

1 State of Arkansas
2 94th General Assembly
3 Regular Session, 2023
4

A Bill

HOUSE BILL 1532

5 By: Representative G. Hodges
6 By: Senator J. Boyd
7

For An Act To Be Entitled

9 AN ACT TO AMEND THE LAW CONCERNING CHARITABLE
10 ORGANIZATIONS; TO MODIFY THE REQUIREMENTS CONCERNING
11 ANNUAL FINANCIAL REPORTS OF CHARITABLE ORGANIZATIONS;
12 AND FOR OTHER PURPOSES.
13
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Subtitle

15 TO AMEND THE LAW CONCERNING CHARITABLE
16 ORGANIZATIONS; AND TO MODIFY THE
17 REQUIREMENTS CONCERNING ANNUAL FINANCIAL
18 REPORTS OF CHARITABLE ORGANIZATIONS.
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22 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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24 SECTION 1. Arkansas Code § 4-28-403(b), concerning the gross revenue
25 threshold of a charitable organization to submit an audit report, is amended
26 to read as follows:

27 (b)(1) A charitable organization with ~~gross revenue~~ contributions in
28 excess of ~~five hundred thousand dollars (\$500,000) in any~~ one million dollars
29 (\$1,000,000) during its preceding fiscal year ~~it is registered~~ shall ~~include~~
30 ~~with its submission of the annual financial report and tax records referred~~
31 ~~to in subdivision (a)(1) of this section~~ file an audit report of a audited
32 financial statement prepared by an independent certified public accountant.

33 (2) ~~For purposes of this section, "gross revenue" does not~~
34 ~~include grants or fees from government agencies~~ A charitable organization
35 with contributions in excess of five hundred thousand dollars (\$500,000) but
36 less than one million dollars (\$1,000,000) during its preceding fiscal year



1 shall have its financial statement reviewed by an independent certified
2 public accountant.

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4 SECTION 2. Arkansas Code § 4-28-403(d), concerning the ability of the
5 Secretary of State to grant an extension to a charitable organization to file
6 tax records and other reports, is amended to read as follows:

7 (d)(1) The Secretary of State may grant an extension of time not to
8 exceed six (6) months for the filing of the tax records and other reports
9 required by this section upon the charitable organization’s filing a notice
10 that states the need for an extension.

11 (2) The Secretary of State may grant a charitable organization
12 an additional three (3) months extension of time under subdivision (d)(1) of
13 this section upon written request by the charitable organization.

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15 SECTION 3. Arkansas Code § 4-28-404(6), concerning the exemption of
16 charitable organizations, is amended to read as follows:

17 (6) Any charitable organization which does not intend to solicit
18 and receive, and does not actually receive, contributions in excess of
19 ~~twenty-five thousand dollars (\$25,000)~~ fifty thousand dollars (\$50,000)
20 during a calendar year:

21 (A) If all of its functions, including its fund-raising
22 functions, are carried on by persons who are unpaid for their services; and

23 (B) Provided that no part of its assets or income inures
24 to the benefit of or is paid to any officer or member; and

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27 **APPROVED: 3/21/23**
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