

SENATE BILL 325

By Norris

AN ACT to amend Tennessee Code Annotated, Title 3, Chapter 17 and Title 39, Chapter 17, relative to annual events operated for the benefit of nonprofit organizations located in Tennessee pursuant to Article XI, Section 5 of the Constitution of Tennessee.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 3-17-101, is amended by deleting the language "Tennessee Charitable Gaming Implementation Law" and by substituting instead the language "Tennessee Nonprofit Gaming Law".

SECTION 2. Tennessee Code Annotated, Section 3-17-102, is amended by deleting subdivision (1) and by substituting instead the following:

(_) "Nonprofit organization" means:

(A) A 501(c)(3) organization that is exempt from federal income taxation under § 501(a) of the Internal Revenue Code, codified in 26 U.S.C. § 501(a), as an organization described in § 501(c)(3) of the Internal Revenue Code, codified in 26 U.S.C. § 501(c)(3), and, for the limited purposes of this chapter:

(i) Has been in continuous and active existence in this state for five (5) years immediately preceding the event date listed in an annual event application as an organization exempt from federal income taxation under § 501(a) of the Internal Revenue Code as an organization described in § 501(c)(3) of the Internal Revenue Code;

(ii) Has been in continuous and active existence in this state for five (5) years immediately preceding the event date listed in an annual event application as an organization exempt from federal income taxation under § 501(a) of the

Internal Revenue Code as an organization described in any subdivision of § 501(c) of the Internal Revenue Code, but, prior to submission of an annual event application, has received exemption from federal taxation as an organization described in § 501(c)(3) of the Internal Revenue Code;

(iii) Has been conducting a fishing event for the benefit of youth for at least ten (10) successive years in the county in which it applies to hold an annual event, but, prior to submission of an annual event application, has received exemption from federal taxation as an organization described in § 501(c)(3) of the Internal Revenue Code;

(iv) Has been operating for at least four (4) years in this state as part of an organization exempt from federal taxation as an organization described in § 501(c)(3) of the Internal Revenue Code, but, prior to submission of an annual event application, has received separate exemption from federal taxation as an organization described in § 501(c)(3) of the Internal Revenue Code;

(v) Has been in continuous and active existence in Tennessee for three (3) years immediately preceding the event date listed in an annual event application as an organization described in § 501(c)(3) of the Internal Revenue Code, and has merged with an organization that had been in continuous and active existence in Tennessee for at least five (5) years as an organization described in § 501(c)(3) of the Internal Revenue Code; or

(vi) Is a school foundation organized pursuant to § 49-2-612 and, prior to submission of an annual event application, has received exemption from federal taxation as an organization described in § 501(c)(3) of the Internal Revenue Code. No more than one (1) school foundation per public school per annual event period shall qualify as a 501(c)(3) organization pursuant to this subdivision (A)(vi); and

(B) A 501(c)(19) organization that is exempt from federal income taxation under § 501(a) of the Internal Revenue Code, codified in 26 U.S.C. § 501(a), as an

organization described in § 501(c)(19) of the Internal Revenue Code, codified in 26 U.S.C. § 501(c)(19) and, for the limited purposes of this chapter:

(i) Has been in continuous and active existence in this state for five (5) years immediately preceding the event date listed in an annual event application as an organization exempt from federal income taxation under § 501(a) of the Internal Revenue Code as an organization described in § 501(c)(19) of the Internal Revenue Code; or

(ii) Has been operating for at least four (4) years in this state as part of an organization exempt from federal taxation as an organization described in § 501(c)(19) of the Internal Revenue Code, but, prior to submission of an annual event application, has received separate exemption from federal taxation as an organization described in § 501(c)(19) of the Internal Revenue Code;

SECTION 3. Tennessee Code Annotated, Section 3-17-102(2)(B), is amended by deleting the language "a 501(c)(3) organization" and by substituting instead the language "a nonprofit organization".

SECTION 4. Tennessee Code Annotated, Section 3-17-103, is amended by deleting the language "501(c)(3)" wherever it appears and by substituting instead the language "nonprofit".

SECTION 5. Tennessee Code Annotated, Section 3-17-103(a)(4)(A)(iii), is amended by inserting the word "organization" between the word "nonprofit" and the word "applicant".

SECTION 6. Tennessee Code Annotated, Section 3-17-103, is amended by adding the following language as a new subsection:

(f)

(1) Notwithstanding any provision of this chapter to the contrary, a nonprofit organization described in § 501(c)(19) of the Internal Revenue Code seeking to operate an annual event for the benefit of that organization located in this state may submit an

annual event application to the secretary by April 1, 2015, for the annual event period beginning July 1, 2015 and ending June 30, 2016.

