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GENERAL LAW ON NON-PROFIT LEGAL PERSONS
LAW No. 147
THE PRESIDENT OF THE REPUBLIC OF NICARAGUA
Makes it known to the Nicaraguan people that:
THE NATIONAL ASSEMBLY OF THE REPUBLIC OF NICARAGUA
by its authority;
has dictated the following
GENERAL LAW ON NON-PROFIT LEGAL PERSONS

CHAPTER I
GENERAL PROVISIONS

Article 1. –The purpose of this law is to regulate the constitution, authorization, operations, and dissolution of not-for-profit civic and religious legal persons currently existing in the country and those that may be organized in the future.

Article 2. –Non-profit Associations, Foundations, Federations, and Confederations, whether civic or religious, shall enjoy legal status once they have met the requirements established by this law.

Article 3. –The articles of incorporation of Associations, Foundations, Federations, and Confederations shall be authorized in a public document with the participation of at least five people who are able to take on such responsibility.

Foundations shall have their origin in an authentic act of discretionary giving on the part of its founder or founders and according to the ends they designate.

Founders may be natural or legal persons who have the ability to authorize the act of discretionary giving referred to in this article.

Article 4. –Foundations are legal persons not dependent on the existence of members. Their essential components are assets designated to serve a purpose of public good and a regulated administration.

Article 5. –Two or more Associations with legal status may form a Federation. This new entity shall acquire a legal status independent of the status of its member organizations.

Federations may likewise join to form Confederations with their own legal status.

Both Federations and Confederations shall be subject to all of the provisions of this law.

For a Federation or Confederation to be constituted, its member organizations must be dedicated to similar purposes in the same areas of activity.

CHAPTER II INCORPORATION AND AUTHORIZATION

Article 6. –Legal status shall be granted and cancelled by decree of the National Assembly. The respective decrees and the by-laws of the Associations shall be published in La Gaceta, Official Journal. Additionally, the by-laws must be registered in the corresponding records book.

Article 7. –Persons interested in acquiring a legal status shall submit a written request and a Statement of Purpose to the Secretary of the National Assembly. These must be signed and presented by one or more Representatives of the National Assembly. The testimony of the Public Document of Incorporation shall be attached along with two copies of the same.

Article 8. –The Public Document of Incorporation shall contain the following requirements:

- a) The nature, goals, purpose, and denomination of the entity being formed, along with the name, address, and other general information regarding members and founders according to law.
- b) The headquarters of the Association and the places where its activities will be carried out.
- c) The name(s) of its representative or representatives.
- d) The length of time for which the legal status is valid.

Article 9. –The Statement of Purpose alluded to in Article 7 of this law shall express the reasons for which legal status is being sought, the significance of the organization, and its impact on the civic or religious life of the country.

Article 10. –If an application for legal status does not meet the requirements established by this law, the Secretary of the National Assembly shall return the request citing the irregularities that must be corrected.

If the application for legal status meets the requirements established in this law, the Secretary shall send it through the process stipulated in the General Statutes of the National Assembly.

CHAPTER III RIGHTS AND OBLIGATIONS

Article 11. –Associations, Foundations, Federations, and Confederations that enjoy legal status according to the terms of this law shall be able to exercise all of the rights and obligations related to their legitimate interests according to existing laws.

Article 12. –Legal persons constituted by this law will have the following rights:

- a) To enjoy the use of a name or social purpose, which once the legal status is registered shall not be able to be used by any other person.
- b) To enjoy legal status starting on the date in which the National Assembly decree granting this status is published in La Gaceta, Official Journal.
- c) To have its own assets.
- d) To maintain offices according to its needs.
- e) To put out publications related to its purposes.

Article 13. –The obligations of legal persons are as follows:

- a) To present its by-laws to the Department for the Registration and Control of Associations in the Ministry of the Interior [Ministro de Gobernación] with a period of thirty days from the date in which the National Assembly decree granting legal status is published in La Gaceta, Official Journal.
- b) To present before the Secretary of the National Assembly—along with the documents mentioned in Article 7 of this law—the testimony and two copies of the Public Document or two certified copies of the document showing the approval of the by-laws of the respective Association, Foundation, Federation, or Confederation.
- c) To register in the Non-Profit Legal Persons Registry of the Ministry of the Interior within a period of 15 days from the date of the publication of the decree granting legal status.
- d) Associations, Foundations, Federations, and Confederations shall keep records of its meetings, members, and accounting, and shall comply with the other requirements established in the regulations of this law.
All books will be sealed and signed by the responsible official at the Department for the Registration and Control of Associations in the Ministry of the Interior.
- e) To comply with the legal requirements established for donations from abroad and to inform the Associations Office of the Ministry of the Interior and the Ministry of Foreign Cooperation about the donations it receives.
- f) To send a financial statement to the Ministry of the Interior at the end of each fiscal year.
- g) To comply with all of the provisions, regulations, and statutes of this law.

