charitable representative, or public safety  
18 solicitor has violated this title, the Secretary of State or the Attorney General may take one  
19 or more of the following actions:

20 (1) by mediation with the apparent violators and any representatives they  
21 may choose to assist them, enter into a written assurance of discontinuance, written  
22 assurance of voluntary compliance, or other settlement agreement with the apparent  
23 violators, in accordance with subsection (c) of this section;

24 (2) summarily issue a cease and desist order to the violator, if the Secretary  
25 of State or the Attorney General:

26 (i) finds that:

27 1. **§ 6-623 OF THIS TITLE HAS BEEN VIOLATED; OR**

28 2. **ANY OTHER PROVISION OF** this title has been violated  
29 and that the public health, safety, or welfare requires emergency action; and

30 (ii) gives the violator written notice of the order, the reasons for the  
31 order, and the right of the violator to request a hearing under subsection (g) of this section;  
32 or

(3) EXCEPT IN THE ENFORCEMENT OF § 6-623 OF THIS TITLE, refer the matter to the appropriate State's Attorney for prosecution.

3 (c) A settlement agreement under subsection (b)(1) of this section may include  
4 one or more of the following stipulations or conditions:

5 (1) payment by the apparent violator of the cost of the investigation;

6 (2) payment by the apparent violator of civil penalties a court could order  
7 **OR THE SECRETARY OF STATE OR THE ATTORNEY GENERAL COULD ASSESS** under  
8 this title;

15 (5) any other stipulation, condition, or remedy that will correct a violation  
16 of this title.

17 (d) An agreement under this section is for conciliation purposes only and does not  
18 constitute an admission by any party that the law has been violated.

19 (e) (1) It is a violation of this title to fail to adhere to any provision contained  
20 in a settlement agreement.

21 (2) A failure of the Secretary of State or the Attorney General to enforce a  
22 violation of any provision of a settlement agreement does not constitute a waiver of that or  
23 any other provision, or of any right of the Secretary of State or the Attorney General.

24 (f) The Attorney General may sue in the circuit court for the county in which the  
25 alleged violation occurred for an order that:

26 (1) restrains further violation of this title;

27 (2) restrains the defendant from making further charitable or public safety  
28 solicitations in the State;

(3) except as provided under § 6-5A-11 of this title, recovers for the State a civil penalty not to exceed \$5,000 for each willful violation of this title;

31 (4) except as provided under § 6-5A-11 of this title, recovers for the State  
32 a civil penalty not to exceed \$3,000 for each grossly negligent violation of this title;

- (5) enforces compliance with this title; or
- (6) secures any other appropriate relief, including:
  - (i) refunds to donors; and
  - (ii) payment of the charitable or public safety contributions received or to charitable or public safety purposes or beneficiaries consistent with the presented or beneficiaries named in the charitable or public safety solicitations orated the contributions.

(g) (1) If the Secretary of State or the Attorney General issues a cease and desist order to a person, the person may request a hearing from the Secretary of State.

10 (2) Within 30 days after a request is submitted, the Secretary of State shall  
11 hold a hearing in accordance with Title 10, Subtitle 2 of the State Government Article.

12 6-402.

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

22 (ii) a certification that the taxes due from the applicant to the State  
23 or to Baltimore City or a county are under dispute and the dispute has not been finally  
24 resolved; [and]

25 (10) A STATEMENT INDICATING THAT THE CHARITABLE  
26 ORGANIZATION DOES NOT AND WILL NOT PARTICIPATE IN OR INTERVENE IN,  
27 INCLUDING THROUGH THE PUBLICATION OR DISTRIBUTION OF STATEMENTS, A  
28 POLITICAL CAMPAIGN ON BEHALF OF OR IN OPPOSITION TO A CANDIDATE FOR  
29 PUBLIC OFFICE; AND

30 [10] (11) any other information that the Secretary of State requires by  
31 regulation.

32 6-623.

3 (B) THIS SECTION APPLIES TO EACH CHARITABLE ORGANIZATION THAT:

4 (1) IS INCORPORATED OR OTHERWISE ESTABLISHED UNDER STATE  
5 LAW OR THE LAWS OF ANOTHER STATE;

6 (2) IS AUTHORIZED TO RECEIVE DONATIONS THAT ARE DEDUCTIBLE  
7 FROM FEDERAL INCOME TAX UNDER § 170 OF THE INTERNAL REVENUE CODE; AND

8 (3) (I) IS REQUIRED TO REGISTER WITH THE SECRETARY OF  
9 STATE UNDER SUBTITLE 4 OF THIS TITLE; OR

(II) IF EXEMPT FROM THE REGISTRATION REQUIREMENT,  
CONDUCTS BUSINESS OR OTHER ACTIVITIES IN THE STATE.

