

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2023**

**SENATE BILL 429
RATIFIED BILL**

AN ACT TO INCREASE THE QUALIFYING INCOME THRESHOLD FOR EXEMPTION FROM CHARITABLE SOLICITATION REQUIREMENTS AND TO MODIFY THE DEADLINES FOR LICENSURE RENEWAL FOR CHARITABLE ORGANIZATIONS.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 131F-3 reads as rewritten:

"§ 131F-3. Exemptions.

The following are exempt from the provisions of this Chapter:

- ...
- (3) Any person who receives less than ~~twenty five thousand dollars (\$25,000)~~ fifty thousand dollars (\$50,000) in contributions in any calendar year and does not provide compensation to any officer, trustee, organizer, incorporator, fund-raiser, or solicitor. Compensation to any organizer or incorporator does not include professional fees paid to licensed attorneys or licensed accountants. A charitable organization may demonstrate to the Department that it receives less than fifty thousand dollars (\$50,000) in contributions by providing any of the following:
- a. A copy of its most recently completed and filed Internal Revenue Service Form 990 or Form 990-EZ or an applicable successor form.
 - b. A copy of the message confirming its submission of the Internal Revenue Service Form 990-N or an applicable successor form.
 - c. A copy of its budget for the current year that was approved by its governing board and that includes projected revenue and projected expenses.
 - d. A completed financial form developed by the Department.
 - e. Any other evidence satisfactory to the Department.

...."

SECTION 2. G.S. 131F-5 reads as rewritten:

"§ 131F-5. Licensure of charitable organizations and sponsors required.

...

(c) License Renewal. – The license shall be renewed on an annual basis. Any change in information from the original application for a license shall be filed annually on or before the fifteenth day of the fifth calendar month after the close of each fiscal year in which the charitable organization or sponsor solicited in this State, or by the date of any applicable extension of the federal informational tax form filing date, whichever is later, ~~provided that extensions given under this section shall not exceed three months after the initial renewal date or eight months after the conclusion of the year for which financial information is due at the time of renewal.~~ later. For the purposes of this section, a license renewal application is considered filed as of the date shown on the postmark affixed, or, if filed electronically, when it is sent as provided in G.S. 66-325. A charitable organization or sponsor whose federal informational tax form filing date has been extended pursuant to filing the federal application for automatic extension shall,



within seven days after receipt, ~~forward~~ filing the application for automatic extension, notify the Department that the license renewal period is extended by forwarding a copy of the document granting the extension application to the Department.

(d) Extension of Time. – For good cause shown, the Department may extend the time for the license renewal and the annual filing of updated information for a period not to exceed 60 ~~days, days beyond the~~ (i) fifteenth day of the fifth calendar month after the close of each fiscal year in which the charitable organization or sponsor solicited in this State or (ii) date of any applicable extension of the federal informational tax form filing date, during which time the previous license shall remain in effect. The Department may extend the time for a charitable organization or sponsor whose federal informational tax form filing date has been extended pursuant to filing the federal application for automatic extension for an additional period not to exceed 60 days."

SECTION 3. Section 1 of this act is effective when it becomes law and applies to requests for exemptions filed on or after that date. Section 2 of this act becomes effective October 1, 2023, and applies to license renewals filed on or after that date. The remainder of this act is effective when it becomes law.

In the General Assembly read three times and ratified this the 7th day of September, 2023.

s/ Phil Berger
President Pro Tempore of the Senate

s/ Timothy Reeder, MD
Presiding Officer of the House of Representatives

Roy Cooper
Governor

Approved _____ .m. this _____ day of _____, 2023