



Charitable Solicitation Registration

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Fundraising activities are regulated by state law. Many states require charitable nonprofits, as well as any paid professional “fundraising counsel,” or consultant hired to assist the nonprofit with fundraising activities, to register with the state *before* the nonprofit solicits any donations from residents of that state. Additionally, many states require nonprofits that enter into agreement to share revenue from sales activity with another organization to file with the state to disclose that fundraising activity (often referred to as a “[commercial co-venture](#)”). All in all - it's complicated!

Note: this information is not intended as legal advice. We recommend you consult your nonprofit's legal advisor if you have questions on how fundraising regulations affect your nonprofit.

If your nonprofit is engaged in fundraising activities, it is likely that it will need to file a registration form with any state where it is soliciting donations. The majority of states require registration in *advance of engaging in any fundraising or solicitation activity*. This requirement is known as “charitable solicitation registration.” We've co-produced a [report with Harbor Compliance that explains how state laws address the challenges of fundraising](#) via the internet, across state lines, and from donors in multiple states - but there are many unanswered questions because most of the state laws that address fundraising activities don't take into consideration the new ways nonprofits are using the internet and other new technologies to fundraise.

- Read about [ethical fundraising](#).
- [Games of chance](#) may require registrations also.
- [Registration of "commercial co-ventures"](#) (In many states there is a registration requirement when either another nonprofit or a for-profit entity agrees to *share the profits* from sales with a charitable nonprofit.)

What is required? It depends...

Be aware that fundraising regulations are quite different state-to-state, and that no matter what vehicle your nonprofit is using for fundraising (your website, Twitter, texting, phone calls, or old-fashioned snail mail and personal “asks”), if the underlying activity is solicitation – defined as *asking for a donation* - that's regulated activity in most states. This requirement is often a surprise for nonprofits that have previously been unaware of the requirements, so we've gathered resources below to raise awareness about state law requirements and help you navigate the obligations your charitable nonprofit has to raise funds legally and ethically.

PRACTICE POINTERS

- Beware that the forms and requirements vary widely from state to state. We suggest visiting the websites of the state government agency in your state that regulates fundraising for up-to-date information on what forms and filings are required. Some states require nonprofits to file supplemental forms in addition to the primary registration form. You can find the state government office that handles registration on this [list of state charity officials](#).
- Some nonprofits hire the accountant/CPA that prepares the nonprofit's IRS 990 to also prepare and submit state charitable registration forms, since much of the information required by states for charitable registration is the same information that the nonprofit reports on its annual report to the IRS, Form 990. Other nonprofits outsource this project to a specialized service provider or law firm equipped to prepare state registration forms. Still other nonprofits prepare the forms using internal staff.
- For nonprofits seeking to file charitable registration forms in all the states where registration is required, the cost of filing fees plus labor for preparation of the forms can be significant.

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- More and more states are moving the registration process entirely *online*.
- Many state registration forms require signatures by more than one corporate officer, so allow time to collect the necessary signatures well in advance of filing deadlines.
- If your nonprofit will no longer be soliciting in a state where it had previously registered, there may be special filing forms required to “un-register” in that state. If your nonprofit fails to un-register it may be assessed late filing penalties.
- In addition to registration requirements, several states also require nonprofits to publish “[disclosure statements](#)” on written solicitations or confirmation of a pledge/gift. The disclosure statements are intended to alert donors that the nonprofit is registered in the state. Some states have very strict requirements for the disclosure statements, such as font size, and other details of how the disclosure statements are presented in written materials.
- [Crowdfunding](#) and giving days can trigger registration requirements in multiple states since the hoped-for result of such activities is that individuals forward a link and encourage their friends and family to donate. Often those friends and family members are in other states.
- There are exemptions in most states for educational institutions and churches/religious congregations, as well as for membership organizations that only solicit their members. [Summary of exemptions for educational institutions](#); [Summary of religious exemptions](#) (Webster, Chamberlain & Bean).

Registration in multiple states

Someday there may be a single website portal where a nonprofit can submit directly to multiple states all the information required to register for fundraising purposes, but until that process exists, charitable nonprofits must submit individual registrations to various state agencies in each of the states where the nonprofit will be soliciting donations. Our report (co-produced with Harbor Compliance), [Charitable Solicitation Compliance](#), offers an overview of state laws that regulate fundraising.

Consultants and Grantwriters

Some state laws require nonprofits to make an additional filing when working with third parties such as [professional fundraising consultants](#). While registration of the consultant may not be the nonprofit’s direct obligation, it is prudent to verify that your fundraising consultant is registered, if required by state law.

Resources

- [Links to state charity offices](#) from National Association of State Charity Officials
- [State requirements](#) (IRS)
- [50-state fundraising compliance guide](#) (Harbor Compliance)
- [50-state charitable regulation laws](#) (Affinity Fundraising Registration) - with map summarizing the different types of requirements
- ["Does my nonprofit really have to register before asking for money?"](#) (Venable LLP)
- Is your nonprofit involved in [cause-related marketing or a commercial co-venture?](#)
- Every nonprofit that raises funds using the internet and social media should be familiar with [the Charleston Principles \(adopted in several states\)](#).
- [Disclosure statements](#), state-by-state (Perlman and Perlman)

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