

By Senator Crist

12-354-04

1 A bill to be entitled
2 An act relating to tax-exempt entities;
3 requiring organizations that are exempt from
4 taxation under the Internal Revenue Code to
5 file annual financial reports with the
6 Department of Revenue; requiring the department
7 to review such reports and to provide
8 information to the state attorney if the
9 department reasonably suspects specified
10 wrongdoing; providing an effective date.

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12 Be It Enacted by the Legislature of the State of Florida:

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14 Section 1. Required financial reports; tax-exempt
15 entities.--

16 (1) Each organization in this state that is exempt
17 from federal taxation under section 501(c)(3) or section
18 501(c)(4) of the Internal Revenue Code of 1986, as amended,
19 including, but not limited to, charitable organizations as
20 defined in section 496.404, Florida Statutes, and religious
21 institutions, must file with the Department of Revenue an
22 annual financial report for the immediately preceding fiscal
23 year upon a form prescribed by the department. An organization
24 that is required to submit an annual financial report under
25 section 496.407, Florida Statutes, may comply with this
26 subsection by submitting to the department a copy of that
27 report.

28 (2) In lieu of the financial report described in
29 subsection (1), an organization that is subject to this
30 section may submit to the department a copy of its Internal
31 Revenue Service Form 990 and Schedule A filed for the

1 preceding fiscal year, or a copy of its Form 990-EZ filed for
2 the preceding fiscal year.

3 (3) The department shall review the reports submitted
4 under this section and, if there is reasonable cause to
5 suspect that the charitable or religious organization is
6 expending funds in a manner that violates the requirements for
7 tax-exempt status or that any leader of the organization is
8 committing a fraud in soliciting or expending the
9 organization's funds, the department shall notify the
10 appropriate state attorney's office and shall provide to the
11 state attorney any information or evidence supporting that
12 suspicion.

13 Section 2. This act shall take effect July 1, 2004.

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16 SENATE SUMMARY

17 Requires organizations that are exempt from taxation
18 under s. 501(c)(3) or s. 501(c)(4) of the Internal
19 Revenue Code, including religious institutions, to file
20 annual financial reports with the Department of Revenue.
21 Requires the department to review such reports and to
22 provide information to the state attorney if the
23 department reasonably suspects that a leader of such an
24 organization is acting in violation of the entity's
25 tax-exempt status or is otherwise committing fraud.
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