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Courtside *Legal Update*

California Nonprofit Donor Disclosure Law: Ninth Circuit Declines Rehearing



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The Ninth Circuit Court of Appeals refused the request for reconsideration of a decision regarding California disclosure laws for nonprofit donors. The law requires that nonprofit organizations provide the state with an annual list of certain donors and donations involved in their organization. Objecting jurists argue that if donors' names are revealed, then those with controversial views are at risk for harassment.

Despite the opposition, the Ninth Circuit Court of Appeals concluded that it is not burdensome to disclose the names of donors to the state. Judges backing the decision have determined that a rehearing is not needed because disclosing donor information is "sensible."

Requirements of the Donor Disclosure Law

In the state of California, tax-exempt organizations need to include a private disclosure on their Schedule B 990 forms. These forms should include information about donors who contributed more than 2% of their annual budget or an amount greater than \$5,000. The purported purpose of this disclosure is to determine potential fraud in charitable donations.

Next Steps in the Litigation?

Spokesman for Americans for Prosperity (AFP), Dave Abrams, stated that AFP would evaluate the next litigation steps. They are committed to maintaining First Amendment liberties and are working on speaking out against laws and regulations that compel disclosure.

AFP argues that citizens should have the freedom to contribute to organizations without fear of any repercussions or backlash.

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