

FILING CHANGES FOR PUBLIC CHARITIES

Annual Filing Fee

In accordance with Section 2 of the Act, the annual filing fees for fiscal years ending on or after 12/31/2010 have changed to the following. Please note that the fees change only for organizations with gross support and revenues exceeding \$1 million.

Gross Support and Revenue	Fee
Less than \$100,000	\$35
\$100,001 to \$250,000	\$70
\$250,001 to \$500,000	\$125
\$500,001 to \$1 million	\$250
\$1,000,001 to \$10 million	\$500
\$10,000,001 to \$100 million	\$1,000
\$100 million+	\$2,000

IRS Form 990-EZ Requirement

It has been AGO policy to require organizations to attach a completed Federal Form 990 or 990-EZ to the Form PC even if they are not required to file one with the IRS. This includes entities that file the 990-N with the IRS as of 2008. These federal forms may, at times, be useful to both the AGO and the public. Given however, the increasing complexity of these forms, the AGO has concluded that the burden and expense for very small charities, that would not otherwise be required to complete them, no longer justifies the benefit. Therefore, effective for fiscal years ending on or after 12/31/2010 the AGO will no **longer require organizations with a gross support and revenue of \$5,000 or less to submit a Federal Form 990 or 990-EZ with their annual report to the Division.** This threshold is consistent with the statutory exclusion for a solicitation certificate and the change will impact approximately 25% of the public charities that file a Form PC with the Division each year. If an organization falling under this threshold chooses to submit a 990 or 990-EZ with their Form PC filing, it will be accepted and made public record.

It should be noted that support has been expressed from members of the charitable community and their advisors to raise the threshold to \$50,000, which is the current IRS threshold for filing the IRS Form 990-EZ. Such an increase would impact over 50% of filers. The AGO is not yet prepared to raise the threshold beyond \$5,000, but will evaluate the advisability of additional increases over the next year.

Initial Registration Requirements

The Act also requires public charities registering for the first time with the AGO on or after January 1, 2011 to submit a \$100 one-time initial registration fee. This fee is in addition to the \$50 fee that accompanies the Short Form PC, which is often filed as part of the first-time registration documents. Additional information about the first-time registration process is available on our website at www.mass.gov/ago/charities.