P.L. 2021, CHAPTER 381, approved January 18, 2022
Senate Committee Substitute (First Reprint) for
Senate, Nos. 844 and 2533

AN ACT concerning reporting requirements of charitable
organizations and non-profit corporations and amending

BE IT ENACTED by the Senate and General Assembly of the State
of New Jersey:

1. Section 7 of P.L.1994, c.16 (C.45:17A-24) is amended to
read as follows:
7. a. Every charitable organization operating or soliciting
within this State, except for those provided for in section 8 of this
act or exempt pursuant to section 9 of this act, shall file a long form
registration statement with the Attorney General.
b. The long form shall contain the following:
(1) The name of the organization and any other name or names
under which it intends to solicit contributions and the purposes for
which it was organized;
(2) The name, street address and telephone number of each
officer, director and trustee and each principal salaried executive
staff employee and whether the person has been adjudged liable in
an administrative or civil action, or convicted in a criminal action,
involving theft, fraud or deceptive business practices. For the
purposes of this paragraph:
(a) a plea of guilty, non vult, nolo contendere or any similar
disposition of alleged criminal activity shall be deemed a
conviction;
(b) "each principal salaried executive staff employee" shall be
limited to no more than the five most highly compensated
employees in the organization; and
(c) a judgment of liability in an administrative or civil action
shall include, but not be limited to, any finding or admission that
the officer, director, trustee or principal salaried executive staff
employee engaged in an unlawful practice or practices related to the
solicitation of contributions or the administration of charitable
assets, regardless of whether that finding was made in the context of
an injunction, a proceeding resulting in the denial, suspension or
revocation of an organization's registration, consented to in an
assurance of voluntary compliance or any similar order or legal
agreement with any state or federal agency.

EXPLANATION – Matter enclosed in bold-faced brackets [thus] in the above bill is
not enacted and is intended to be omitted in the law.

Matter underlined thus is new matter.
Matter enclosed in superscript numerals has been adopted as follows:
1Assembly AFI committee amendments adopted December 13, 2021.
(3) A copy of the most recent Internal Revenue Service Form 1990 and Schedule A (990) for every registrant if the organization filed these forms;

(4) A clear description of the specific programs and charitable purpose for which contributions will be used and a statement whether such programs are planned or are in existence;

(5) A statement disclosing pertinent information concerning whether any of the organization’s officers, directors, trustees or principal salaried executive staff employees as defined in subparagraph (b) of paragraph (2) of subsection b. of this section:
   (a) Are related by blood, marriage or adoption to each other or to any officers, agents or employees of any fund raising counsel or independent paid fund raiser under contract to the organization, or are related by blood, marriage or adoption to any chief executive employee, any other employee of the organization with a direct financial interest in the transaction, or any partner, proprietor, director, officer, trustee, or to any shareholder of the organization with more than a two percent interest of any supplier or vendor providing goods or services to the organization and, if so, the name and business and home address and telephone number of each related party; or
   (b) Have a financial interest in any activity engaged in by a fund raising counsel or independent paid fund raiser under contract to the organization or any supplier or vendor providing goods or services to the organization and, if so, the name and business address and telephone number of each interested party.

(6) The amount of any grant or financial assistance from any agency of government in its preceding fiscal year;

(7) A statement setting forth the place where and the date when the organization was legally established and the form of the organization;

(8) The principal street address and telephone number of the organization and the address and telephone number of each office in this State. If the organization does not maintain an office in this State, the name and address of the individual having custody of its financial records pertaining to operations or solicitations in this State shall be disclosed;

(9) The name, street address and telephone number of each affiliate which shares in the contributions or other revenue raised in this State;

(10) The date when the organization’s fiscal year ends;

(11) A statement whether:
   (a) The organization is authorized by any other state to solicit contributions and, if so, a listing of the states in which authorization has been obtained;
   (b) The organization is or has ever been enjoined in any jurisdiction from soliciting contributions or has been found to have
engaged in unlawful practices in the solicitation of contributions or 
the administration of charitable assets;

(c) The organization's registration has been denied, suspended 
or revoked by any jurisdiction, together with the reasons for that 
denial, suspension or revocation; and 
(d) The organization has voluntarily entered into an assurance of 
voluntary compliance agreement or any similar order or legal 
agreement with any jurisdiction or federal agency or officer;

(12) Whether the organization intends to solicit contributions 
from the general public; and 
(13) Any other information as may be prescribed by rules 
adopted by the Attorney General. In prescribing the requirements 
of the long form, the Attorney General shall permit a charitable 
organization to incorporate by reference any information reported 
by the organization on its Service Form 990 and Schedule A (990). 
c. With initial registration only, every charitable organization 
required to file a long form registration shall also file a copy of the 
organization's charter, articles of organization, agreement of 
association, instrument of trust, constitution or other organizational 
instrument and bylaws, and a statement setting forth the 
organization's tax exempt status with copies of federal or state tax 
exemption determination or exemption ruling letters; provided that 
any changes in the accuracy of this information shall be reported to 
the Attorney General pursuant to subsection e. of section 14 of this 
act.

d. (1) Every charitable organization required to file a long 
form registration shall file an annual financial report with the 
Attorney General. The annual financial report shall include: a 
balance sheet; a statement of support revenue, expenses and 
changes in fund balance; a statement of functional expenses at least 
divided into program, management, general, and fund raising; and 
such other information as the Attorney General shall by rule 
require.