12 (C) (1) A CHARITABLE ORGANIZATION MAY NOT PARTICIPATE IN OR  
13 INTERVENE IN A POLITICAL CAMPAIGN ON BEHALF OF OR IN OPPOSITION TO A  
14 CANDIDATE FOR PUBLIC OFFICE, INCLUDING THROUGH PUBLICATION OF OR  
15 DISTRIBUTION OF STATEMENTS.

20 (D) (1) TO ENFORCE THIS SECTION, IN ADDITION TO THE AUTHORITY  
21 PROVIDED UNDER § 6-205 OF THIS TITLE AND SUBJECT TO PARAGRAPHS (2) AND (3)  
22 OF THIS SUBSECTION, THE SECRETARY OF STATE OR THE ATTORNEY GENERAL  
23 MAY:

24 (I) ASSESS CIVIL PENALTIES IN ACCORDANCE WITH  
25 SUBSECTION (E) OF THIS SECTION; OR

26 (II) ORDER A REVOCATION IN ACCORDANCE WITH SUBSECTION  
27 (F) OF THIS SECTION.

5 (II) NOTICE REQUIRED UNDER THIS PARAGRAPH SHALL  
6 INCLUDE A DESCRIPTION OF:

## 7 1. THE VIOLATION;

22 1. CAN SHOW THE CONDUCT GIVING RISE TO THE  
23 VIOLATION WAS NOT APPROVED OR AUTHORIZED BY THE CHIEF EXECUTIVE OR  
24 GOVERNING BODY OF THE CHARITABLE ORGANIZATION; AND

28 (II) FOR PURPOSES OF SUBPARAGRAPH (I) OF THIS  
29 PARAGRAPH, NOTICE OCCURS ON THE EARLIER DATE OF WHEN THE CHARITABLE  
30 ORGANIZATION:

1                   1. HAS ACTUAL KNOWLEDGE OR REASONABLY SHOULD  
2 HAVE KNOWN THAT THE CONDUCT GIVING RISE TO THE VIOLATION HAS OCCURRED  
3 AND IS REASONABLY LIKELY TO BE IN VIOLATION OF THIS SECTION; OR

4                   2. RECEIVES NOTICE IN ACCORDANCE WITH  
5 PARAGRAPH (2) OF THIS SUBSECTION.

6                   (E) (1) A CHARITABLE ORGANIZATION THAT VIOLATES THIS SECTION IS  
7 SUBJECT TO A CIVIL PENALTY NOT EXCEEDING \$5,000 FOR EACH VIOLATION, IN  
8 ADDITION TO ANY OTHER PENALTIES UNDER THIS SECTION.

9                   (2) EACH CONSECUTIVE 5-DAY PERIOD THAT A VIOLATION  
10 CONTINUES IS A SEPARATE VIOLATION.

11                   (3) EACH CIVIL PENALTY ASSESSED UNDER THIS SUBSECTION SHALL  
12 BE PAID TO THE GENERAL FUND OF THE STATE.

13                   (F) (1) IF THE SECRETARY OF STATE AND THE ATTORNEY GENERAL,  
14 ACTING JOINTLY, FIND OR HAVE REASONABLE GROUNDS TO BELIEVE THAT A  
15 CHARITABLE ORGANIZATION HAS WILLFULLY VIOLATED THIS SECTION, THE  
16 SECRETARY OF STATE AND THE ATTORNEY GENERAL MAY ORDER A REVOCATION  
17 OF A TAX-EXEMPT STATUS DESCRIBED UNDER PARAGRAPH (3)(I) OF THIS  
18 SUBSECTION.

19                   (2) IF A CHARITABLE ORGANIZATION FAILS TO TIMELY REQUEST AN  
20 APPEAL OF A REVOCATION IN ACCORDANCE WITH SUBSECTION (G)(2) OF THIS  
21 SECTION OR IF AN APPEAL OF THE REVOCATION IS HEARD AND DENIED, THE  
22 SECRETARY OF STATE SHALL PROMPTLY PROVIDE WRITTEN NOTICE TO THE  
23 CHARITABLE ORGANIZATION, THE COMPTROLLER, AND THE DIRECTOR.

