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# Wisconsin Legislative Council

## ACT MEMO

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Prepared by: Tom Koss, Staff Attorney

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### 2023 Wisconsin Act 151 [2023 Assembly Bill 912]

### Financial Statements of Registered Charitable Organizations

## 2023 WISCONSIN ACT 151

A charitable organization that wishes to solicit contributions in Wisconsin generally must register with the Department of Financial Institutions (DFI) and submit an annual report each year that it is registered. As part of its initial registration and annual report, a charitable organization is generally required to file a financial statement for its most recently completed fiscal year. A charitable organization that has received contributions above certain dollar amounts is required to file a financial statement that has been reviewed or audited by a certified public accountant.

2023 Wisconsin Act 151 makes the following changes related to a charitable organization's requirement to submit a financial statement as part of its application or annual report:

- Increases the contribution threshold for filing a financial statement that has been reviewed by an independent certified public accountant from between \$300,000 and \$500,000 in contributions in the prior fiscal year to between \$500,000 and \$1 million in contributions.<sup>1</sup>
- Increases the contribution threshold for filing an audited financial statement that includes the opinion of an independent certified public accountant from more than \$500,000 in contributions in the prior fiscal year to more than \$1 million in contributions.
- Allows a charitable organization to apply for a waiver of the requirement to submit a financial statement as part of its annual report, if the organization would otherwise be required to submit an audited financial statement and its application includes documentation to support that its contributions were less than \$300,000 during each of the three past fiscal years and that during the year for which the waiver is requested, the organization received one or more contributions from one contributor that exceeded \$700,000. Previously, these thresholds were \$100,000 and \$400,000, respectively.

**Effective date:** March 23, 2024

**Initial applicability:** The changes relating to a financial statement as part of a charitable organization's application first apply to applications for registration received after the act's effective date. The changes relating to a financial statement as part of a charitable organization's annual report first apply with respect to a fiscal year that begins after the act's effective date.

For a full history of the bill, visit the Legislature's [bill history page](#).

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<sup>1</sup> DFI may adjust the threshold amounts to account for inflation.