

150-305.720(1)(a)

Use of Checkoff Resources

Entities receiving checkoff resources are restricted in the manner in which the resources may be used by the organization.

(1) Checkoff resources received by an entity may only be used to fund:

(a) Existing programs. Checkoff resources may only be used to fund existing programs to the extent that the checkoff funds serve to augment the existing program. Checkoff resources may not be used to replace existing funding that would allow a shift of entity resources to another unrelated purpose.

(b) New programs. Checkoff resources may be used to fund new programs, but only if the new program has a close connection to an existing program. The existing program after which the new program is patterned must have a proven record of success in providing substantial and direct benefit to the state.

(2) Checkoff resources may not be used to meet the administrative expenses of the entity. Included in this prohibition are any increased fixed or variable administrative expenses that are a direct result of the new or augmented program funded by the checkoff resources.

Stat. Auth.: ORS 305.100

Stats. Implemented: ORS 305.702

Hist.: RD 7-1993, f. 12-30-93, cert. ef. 12-31-93

150-305.725(1)

Application and Signature Due Dates

Completed applications and completed signature petitions for tax instruction booklet listing must be received by the Charitable Checkoff Commission by June 1 of the tax year for which the entity seeks listing.

Stat. Auth.: ORS 305.100

Stats. Implemented: ORS 305.725

Hist.: REV 1-2000, f. & cert. ef. 2-1-00; REV 13-2000, f. 12-29-00, cert. ef. 12-31-00, Renumbered from 150-305.725

150-305.727

Certification of Nonprofit Entities for Instruction Listing

For purposes of Section 2, Chapter 1032, Oregon Laws 1999, the date the instructions for the forms must be prepared shall be September 1 of each calendar year. Entities that are certified to the department by the commission on or before that date shall be listed in the instruction material of the Oregon income tax returns for that tax year.

Stat. Auth.: ORS 305.100

Stats. Implemented: ORS 305.727

Hist.: REV 9-1999, f. 12-30-99, cert. ef. 12-31-99

150-305.727(3)(a)

Definitions of the Terms "Affiliated and "Central Office"

For purposes of the statutes and rules relating to the charitable checkoff system:

(1) The term "central office" means an organization that the Internal Revenue Service recognizes to be an exempt organization under Internal Revenue Code §501(c)(3). It must have written bylaws or other written provisions that describe its structure and purpose. It must also have the same primary purpose as that of its affiliates. It must be located in Oregon and a substantial proportion of the funds that it collects must remain in Oregon, benefiting the state and its residents, as required by ORS 305.720(1)(b).

(2) The phrase "affiliated entities" means entities with a relationship documented in writing. Each affiliate must share a specific primary purpose and that purpose must be charitable. Each affiliated entity must be recognized by the Internal Revenue Service to be an exempt organization under Internal Revenue Code §501(c)(3). Affiliated entities must be located in Oregon and a substantial proportion of the funds that they collect must remain in Oregon, benefiting the state and its residents, as required by ORS 305.720(1)(b).

Stat. Auth.: ORS 305.100 & 305.751

Stats. Implemented: ORS 305.725 & 305.727

Hist.: REV 1-2000, f. & cert. ef. 2-1-00; REV 13-2000, f. 12-29-00, cert. ef. 12-31-00, Renumbered from 150-305.727-(A)

150-305.727(3)(b)

Signatures Must Be on Department's Form

(1) For purposes of meeting the requirement that an entity gather the signatures of 10,000 registered Oregon voters, signatures must be collected and submitted on the department's designated form. The signatures must include all the information requested on that form.

(2) The submitter of such signatures must swear that, to the best of the submitter's knowledge and belief, all the signatures that the submitter is presenting to the commission on behalf of the organization are those of registered Oregon voters.

(3) If an entity fails to meet any of the requirements listed within this rule, commission may reject the entity's application or may deem the applying entity unqualified to receive a charitable checkoff listing.

Stat. Auth.: ORS 305.100

Stats. Implemented: ORS 305.727

Hist.: REV 1-2000, f. & cert. ef. 2-1-00; REV 13-2000, f. 12-29-00, cert. ef. 12-31-00, Renumbered from 150-305.727-(B)

150-305.727(3)(b)-(B)

Signature Gathering Period

The signature gathering period for any tax year for which an entity seeks listing begins June 1 of the tax year prior to the year in which listing is sought and extends through May 31 of the tax year listing is sought. For example: if an entity seeks listing for tax year 2001, the signature gathering period is from June 1, 2000, through May 31, 2001.

Stat. Auth.: ORS 305.100

Stats. Implemented: ORS 305.727

Hist.: REV 13-2000, f. 12-29-00, cert. ef. 12-31-00; REV 2-2001, f. 7-31-01, cert. ef. 8-1-01

150-305.730

Charitable Checkoff Financial Reporting Requirements

It is the commission's responsibility to properly consider all applicants to the checkoff program and participants in the program approved by the commission. In order to carry out this responsibility, the commission finds that it is necessary to receive additional financial information. This information will also be used to determine the use of any funds received through the checkoff program.

(1) Financial statements and budget documents shall be required.

(a) The financial statements and budget documents must cover the most recent three years or the length of time the entity has been in existence.

(b) The financial statements and budget documents must be submitted by July 1 of each even numbered year.

(2) All documents shall be verified as provided in ORS 305.810 by a principal of the entity, a principal in the solicitation activities of the entity, or the executive officer of the entity.

(3) If the documents submitted by July 1 do not contain the necessary information, documentation, or verification the commission shall notify the applicant of the deficiency within 15 days. The commission will provide a reasonable opportunity after the notification to submit the necessary materials. Failure to submit the necessary materials when requested may result in disqualification.

(4) The provisions of this administrative rule will be effective for applications received on or after January 1, 1992.

Stat. Auth.: ORS 305.100

Stats. Implemented: ORS 305.730

Hist.: RD 7-1990, f. 12-20-90, cert. ef. 12-31-90

150-305.747

Costs of Administration

(1) The department shall estimate the fixed and variable costs to administer each of the personal income tax checkoff programs which have been approved by the Oregon Legislature or the Oregon Charitable Checkoff Commission for each biennium. The department shall set aside in an administrative expense reserve account 10 percent of the monthly contributions for each program until the fund balance equals the estimated fixed and variable costs for each checkoff program. No further charges to that program shall be made for the year.

(2) For purposes of this rule, examples of fixed costs include accounting time, programming time, and tax booklet revision. An example of a variable cost is data entry charges, which are dependent upon the number of returns filed contributing to the checkoff.

Stat. Auth.: ORS 305.100

Stats. Implemented: ORS 305.747

Hist.: RD 12-1990, f. 12-20-90, cert. ef. 12-31-90

150-305.749(3)

Method of Distribution from Check-off Contributions and Reimbursement of Administrative Expenses

For programs which have been approved for charitable contribution checkoff for each biennium by the Oregon Legislature or the Oregon Charitable Checkoff Commission, the department will maintain a record of contributions received and distribute the respective amounts, minus administrative expenses to each entity at the beginning of each month.

Stat. Auth.: ORS 305.100

Stats. Implemented: ORS 305.749

Hist.: RD 7-1988, f. 12-19-88, cert. ef. 12-31-88; Renumbered from 305.835(1), RD 7-1989, f. 12-18-89, cert. ef. 12-31-89; Renumbered from 150-305.749(2), RD 12-1990, f. 12-20-90, cert. ef. 12-31-90