24                   (3) (I) WITHIN 30 DAYS AFTER RECEIVING WRITTEN NOTICE FROM  
25 THE SECRETARY OF STATE UNDER PARAGRAPH (2) OF THIS SUBSECTION, THE  
26 COMPTROLLER AND THE DIRECTOR SHALL REVOKE FROM THE CHARITABLE  
27 ORGANIZATION, AS APPLICABLE:

28                   1. AN INCOME TAX EXEMPTION THAT HAS BEEN  
29 GRANTED UNDER § 10-104 OF THE TAX – GENERAL ARTICLE;

30                   2. A SALES AND USE TAX EXEMPTION CERTIFICATE THAT  
31 HAS BEEN ISSUED UNDER § 11-204 OF THE TAX – GENERAL ARTICLE; AND

32                   3. A PROPERTY TAX EXEMPTION THAT HAS BEEN  
33 GRANTED UNDER § 7-202 OR § 7-204 OF THE TAX – PROPERTY ARTICLE.

5 (4) (I) A REVOCATION UNDER THIS SECTION SHALL REMAIN IN  
6 EFFECT FOR 2 YEARS FROM THE DATE THE REVOCATION BECOMES EFFECTIVE.

11 (G) A CHARITABLE ORGANIZATION THAT RECEIVES NOTICE OF A VIOLATION  
12 UNDER THIS SECTION SHALL:

**(i) PAY THE AMOUNT OF EACH CIVIL PENALTY ASSESSED; OR**

19 (II) REQUEST A HEARING WITH THE SECRETARY OF STATE TO  
20 BE HELD IN ACCORDANCE WITH TITLE 10, SUBTITLE 2 OF THE STATE GOVERNMENT  
21 ARTICLE OR IN ACCORDANCE WITH § 6-205(G) OF THIS TITLE.

22 (H) THE SECRETARY OF STATE, IN CONSULTATION WITH THE ATTORNEY  
23 GENERAL, THE COMPTROLLER, AND THE DIRECTOR, SHALL ADOPT REGULATIONS  
24 TO CARRY OUT THIS SECTION, INCLUDING:

25 (1) PROCEDURES FOR PENALTY AVOIDANCE UNDER SUBSECTION  
26 (D)(3) OF THIS SECTION; AND

29 (I) ENFORCEMENT ACTION UNDER THIS SECTION DOES NOT PRECLUDE  
30 ENFORCEMENT ACTION UNDER TITLE 6.5 OF THIS ARTICLE BY THE SECRETARY OF  
31 STATE OR THE ATTORNEY GENERAL.

1 6.5–101.

2 (a) In this title the following words have the meanings indicated.

3 (c) (1) “Charitable purpose” means the relief of poverty, the advancement of  
4 education or religion, the promotion of health, the promotion of a governmental purpose, or  
5 any other purpose whose achievement is beneficial to the community.

6 (2) **“CHARITABLE PURPOSE” DOES NOT INCLUDE PARTICIPATING IN**  
7 **OR INTERVENING IN A POLITICAL CAMPAIGN, INCLUDING THE PUBLISHING OR**  
8 **DISTRIBUTING OF STATEMENTS, ON BEHALF OF OR IN OPPOSITION TO A CANDIDATE**  
9 **FOR PUBLIC OFFICE IN THE SAME MANNER AS § 501(C)(3) OF THE INTERNAL**  
10 **REVENUE CODE WAS INTERPRETED AND APPLIED BY THE INTERNAL REVENUE**  
11 **SERVICE AS OF JANUARY 19, 2025, WITH RESPECT TO PROHIBITING POLITICAL**  
12 **CAMPAIGN ACTIVITY.**

13 6.5–103.

14 (c) The remedies under this section are in addition to and do not limit the powers  
15 and duties of the Secretary of State and the Attorney General under § 6–205 **OR § 6–623**  
16 of this article or § 6.5–102 of this title.

## 17 Article – Tax – General

18 10–104.

19 (A) The income tax does not apply to the income of:

20 (1) a common trust fund, as defined in § 3–501(b) of the Financial  
21 Institutions Article;

22 (2) except as provided in **SUBSECTION (B) OF THIS SECTION AND §§**  
23 **10–101(e)(3) of this subtitle and 10–304(2) of this title, an organization that is exempt from**  
24 **taxation under § 408(e)(1) or § 501 of the Internal Revenue Code;**

25 (3) a financial institution that is subject to the financial institution  
26 franchise tax;

27 (4) a person subject to taxation under Title 6 of the Insurance Article;

28 (5) except as provided in § 10–102.1 of this subtitle, a partnership, as  
29 defined in § 761 of the Internal Revenue Code;

30 (6) except as provided in § 10–102.1 of this subtitle and § 10–304(3) of this  
31 title, an S corporation;

(7) except as provided in § 10–304(4) of this title, an investment conduit or a special exempt entity; or

(8) except as provided in § 10-102.1 of this subtitle, a limited liability company as defined under Title 4A of the Corporations and Associations Article to the extent that the company is taxable as a partnership, as defined in § 761 of the Internal Revenue Code.

