

Act LXXVI of 2017 on the transparency of organisations receiving support from abroad

The National Assembly,

duly respecting that organisations established under the freedom of association are the manifestation of social self-organisation and their operation contributes to democratic oversight and to the public debate on public affairs, and that such organisations have a determining role in the formation of public opinion,

emphasising that – having regard to the social role of associations and foundations – the transparency of such associations and foundations is of great public interest,

recognising that the support provided by unknown foreign sources to organisations established under the freedom of association may be capable of being used by foreign interest groups to promote – through the social influence of these organisations – their own interests instead of community objectives in Hungary’s political and social life; and taking into account that this may pose a threat to Hungary’s political and economic interests and the uninfluenced operation of institutions established by law, and

contributing to the international efforts to combat money laundering,

adopts the following Act:

Section 1 (1) For the purposes of this Act, an association and a foundation that receives the allocations defined in paragraph (2) shall qualify as an organisation receiving support from abroad (hereinafter jointly “organisation receiving support from abroad”).

(2) Within the meaning of this Act, allocations of money or other assets originating either directly or indirectly from abroad shall be considered, regardless of their legal title, support, provided that such allocations, calculated separately or cumulatively, reach twice the amount specified in section 6 (1) *b*) of Act LIII of 2017 on the prevention and combating of money laundering and terrorism financing (hereinafter the “Pmt.”) in a given fiscal year.

(3) The amount of support referred to in paragraph (2) shall not include any of the grants received by the association or foundation under specific laws, from the European Union through a budgetary organ.

(4) This Act shall not apply to:

- a*) associations and foundations that do not qualify as non-governmental organisations;
- b*) associations that fall within the scope of Act I of 2004 on sports;
- c*) organisations that perform religious activities;

d) national minority organisations and associations under Act CLXXIX of 2011 on the rights of national minorities and to foundations performing, under their instrument of incorporation, the protection and representation of the interests of a certain national minority, or activities directly connected to the cultural autonomy of a national minority.

Section 2 (1) An association or foundation referred to in section 1 (1) shall be required to make a notification of becoming an organisation receiving support from abroad within 15 days of the amount of allocations received in the reference year reaching twice the amount specified in section 6 (1) *b*) of the Pmt.

(2) The organisation receiving support from abroad shall send the notification referred to in paragraph (1) to the regional court with territorial jurisdiction over its seat (hereinafter the “registering court”) with the data content specified in Annex 1. The registering court shall attach the notification to the records of the association or foundation in the register of non-governmental and other organisations that do not qualify as companies (hereinafter the “Register”) and shall register the association or foundation as an organisation receiving support from abroad.

(3) Applying the rules specified in paragraph (1) as appropriate, organisations receiving support from abroad shall notify the registering court of the support received in the previous year by providing the data specified in Annex 1 along with their report. In the notification, supports received from the same supporter

a) that do not amount to 500 000 forints in the given year, shall be indicated in accordance with the data content laid down in Part II A) of Annex 1,

b) that amount to at least 500 000 forints in the given year, shall be indicated in accordance with the data content laid down in Part II B) of Annex 1.

(4) The registering court shall, by the 15th day of each month, send to the minister responsible for managing the Civil Information Portal (“*Civil Információs Portál*”) the names, seats and tax numbers of all the associations and foundations in respect of which the court entered into the Register, in the preceding month, the fact that they qualify as an organisation receiving support from abroad. The minister responsible for managing the Civil Information Portal shall, without delay, publish the data thus received for access free of charge on the electronic interface dedicated to the purpose.

(5) After the notification referred to in paragraph (1), the organisation receiving support from abroad shall, without delay, publish on its webpage, in press products it issues as referred to in the Act on the freedom of the press and the fundamental rules of media contents, and in its other publications the fact that it qualifies as an organisation receiving support from abroad pursuant to this Act.

(6) The organisation receiving support from abroad shall be bound by the obligation specified in paragraph (5) as long as it qualifies as an organisation receiving support from abroad.

Section 3 (1) If an association or foundation fails to comply with its obligations under this Act, the prosecutor shall, after becoming aware of this fact, give a notice to the association or foundation to comply with its obligations pursuant to this Act within 30 days of the communication of the notice, following the rules applicable to the prosecutor.

(2) If the organisation receiving support from abroad fails to comply with its obligation specified in the prosecutor’s notice, the prosecutor shall call upon it again to comply with its obligations pursuant to this Act within 15 days. If this time limit expires with no result, the prosecutor shall, within 15 days of expiry, initiate at the registering court the imposition of a fine under section 37 (2) of Act CLXXXI of 2011 on the court registration of non-governmental organisations and related procedural rules.

(3) After the repeated notice under paragraph (2), the prosecutor shall proceed appropriately applying the rules specified in Act CLXXV of 2011 on the right of association, the public-benefit status and the operation of and support to non-governmental organisations and Act CLXXXI of 2011 on the court registration of non-governmental organisations and related procedural rules and complying with the principle of proportionality.

Section 4 (1) If the money or other assets allocated from abroad to an organisation receiving support from abroad do not reach twice the amount specified in section 6 (1) b) of the Pmt. in the year following the fiscal year specified in section 2 (3) then the association or foundation shall no longer qualify as an organisation receiving support from abroad, and, applying the rules on notification as appropriate, it shall make a notification of this fact within 30 days after the adoption of its annual report for the year when this circumstance occurs. The registering court, applying section 2 (4), shall send this fact to the minister responsible for managing the Civil Information Portal, who shall, without delay, delete from the electronic interface created for this purpose the data of the organisation concerned.

(2) After the notification specified in section (1), the registering court shall, without delay, delete from the Register the indication which qualifies the association or foundation as an organisation receiving support from abroad.

Section 5 This Act shall enter into force on the eighth day following its promulgation.

Sections 6 to 7

Annex 1 to Act LXXVI of 2017

The data content of the notification of the organisation becoming an organisation receiving support from abroad

Reference year:

I. Data on the organisation receiving support from abroad

Name of the organisation:

Seat of the organisation:

Registration number of the organisation:

II. Support received from abroad

Support received from abroad (total):

A) Supports received from abroad not amounting to the threshold specified in section 2 (3) (total):

1. allocations of money (total):

2. allocations of other assets:

3. total number of supporters under point A):

B) Supports received from abroad amounting to at least the threshold specified in section 2 (3) (total):

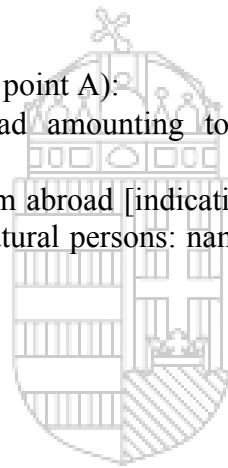
Details of the support received from abroad [indication of amount per transaction, with the exact indication of the source (for natural persons: name, country, city; in other cases: name, seat)]:

1.

2.

3.

...



MINISTRY OF JUSTICE
HUNGARY