(2) The annual financial report of every charitable organization 
which received gross revenue in excess of $250,000 or $500,000 in monetary donations, or any greater amount that the 
Attorney General may prescribe by regulation, during its most 
recently completed fiscal year shall be accompanied by: (a) a 
financial statement prepared in accordance with generally accepted 
accounting principles or other comprehensive basis of accounting 
approved for use by the Attorney General by regulation which has 
been audited in accordance with generally accepted auditing 
standards by an independent certified public accountant; and (b) any 
management letters prepared by the auditor in connection with the 
audit commenting on the internal accounting controls or 
management practices of the organization.

The annual financial reports of all organizations receiving more 
than $25,000 but less than $250,000 in monetary donations, or any greater amount that the 
Attorney General may prescribe by regulation, during its most 
recently completed fiscal year shall be accompanied by: (a) a 
financial statement prepared in accordance with generally accepted 
accounting principles or other comprehensive basis of accounting 
approved for use by the Attorney General by regulation which has 
been audited in accordance with generally accepted auditing 
standards by an independent certified public accountant; and (b) any 
management letters prepared by the auditor in connection with the 
audit commenting on the internal accounting controls or 
management practices of the organization.
monetary donations, or any greater amount that the Attorney General may prescribe by regulation, shall be certified by the organization's president or other authorized officer of the organization's governing board and at the request of the Attorney General, the organization shall submit: (a) a financial statement prepared in accordance with generally accepted accounting principles or other comprehensive basis of accounting approved for use by the Attorney General by regulation which has been audited in accordance with generally accepted auditing standards by an independent certified public accountant; and (b) any management letters prepared by the auditor in connection with the audit commenting on the internal accounting controls or management practices of the organization.

Notwithstanding any other provision of law to the contrary, non-monetary donations in the form of in-kind contributions directly related to any stated purpose or mission of the charitable organization, including food for food pantries or food banks, supplies for shelters, and such other forms of in-kind contributions as may be permitted by the Attorney General, shall not constitute gross revenue with respect to the requirement of an annual financial report with a financial statement audited by an independent certified public accountant under this subsection. In addition to any other requirement under this subsection, annual financial reports and statements shall include a summary of all non-monetary in-kind contributions and the value attributed to those contributions.

(3) The Attorney General may accept a copy of a current financial report previously prepared by a charitable organization for another state agency or officer in compliance with the laws of that state, provided that the report filed with the other state agency or officer shall be substantially similar in content to the report required by this subsection.

(4) An independent member agency of a federated fund raising organization shall independently comply with the provisions of this subsection.

e. In order to register its qualified local units pursuant to subsection d. of section 9 of this act, a parent organization registered pursuant to this section shall include with its initial registration and annual renewal statement a separate statement that provides the following:

(1) The name, principal street address, and phone number of all local units within this State that it is registering;

(2) The amount of gross contributions received by each such unit and the purpose or purposes for which these funds were raised in the preceding fiscal year; and

(3) A statement asserting that each such local unit has provided the parent organization with a written statement reporting the information included on its behalf and asserting that the local unit
meets all of the requirements of subsection d. of section 9 of this act.

f. Any management letters prepared by the auditor in connection with the audit commenting on the internal accounting controls or management practices of the organization submitted pursuant to paragraph (2) of subsection d. of this section shall not be considered a public record under P.L.1963, c.73 (C.47:1A-1 et seq.) or P.L.2001, c.404 (C.47:1A-5 et al.), shall not be made available for public inspection nor used for a purpose inconsistent with P.L.1994, c.16 (C.45:17A-18 et seq.), and shall be removed from the record in the custody of the Attorney General at such time that such information is no longer necessary for the enforcement of that act. The records required pursuant to this section shall be maintained for a period of at least three years after the end of the period of time to which they relate.  