32 11-204.

33                   (a) [The] EXCEPT AS PROVIDED IN SUBSECTION (F) OF THIS SECTION, THE  
34 sales and use tax does not apply to:



1 (7) a sale to a nonprofit organization made to carry on its work, if the  
2 organization:

3 (i) is qualified as tax exempt under § 501(c)(4) of the Internal  
4 Revenue Code; and

5 (ii) is engaged primarily in providing a program to render its best  
6 efforts to contain, clean up, and otherwise mitigate spills of oil or other substances occurring  
7 in United States coastal and tidal waters; or

8 (8) a sale to a bona fide nationally organized and recognized organization  
9 of veterans of the armed forces of the United States or an auxiliary of the organization or  
10 one of its units, if the organization is qualified as tax exempt under § 501(c)(4) or §  
11 501(c)(19) of the Internal Revenue Code.

12 (b) [The] EXCEPT AS PROVIDED IN SUBSECTION (F) OF THIS SECTION, THE  
13 sales and use tax does not apply to a sale by:

14 (1) a bona fide church or religious organization, if the sale is made for the  
15 general purposes of the church or organization;

16 (2) a gift shop at a mental hospital that the Maryland Department of  
17 Health operates;

18 (3) a hospital thrift shop that:

19 (i) is operated by all volunteer staff;

20 (ii) sells only donated articles;

21 (iii) contributes the profits from sales to the hospital with which the  
22 shop is associated; and

23 (iv) is not operated in conjunction with a gift shop or another retail  
24 establishment;

25 (4) a vending facility operated under the Maryland Vending Program for  
26 the Blind if:

27 (i) the facility is located on property held or acquired by or for the  
28 use of the United States for any military or naval purpose; and

29 (ii) a post exchange or other tax-exempt concession is located and  
30 operated on the same property;

(6) a parent-teacher organization or other organization within an elementary or secondary school in the State or within a school system in the State;

14 (i) the sale is made at an auction sale; and

15 (ii) the proceeds of the sale are used to carry on the exempt purposes  
16 of the church or organization; or

17 (8) a nonprofit organization exempt from taxation under § 501(c)(3) of the  
18 Internal Revenue Code that maintains a memorial on property that is owned by the State  
19 if the proceeds of the sale are used to maintain a memorial on property that is owned by  
20 the State.

21 (c) To qualify as an organization to which a sale is exempt under subsection (a)(3)  
22 or (5) of this section, the organization shall file an application for an exemption certificate  
23 with the Comptroller.

24 (d) The Comptroller may treat the possession of an effective determination letter  
25 of status under § 501(c)(3) or (13) of the Internal Revenue Code from the Internal Revenue  
26 Service as evidence that an organization qualifies under subsection (a)(3) or (5) or (1) of this  
27 section, respectively.

28 (e) For a sale described under subsection (b)(7) of this section that is not otherwise  
29 exempt under this section, only that part of the sale price that qualifies for a deduction  
30 under the federal income tax as a charitable contribution under the regulations and  
31 guidelines of the Internal Revenue Service is exempt from the sales and use tax under this  
32 section.

33 (F) (1) IN THIS SUBSECTION, "CHARITABLE ORGANIZATION" HAS THE  
34 MEANING STATED IN § 6-101 OF THE BUSINESS REGULATION ARTICLE.

10 (II) SUBPARAGRAPH (I) OF THIS PARAGRAPH SHALL BE  
11 INTERPRETED AND APPLIED IN THE SAME MANNER AS THE PROHIBITION ON  
12 POLITICAL CAMPAIGN ACTIVITY UNDER § 501(C)(3) OF THE INTERNAL REVENUE  
13 CODE WAS INTERPRETED AND APPLIED BY THE INTERNAL REVENUE SERVICE AS OF  
14 JANUARY 19, 2025.

15 (4) IF A REVOCATION OF A CHARITABLE ORGANIZATION'S  
16 TAX-EXEMPT STATUS IS ORDERED IN ACCORDANCE WITH § 6-623(F) OF THE  
17 BUSINESS REGULATION ARTICLE, THE CHARITABLE ORGANIZATION DOES NOT  
18 QUALIFY FOR AN EXEMPTION UNDER THIS SECTION UNTIL THE TIME OF THE  
19 REVOCATION ELAPSES AS REQUIRED.

