PREFACE

This three volume treatise contains a comprehensive coverage of all laws relating to nonprofit organizations to provide an invaluable reference work for attorneys and accountants who represent nonprofit organizations, as well as for managers of nonprofit organizations. My objective in preparing, and updating semiannually, this treatise is to provide the reader with an awareness and understanding of the important legal and tax subjects and problems that confront representatives of nonprofit organizations. The treatise is general in that it provides an overview of all the law relating to nonprofit organizations; yet it is sufficiently specific to provide the reader with complete information concerning most areas of laws relating to nonprofit organizations.

The twenty-seven chapters include a discussion of the advantages and disadvantages of the different structural forms for nonprofit organizations–trust, unincorporated association, and nonprofit corporation. One chapter sets out a summary of the nonprofit corporation state laws in all of the fifty states. A chapter on accounting for nonprofit enterprises considers reporting practices and objectives of financial statements for nonprofit organizations. The chapters include a complete discussion of the tax laws relating to tax exempt nonprofit organizations as well as to donors to, and members of, the various tax-exempt organizations. There is detailed treatment of the different classifications of exempt status, of the means to obtain and maintain tax-exempt status, of the difference between the charitable organizations that qualify as public charities and those that are classified for tax purposes as private foundations, of the charitable contribution deduction as applied to public charities and private foundations as well as to deferred giving, of the unrelated business taxable income, and of the involvement in and consequences of lobbying and political activities for the various tax-exempt organizations. The chapters also provide discussions of the tax forms exempt organizations must file, as well as providing sample completed reference forms. One chapter summarizes the tax laws applicable to, and helpful in, forming philanthropic family foundations. The chapters also include a summary of generalized federal and state laws that impact nonprofit organizations, such as copyright laws, securities laws, antitrust provisions, labor laws, employment laws, laws applicable to directors, officers, and members, as well as the duties and liabilities of these persons, and laws affecting mergers and dissolutions of nonprofit organizations.

There are separate chapters that include the laws for most of the different types of nonprofit organizations. For example, included in the twenty-seven chapters is a separate chapter that analyzes specific laws for particular nonprofit organizations, including churches, schools, hospitals, museums, social clubs (to include fraternities and sororities), homeowners' associations, trade and professional organizations, political organizations, labor organizations, cooperatives, and cemetery organizations. The chapter on churches includes a discussion of state intervention in religious organizations, the interplay of the free exercise and the establishment clauses of the First Amendment, and a consideration of the application of neutral principles of law versus the deference principle in deciding property disputes when religious organizations split. Laws relating to stolen and illegally exported artworks and antiquities, problems identifying forgeries, national and international preservation laws, and laws protecting rights of artists in their works are included in the chapter on museums. The chapter on hospitals includes a discussion of nonprofit hospitals, reorganizations of health care entities,

conversions to for-profit status, as well as a summary of the added requirements for tax-exempt status imposed on nonprofit hospitals by the Affordable Care Act. The chapter on social clubs discusses the requirements for tax-exempt status for a social club and sets out the extent services to the general public can cause loss of exempt status. The chapter on political organizations summarizes the laws relating to the Federal Election Commission's regulation of nonprofit organizations' involvement in political campaigns and discusses requirements for tax-exempt status for political organizations.

The comprehensive overview of laws affecting nonprofit organizations set out in these three volumes provides readers with helpful advice and easy reference as well as advance recognition of possible areas of concern to provide solutions to, and often to prevent, legal and tax problems for nonprofits. Current cases, statutes, and IRS pronouncements are summarized in the "Edition Highlights" to provide the user with awareness of recent issues and problems.

I welcome reader's comments, questions, and feedback and encourage subscribers to contact me at marilynphelan@mail.com.

Marilyn E. Phelan