

N.D.A.G. Letter to Meier (Oct. 3, 1985)

October 3, 1985

Honorable Ben Meier
Secretary of State
State Capitol
Bismarck, ND 58505

Dear Secretary Meier:

Thank you for your letter of September 6, 1985, inquiring as to whether a religious organization is required to have a place of worship in this state in order to be exempt from the Charitable Organizations Soliciting Contributions Act of N.D.C.C. Ch. 50-22.

Charitable organizations exempt from the charitable solicitation licensure law are set forth in N.D.C.C. §50-22-01 which provides as follows:

50-22-01. DEFINITIONS. As used in this chapter, unless the context otherwise requires:

1. "Charitable organization" means any benevolent, philanthropic, patriotic, or eleemosynary organization or one purporting to be such except organizations soliciting funds for institutions of higher learning, and organizations soliciting funds for churches operating and having a place of worship within the state. This definition shall not be deemed to include duly constituted religious organizations or any group affiliated with and forming an integral part of said organization no part of the net income of which inures to the direct benefit of any individual and which have received a declaration of current tax exempt status from the government of the United States; provided, that no such affiliated group shall be required to obtain such declaration if the parent or principal organization shall have obtained same. [Emphasis supplied.]

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Therefore, in order to be exempt from the charitable solicitation licensure law, a religious organization must have a current tax exempt status from the federal government. Furthermore, no part of the net income of the religious organization may inure to the direct benefit of any individual. However, pursuant to N.D.C.C. §50-22-01, a religious organization is not required to maintain a place of worship in this state in order to be exempt from the charitable solicitation licensure law.

As requested, I have reviewed the information supplied by the Don Stewart Association (DSA) to determine whether it is a religious organization exempt from the charitable solicitation licensure law. According to the information, DSA is a religious organization that has incorporated as a Texas non-profit corporation. Moreover, DSA has been declared tax exempt by the Internal Revenue Service and no part of the net income of DSA inures to the benefit of any individual.

Therefore, based on the information supplied by DSA, the Don Stewart Association and its divisions, Feed My People and Children's Hope, would be exempt from the Charitable Organizations Soliciting Contributions Act of N.D.C.C Ch. 50-22.

Sincerely,

Nicholas J. Spaeth

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