(2) In addition to the omnibus list transferred to the clerk of the senate and the clerk of the house of representatives by March 1, 2015, the secretary shall transfer an additional omnibus list listing any organizations approved pursuant to subdivision (f)(1) for the annual event period beginning July 1, 2015 and ending June 30, 2016. The list shall be transferred in a manner consistent with subdivision (b) by twelve o'clock (12:00) noon central daylight time (CDT) within ten (10) calendar days after April 1, 2015.

SECTION 7. Tennessee Code Annotated, Section 3-17-104(d), is amended by deleting the language "501(c)(3)" and by substituting instead the language "nonprofit".

SECTION 8. Tennessee Code Annotated, Section 3-17-104(e), is amended by deleting the language "A 501(c)(3) organization filing an annual event application" and by substituting instead the language "A nonprofit organization filing an annual event application".

SECTION 9. Tennessee Code Annotated, Section 3-17-104(e), is amended by deleting subdivision (1) and by substituting instead the following:

(1) The name, mailing address and physical address of the nonprofit organization. If the organization has multiple chapters or affiliates in Tennessee operating under the same tax exemption, the organization shall submit the physical addresses and mailing addresses of such multiple locations; provided that, for the purposes of this chapter, a post office box, or similar address at a mail or package delivery service, shall not be considered a physical address. If the principal office of the nonprofit organization is outside Tennessee, the organization shall submit the physical address and mailing address of such principal location;

SECTION 10. Tennessee Code Annotated, Section 3-17-104(e), is amended by deleting subdivision (8) and by substituting instead the following:

(8) A copy of the organization's determination letter from the internal revenue service showing that the organization is exempt from federal income taxation under § 501(a) of the Internal Revenue Code as an organization described in either § 501(c)(3) or § 501(c)(19) of the Internal Revenue Code;

SECTION 11. Tennessee Code Annotated, Section 3-17-104(e)(9), is amended by deleting the language "501(c)(3)" wherever it appears and by substituting instead the language "nonprofit".

SECTION 12. Tennessee Code Annotated, Section 3-17-104(e), is amended by deleting subdivision (10) and by substituting instead the following:

(10) The names and addresses of any officers, directors, trustees, and the principal salaried executive staff officer of the nonprofit organization;

SECTION 13. Tennessee Code Annotated, Section 3-17-104(e), is amended by deleting subdivision (11) and by substituting instead the following:

(11) A sworn statement that the organization has been in continuous and active existence as a nonprofit organization located in Tennessee as defined by § 3-17-102;

SECTION 14. Tennessee Code Annotated, Section 3-17-104(e)(12), is amended by deleting the language "501(c)(3)" and by substituting instead the language "nonprofit".

SECTION 15. Tennessee Code Annotated, Section 3-17-104(e), is amended by deleting subdivision (13) and by substituting instead the following:

(13) A sworn statement that the board, or functional equivalent, of the nonprofit organization has approved the filing of an annual event application and intends to operate an annual event if authorized by the general assembly.

SECTION 16. Tennessee Code Annotated, Section 3-17-105, is amended by deleting the language "501(c)(3)" wherever it appears and by substituting instead the language "nonprofit".

SECTION 17. Tennessee Code Annotated, Section 3-17-106, is amended by deleting the language "501(c)(3)" wherever it appears and by substituting instead the language "nonprofit".

SECTION 18. Tennessee Code Annotated, Section 3-17-108(a), is amended by deleting the language "501(c)(3)" and by substituting instead the language "nonprofit".

SECTION 19. Tennessee Code Annotated, Section 3-17-109, is amended by deleting the language "501(c)(3)" wherever it appears and by substituting instead the language "nonprofit".

SECTION 20. Tennessee Code Annotated, Section 3-17-110, is amended by deleting the language "501(c)(3)" wherever it appears and by substituting instead the language "nonprofit".

SECTION 21. Tennessee Code Annotated, Section 3-17-113(a), is amended by deleting the language "501(c)(3)" and by substituting instead the language "nonprofit".

SECTION 22. Tennessee Code Annotated, Section 3-17-114, is amended by deleting the language "501(c)(3)" wherever it appears and by substituting instead the language "nonprofit".

SECTION 23. Tennessee Code Annotated, Section 39-17-501(1)(B), is amended by deleting the language "charitable § 501(c)(3)" and by substituting instead the language "nonprofit".

SECTION 24. Tennessee Code Annotated, Section 39-17-601(1)(B), is amended by deleting the language "501(c)(3)" and by substituting instead the language "nonprofit".

SECTION 25. Tennessee Code Annotated, Section 39-17-652(a), is amended by deleting the language "501(c)(3)" and by substituting instead the language "nonprofit".

SECTION 26. Tennessee Code Annotated, Section 39-17-653(a), is amended by deleting the language "501(c)(3)" and by substituting instead the language "nonprofit".

SECTION 27. Tennessee Code Annotated, Section 39-17-654(c)(1), is amended by deleting the language “501(c)(3)” and by substituting instead the language “nonprofit”.

SECTION 28. This act shall take effect upon becoming a law, the public welfare requiring it.