

This profile is part of a set of 51 profiles, including all U.S. states and the District of Columbia, which outlines state laws, regulations, and requirements that apply to charitable organizations. It covers six areas and highlights ways in which state laws differ from federal laws governing charitable organizations.



## Formation, Elections, Operation, and Dissolution

### Nonprofit Corporations

Nonprofit corporations are governed by MO ST T. XXIII, Ch. 355, and the Missouri Nonprofit Corporation Act.

### Nonprofit Unincorporated Associations

Unincorporated associations are defined as 'entities' under Mo. Ann. Stat. § 355.066.

### Election of Directors

If the corporation has members, all the directors, except the initial directors, shall be elected at the first annual meeting of members, and at each annual meeting thereafter, unless the articles or bylaws provide some other time or method of election, or provide that some of the directors are appointed by some other person or designated. If the corporation does not have members, all the directors, except the initial directors, shall be elected, appointed or designated as provided in the articles or bylaws. If no method of designation or appointment is set forth in the articles or bylaws, the directors, other than the initial directors, shall be elected by the board. Mo. Ann. Stat. § 355.326 (West)

There shall be at least three directors. Mo. Ann. Stat. § 355.321.

### Director Term

As provided for in the articles or bylaws, but not to exceed six years. In the absence of a term specified, the term shall be one year. Mo. Ann. Stat. § 355.331

### Meeting and Quorum Requirements

Quorum (Members): Unless specified by the bylaws, ten percent of the votes entitled to be cast on the matter represent a quorum. Mo. Ann. Stat. § 355.281.

Quorum (Directors): Unless provided otherwise in the articles or regulations, a majority of the directors in office immediately before a meeting begins. A quorum cannot be less than one-third of the number of directors in office or two directors. Mo. Ann. Stat. § 355.401.

Annual meeting required. Mo. Ann. Stat. § 355.231

### Officer Requirements

Must include a chairman and/or a president, a secretary and a treasurer. Mo. Ann. Stat. § 355.431.

### Officer Term

No relevant statute found.

### Dissolution

Dissolution is governed by Mo. Ann. Stat. § 355.666 et seq.

## Duties, Indemnification, and Interested Transactions

### Director Duties

Corporations have the power to define the duties of directors. Mo. Ann. Stat. § 355.131(11).

### Officer Duties

Corporations have the power to define the duties of officers. Mo. Ann. Stat. § 355.131(11).

### Board Independence Requirements

No relevant statute found.

### Interested Transactions

Governed by Mo. Ann. Stat. § 355.416. A conflict of interest transaction is not voidable or the basis for imposing liability on a noncompensated director if the transaction was not unfair to the corporation at the time it was entered into or is approved as provided in subsection 2 or 3 of section 416.

### Indemnification of Directors/Officers

Permissive and mandatory indemnification is governed by Mo. Ann. Stat. § 355.471 et seq.

## Loans to Directors, Officers, or Employees

Loans and guarantees to directors and officers are permitted as long as the loan does not exceed the lesser of 25 percent of the total assets of the corporation or \$250,000. Mo. Ann. Stat. § 355.421.

## Notable Departures from Federal Law

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### Religious/Church Exemption

See tax sections below.

### Healthcare "Plus Factors"

No relevant statute found.

## General

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### Rebuttable Presumption of Reasonableness - Delegation to Disinterested "Others"

Corporation may provide in its article or bylaws for delegates to have some or all of the authority of members. Mo. Ann. Stat. § 355.226.

### Charitable Solicitation Requirements

Registration is generally required, except registration and reporting requirements do not apply to the following: (1) Religious organizations; (2) Educational institutions and their authorized and related foundations; (3) Fraternal, benevolent, social, educational, alumni, and historical organizations, and any auxiliaries associated with any of such organizations, when solicitation of contributions is confined to the membership of such organizations or auxiliaries; (4) Hospitals and auxiliaries of hospitals, provided all fund-raising activities and solicitations of contributions are carried on by employees of the hospital or members of the auxiliary and not by any professional fund-raiser who is employed as an independent contractor; (5) Any solicitation for funds governed by chapter 130; and (6) Any organization that has obtained an exemption from the payment of federal income taxes as provided in section 501(c)(3), 501(c)(7) or 501(c)(8) of Title 26, United States Code, as amended, if, in fact, no part of the net earnings of the organization inure to the benefit of any private party or individual associated with such organization. Mo. Ann. Stat. § 407.456.

### State-Specific Retention Policies

Corporate record retention requirements governed by Mo. Ann. Stat. § 355.821.

### Personal Information Collection and Protection Laws

The membership list cannot, without the consent of the board, be used to solicit money, for commercial purpose, sold or purchased by any person. Mo. Ann. Stat. § 355.841

### Whistleblower Protection

Not specific to nonprofit organizations; however, the Whistleblower state law be found at Mo. Ann. Stat. § 191.908.

### State Volunteer Liability Law

Any volunteer of a nonprofit organization or governmental entity shall be immune from personal liability for any act or omission resulting in damage or injury to any person intended to receive benefit from such volunteer's service if: (1) the volunteer acted in good faith and within the scope of his official functions and duties with the organization or entity; and (2) the damage or injury was not caused by the intentional or malicious conduct or by the negligence of such volunteer. Mo. Ann. Stat. § 537.118 (West)

### Independent Audit Requirements

No relevant statute found.

### State Filing Requirements

An annual or biennial report must be filed. Mo. Ann. Stat. § 355.856 et seq.

## Model Acts

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### Uniform Prudent Management of Institutional Funds Act

Adopted

### Uniform Prudent Investor Act

Adopted

## Tax Exemptions

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### Income Tax

Corporation "which by reason of its purposes and activities is exempt from federal income tax" is exempt from state income tax. This does not apply to unrelated business taxable income and other income that Chapter 1 of the Internal Revenue Code imposes the federal income tax on. Mo. Ann. Stat. § 143.441.

### Sales and Use Taxation

Sales made by or to religious and charitable organizations in their religious, charitable or educational functions and activities are exempt from sales and use tax. Mo. Ann. Stat. § 144.030(20).

### Property Tax Exemption

Certain types of property are exempt from property tax (including property used exclusively for religious, educational, or charitable purposes). Mo. Ann. Stat. § 137.100.

### Miscellaneous Exemptions

N/A.

General Resource:

<http://www.moga.mo.gov/mostatutes/chapters/chapText355.html>

**Disclaimer**

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