(cf: P.L.2005, c.283, s.3)

2. N.J.S.15A:4-5 is amended to read as follows:

15A:4-5. a. Every domestic corporation and every foreign corporation authorized to conduct activities in this State shall file in the office of the State Treasurer, within the time prescribed by this section, an annual report, executed on behalf of the corporation, setting forth:

(1) the name of the corporation and, in the case of a foreign corporation, the jurisdiction of its incorporation;

(2) the address, including the actual location as well as postal designation, if different, of the registered office of the corporation in this State, and the name of its registered agent in this State at that address, and, if a foreign corporation, the address of its main or headquarters office; and

(3) the names and addresses of the trustees and the officers of the corporation, which addresses shall be either the residence address of that person or other address where that person regularly receives mail and which is not the address of the corporation.

b. The State Treasurer shall designate a date for filing annual reports for each corporation required to submit a report pursuant to this section and shall annually notify the corporation of the date so designated not less than 60 days prior to that date. The corporation shall file the report within 30 days before or within 30 days after the date so designated. If the date so designated is not more than six months after the date on which an annual report pursuant to the provisions of prior law was filed or on which the certificate of incorporation became effective, the corporation shall not be required to file an annual report until one year after the first occurrence of the date so designated.

c. If the report is not filed for two consecutive years, the certificate of incorporation of the corporation or the certificate of authority of a foreign corporation shall, after written demand for the
reports by the State Treasurer by certified mail addressed to the corporation at the last address appearing of record in the office of the State Treasurer, be revoked for the failure to file reports. No corporation shall be subject to the revocation of its certificate of incorporation or its certificate of authority if it shall, within 60 days after the written demand, file the reports required by law and pay to the State Treasurer the fee provided by law for the filing of each report. Any corporation having its certificate of incorporation or its certificate of authority revoked may cause a reinstatement of the certificate upon payment to the State Treasurer of: the fee then payable upon the filing of the certificate of incorporation; a current annual report fee; and payment of a reinstatement filing assessment as set forth in N.J.S. 15A:15-1. The reinstatement relates back to the date of issuance of the proclamation revoking the certificate of incorporation or the certificate of authority and shall validate all actions taken in the interim. In the event that in the interim the corporate name has become unavailable, the State Treasurer shall issue the certificate upon, in the case of a domestic corporation, the filing of an amendment to its certificate of incorporation to change the corporate name to an available name, and, in the case of a foreign corporation, the filing of an amended certificate of authority adopting an alternate name. The State Treasurer shall provide the forms necessary to effect annual report reinstatements.

d. The State Treasurer shall furnish annual report forms, shall keep all the reports and shall prepare an alphabetical index thereof. The reports and index shall be open to public inspection at proper hours.

e. The State Treasurer shall allow any annual report that is designated to be filed while Executive Order 103 of 2020 remains in effect, or up to 180 days after its conclusion, to be filed up to 180 days after the conclusion of that executive order, without requiring the corporation to pay any penalty or additional fee other than the annual filing fee. The State Treasurer shall not require any corporation to pay its filing fee in advance of the date the annual report is filed pursuant to this subsection.

(cf: P.L.2019, c.149, s.4)

3. Section 6 of P.L.1994, c.16 (C.45:17A-23) is amended to read as follows:

6. a. A charitable organization, unless exempted from registration requirements pursuant to section 9 of this act, shall file a registration statement with the Attorney General on forms prescribed by the Attorney General.

b. It shall be unlawful for any charitable organization to solicit contributions or have contributions solicited in its behalf before the Attorney General has been given the opportunity to review the registration statement pursuant to section 5 of this act. A renewal statement must be filed annually within six months after the close
of the charitable organization's fiscal year. For good cause shown, the Attorney General may extend the time for the annual filing of the renewal statement and financial report for a period not to exceed 180 days, during which time the previous registration shall remain in effect. The request for an extension shall be in writing and received by the Attorney General before the filing deadline.

c. All registration statements shall be signed by two authorized officers, including the chief fiscal officer of the organization, who shall certify that information contained in the registration statements is correct.

d. The Attorney General shall prescribe all fees for the filing of all registration statements according to the provisions of this act. The fees for the filing of registration statements by charitable organizations may be graduated based upon the amount of contributions received during the previous fiscal year. A parent organization filing on behalf of one or more local units shall pay a single annual registration fee for itself and a fee for each local unit included in the registration statement.

e. The Attorney General shall allow any annual filing of a renewal statement and financial report that is scheduled to be filed while Executive Order 103 of 2020 remains in effect, or up to 180 days after its conclusion, to be filed up to 180 days after the conclusion of that executive order, without requiring the organization to pay any penalty or additional fee other than the annual filing fee. The Attorney General shall not require any organization to pay a filing fee in advance of the date the renewal statement and financial report are filed pursuant to this subsection.

(cf: P.L.1994, c.16, s.6)

4. This act shall take effect immediately.

Revises reporting requirements for charitable organizations and non-profit corporations.