## Article – Tax – Property

21 7-202.

22 (a) In this section:

23 (1) "fraternal organization" means any organization that:

24 (i) is conducted solely for the benefit of its members and its  
25 beneficiaries;

26 (ii) is operated on a lodge system with a ritualistic activity; and

27 (iii) has a representative form of government;

28 (2) "fraternal organization" includes a sororal organization; and

29 (3) "fraternal organization" does not include:

30 (i) any college or high school fraternity or sorority; or

4 (b) (1) Except as provided in [subsection] **SUBSECTIONS (c) AND (E)** of this  
5 section and § 6-302(d) of this article and subject to §  
6 7-204.1 of this subtitle, property is not subject to property tax if the property:

10 (ii) is owned by:

11 1. a nonprofit hospital;

14 A. a public library that is authorized under Title 23 of the  
15 Education Article; and

21 4. a nonprofit housing corporation.

22 (2) The exemption under paragraph (1)(ii)1 of this subsection includes any  
23 personal property initially leased by a nonprofit hospital for more than 1 year under a lease  
24 that is noncancellable except for cause.

25 (c) (1) This subsection does not apply to real property owned by a nonprofit  
26 charitable museum that:

27 (i) is open to the public; and

28 (ii) does not charge an admission fee.

(3) Not more than 100 acres of real property of a nonprofit hospital that is appurtenant to the hospital is exempt from property tax.

(i) the property is transferred to a nonprofit charitable organization qualified under § 501(c)(3) of the Internal Revenue Code;

9 (ii) the property becomes exempt under this section;

13 (iv) the nonprofit charitable organization provides the Department  
14 evidence of the property tax it actually paid or reimbursed at the property settlement.

18 (E) (1) IN THIS SUBSECTION, "CHARITABLE ORGANIZATION" HAS THE  
19 MEANING STATED IN § 6-101 OF THE BUSINESS REGULATION ARTICLE.

10 7-204.

11       (A) Except as provided in § 6-302(d) of this article and subject to § 7-204.1 of this  
12 subtitle **AND EXCEPT AS PROVIDED IN SUBSECTION (B) OF THIS SECTION**, property  
13 that is owned by a religious group or organization is not subject to property tax if the  
14 property is actually used exclusively for:

15 (1) public religious worship;

16 (2) a parsonage or convent; or

17 (3) educational purposes.

18        (B) (1) IN THIS SUBSECTION, "CHARITABLE ORGANIZATION" HAS THE  
19 MEANING STATED IN § 6-101 OF THE BUSINESS REGULATION ARTICLE.

20 (2) THIS SUBSECTION APPLIES ONLY TO A CHARITABLE  
21 ORGANIZATION THAT IS SUBJECT TO THE REQUIREMENTS OF § 6-623 OF THE  
22 BUSINESS REGULATION ARTICLE.

10 SECTION 2. AND BE IT FURTHER ENACTED, That:

11       (a) In this section, “Johnson Amendment” means the provision contained in §  
12 501(c)(3) of the Internal Revenue Code that prohibits a federally tax-exempt entity from  
13 participating in or intervening in any political campaign on behalf of or in opposition to a  
14 candidate for public office, including through publication or distribution of statements, as  
15 that provision was interpreted and applied by the Internal Revenue Service as of January  
16 19, 2025.

17 (b) Section 1 of this Act is contingent on any action by the President of the United  
18 States or the Internal Revenue Service or change in federal law that, in whole or in part,  
19 prevents the enforcement of, or renders null and void, the Johnson Amendment with  
20 respect to any charitable organization to which the provisions of § 6–623 of the Business  
21 Regulation Article apply.

22 (c) (1) The Attorney General shall monitor action by the federal government  
23 to determine whether any action or change occurs as described under subsection (b) of this  
24 section.

28 (d) If the Department of Legislative Services receives notice from the Attorney  
29 General as described under subsection (c)(2) of this section, Section 1 of this Act shall take  
30 effect on the date the notice is received by the Department of Legislative Services.

31 SECTION 3. AND BE IT FURTHER ENACTED, That, subject to Section 2 of this  
32 Act, this Act is an emergency measure, is necessary for the immediate preservation of the  
33 public health or safety, has been passed by a yea and nay vote supported by three-fifths of  
34 all the members elected to each of the two Houses of the General Assembly, and shall take  
35 effect from the date it is enacted.