



**501(c)(3) Organizations That Work with 501(c)(4)
Organizations Should Be Aware of New Donor Disclosure Law**

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A new state law requires some 501(c)(3) organizations to disclose their donors. Use this checklist to determine if your organization may be affected.

- 1. Your organization contributes money, goods or services to a 501(c)(4) organization. Yes No

Example: you contribute general operating funds to the (c)(4), or let the (c)(4) use your mailing list for free

- 2. Your organization sells goods or services to a 501(c)(4) organization at below-market rates. Yes No

Example: you rent your conference room to the (c)(4) at less than other local businesses would charge for similar space

- 3. Your organization buys goods or services from a 501(c)(4) organization at above-market rates. Yes No

Example: you hire the (c)(4) to conduct a training, and they charge you more than other, similar businesses would charge

- 4. Your organization performs uncompensated services for a coalition that includes a 501(c)(4) organization. Yes No

Example: you provide a free media training for members of the coalition or work to place an op ed by the (c)(4)

If you answered “no” to questions 1, 2, 3 and 4 -- STOP. You likely do not have any disclosure obligation under the new law.

If you answered “yes” to question 1, 2, 3 or 4 -- continue to question 5.

- 5. The 501(c)(4) spends at least \$15,000 on lobbying New York State or a city or county within the state in a 12-month period. Yes No
Not sure

If you answered “yes” or “not sure” to question 5, you should talk to a lawyer about whether your organization may have to report some of its contributors to the NY Attorney General’s Charities Bureau.

This fact sheet is meant to provide general information only, not legal advice. Lawyers Alliance staff are available to help qualifying nonprofits determine whether they will be subject to new registration and disclosure requirements under this law, and to provide other business and

transactional legal assistance. Please contact Senior Policy Counsel Laura Abel at (212) 219-1800 x283 or visit www.lawyersalliance.org for further information.

Lawyers Alliance for New York is the leading provider of business and transactional legal services for nonprofit organizations that are improving the quality of life in New York City neighborhoods. Our network of pro bono lawyers from law firms and corporations and staff of experienced attorneys collaborate to deliver expert corporate, tax, real estate, employment, intellectual property, and other legal services to community organizations. By connecting lawyers, nonprofits, and communities, we help nonprofits to develop affordable housing, stimulate economic development, promote community arts, strengthen urban health, and operate and advocate for vital programs for children and young people, the elderly, and other low-income New Yorkers.