



*This article presents general guidelines for Georgia nonprofit organizations and should not be construed as legal advice. Always consult an attorney to address your particular situation.*

## **Internet Solicitation for Charitable Donations**

### **Registration in General**

Before you add that “Donate Now” button to your website, read this. If your charity receives donations via an Internet website, you may need to register for charitable solicitation with the state or states from which the donations are received. Many states regulate charitable solicitation of their citizens in order to protect them from fraud. Often, a state will require those soliciting charitable donations from their citizens to register with that state and disclose certain financial information.

Most nonprofit organizations located or doing business in Georgia are required to register with the Secretary of State before soliciting donations through its website or by other means. Soliciting donations via website may necessitate registration with other states as well.

In general, if a Georgia nonprofit receives significant donations through its website from a particular state, the nonprofit may need to register for charitable solicitation with that state. If the Georgia nonprofit receives limited, small contributions or donations from individuals in another state, the organization probably will not be required to register for charitable solicitation within that state (however, each state is different – see below.)

### **Registration for Charitable Solicitation in Georgia**

Nonprofit organizations that solicit donations from members of the public residing in Georgia are required to register with the Georgia Secretary of State unless otherwise exempt.

Georgia registration requires filing [Form C-100](#) along with a \$35 application fee. More information about how to register for charitable solicitation in Georgia can be found in [Charitable Registration in Georgia](#).

### **Does Your Organization Need to Register in Other States Because of Your Website?**

Georgia organizations that receive online donations from individuals residing in states other than Georgia may be required to register for charitable solicitation in those other states. Approximately 40 states require registration. While charitable solicitation laws vary from state to state, the following guidelines **generally** apply:

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- A nonprofit that specifically targets persons within another state for donations through its website must register to solicit for charitable donations with that state. For example, if a nonprofit advertises through direct mail, television or radio ads in another state and directs potential donors to its website, the nonprofit must register for charitable solicitation with that state. In addition, if the website includes an explicit or implicit reference to soliciting donations from that state, the nonprofit must register for charitable solicitation with that state.
- If the nonprofit's website is interactive in that it accepts donations electronically (through a "Donate Now" button, for example), and the organization receives donations from individuals in another state on a repeated or ongoing basis or a substantial basis through its website, registration within that state is probably required.
- If the website does not allow online donations, but specifically invites further offline activity to complete a donation, and the Georgia organization receives donations from individuals in another state on a repeated or ongoing basis or a substantial basis, registration within that state is probably required.
- Registration with another state is probably not required if the website makes clear that the fundraising focus is limited to a particular state (and the organization is registered in that state), even if the organization receives limited donations from other states.
- An organization cannot directly solicit a person for donations by e-mail, telephone or direct mail or by directing that person to its website in any state in which it is not registered (except for those states that do not have charitable solicitation requirements). For example, if an organization receives a donation from a person in another state through its website and now has the person's geographic location through the billing address provided, this organization may not be able to directly solicit additional contributions from that person if it is not registered in that state and such state requires registration.

If you are not sure whether you need to register in other states, consult an attorney for advice.

### **How to Register in States Other than Georgia**

The best place to begin is the website of the Secretary of State or Charity Bureau of each state where the charity receives donations as described above. The registration requirements should be listed along with the forms to be completed. There is a multi-state filing option - the [Unified Registration Statement](#) ("URS") is a single form that can be submitted to multiple states. However, many states still require an additional individualized form to accompany the URS. Note the URS website has NOT been updated in a number of years as a new project to replace the URS is underway. Be sure to check each state's website and not rely on the information at the URS website other than for the URS form and state specific supplemental forms.

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### **Consequences of Failure to Register**

In Georgia, the Secretary of State may take action against organizations that fail to register for charitable solicitation. These sanctions may include a substantial fine. Other states have similar consequences for failure to register in those states.

Many states wish to encourage organizations' efforts to comply with registration laws and tend to employ sanctions only when necessary. An organization should register as soon as it becomes aware of the requirements to do so, even if it has already begun solicitation in that state.