

New law gives state officials more control over charitable organizations

By ED VOGEL

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CARSON CITY — Gov. Brian Sandoval has signed into law a bill to give the secretary of state and attorney general's office more control over charitable organizations that solicit donations in Nevada.

Sandoval signed Assembly Bill 60 late Tuesday, even though all 15 Republicans in the Assembly voted against it.

The bill was sought by the secretary of state's office. The office receives many calls about charities that claim they are tax-exempt when they are not, according to testimony. At times, people even give their Social Security card numbers out to charities.

Assembly Republicans claimed that the Internal Revenue Service is supposed to oversee charities and complained about the burden the increased oversight would place on small charitable organizations. Two of the 10 Senate Republicans voted against the bill. Every legislative Democrat supported the measure.

Under the law, every nonprofit organization that intends to solicit tax-deductible contributions must file reports with the secretary of state before they seek any funds. That information includes names and telephone numbers of officers, whether the organization is tax exempt, the organization's federal tax number, the purpose of the organization and its federal financial reports. The charity also must disclose if donations to it are not tax deductible. This information is public record and will be posted on the secretary of state's website.

Failure to follow the requirements can lead the secretary of state to take steps to close the charity and impose fines of \$1,000 per violation. The attorney general will represent the secretary of state in these proceedings and be entitled to recover costs of its investigations and attorney fees.

Solicitations by charities to 15 or fewer people are not subject to the new law, which is effective Jan. 1. Current law already makes it a crime for someone to make false, deceiving and misleading claims in soliciting contributions.

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