CHAPTER IV OFFICES THAT ENFORCE THE LAW

Article 14.—The Department for the Registration and Control of Associations of the Ministry of the Interior shall be charged with enforcing this law.

Article 15. –The Department for the Registration and Control of Associations of the Ministry of the Interior shall keep a Registry of Non-Profit Legal Persons in which it

must register all of the legal entities referred to by this law that are established in the country.

All registered legal persons will be assigned a permanent identification number that must be used on all of its legal documents and in all of its legal operations.

If legal status has been acquired through a previous law, a permanent identification number shall be issued upon request.

Article 16. –The ministries, governmental bodies, and public registries that by law must process documents related to the legal persons considered in this law shall not process these documents if the organization does not present its identification number and proof that it is registered in the Registry of Non-Profit Legal Persons in the Ministry of the Interior.

Article 17. –The Department for the Registration and Control of Associations of the Ministry of the Interior shall limit itself to registering the legal persons referred to in this law.

Article 18. –In order to acquire the legal status mentioned in the last paragraph of Article 58 of the Law of Autonomy for Institutions of Higher Education, as long as it is for a not-for-profit organization, the interested parties shall make the application mentioned in Article 7 and include the following documents:

- a) A copy of the request presented to the National Council of Universities asking for authorization to operate the university.
- b) The Secretary of the National Council of Universities certification of the resolution authorizing the operation of the university. The Secretary of the National Assembly shall process the application according to that which is established in the Statutes and Regulations.

CHAPTER V FOREIGN LEGAL PERSONS

Article 19. –Associations, Foundations, Federations, and Confederations possessing legal status authorized in a foreign country and that plan to carry out or are carrying out activities in Nicaragua must present corresponding documents to the Department for the Registration and Control of Associations in the Ministry of the Interior in order to be authorized. The Department will determine if the nature and characteristics of the organization correspond to the nature of this law in order to proceed with the corresponding registration. Once authorized, the organization must comply with this law and with all of the laws of the Republic.

Article 20. –Foreign legal persons that operate in the country in accordance with international treaties, agreements, accords, and protocols shall be guided by these agreements.

CHAPTER VI FUNCTIONING AND ORGANIZATION

Article 21. –All Associations, Federations, or Foundations shall elect their highest authorities in accordance with its articles of incorporation and by-laws.

CHAPTER VII SANCTIONS AND CANCELLATIONS

Article 22. –The Department for the Registration and Control of Associations in the Ministry of the Interior may impose the following administrative sanctions on the entities considered in this law:

- a) A fine of one-thousand *córdobas* (C\$ 1,000.00) to five-thousand *córdobas* (C\$ 5,000.00) payable to the Treasury, enforced according to governance procedures in the case of violations to sections a), b), c), d), e), f), and g) of Article 13 and Articles 19 and 20 of this law.
- b) Intervention for the strictly necessary period of time to resolve irregularities that may have led to violations of Article 13 of this law or in the case of a repeat violation.

Article 23. –When the Department for the Registration and Control of Associations issues the kind of resolution mentioned in the previous article, the organization has the right to appeal the resolution before the Ministry of the Interior.

Article 24. –The legal status of Associations, Foundations, Federations, and Confederations subject to this law can only be cancelled by the National Assembly through the same procedure used for authorization and after previous consultation with the Ministry of the Interior in the following cases:

- a) When it has been used to commit illegal acts.
- b) When it has been used to disrupt public order.
- c) When the number of the Association's members has been reduced to below the minimum required by this law.
- d) For carrying out activities unrelated to the ends for which it was established.
- e) For impeding the monitoring and vigilance of the Department for the Registration and Control of Associations, at a time when measures established in Article 22 have been applied to the organization.
- f) When dissolution is agreed upon by the organizations ruling body according to its by-laws.

Article 25. –Once legal status has been cancelled, the goods and shares that belong to the Association shall be liquidated and distributed according to that which is established in its articles of incorporation and by-laws. If such provisions have not been made, the goods and shares will become property of the State.

CHAPTER VIII FINAL PROVISIONS

Article 26. –To be registered in the Registry of Legal Persons, only a request indicating the date and number of the La Gaceta, Official Journal that published the authorization of the legal status will be necessary.

Article 27. –For all matters not foreseen in this law and not in contradiction with it, the provisions of Book I, Title I, Chapter XIII of the Civil Code will apply.

Article 28. –Decree No. 639 of February 10, 1981, published in La Gaceta No. 39 of February 18, 1981 is repealed.

CHAPTER IX TRANSITORY PROVISIONS

Article 29. –For associations whose legal status has been granted by law of the National Assembly but whose by-laws are pending approval in the Ministry of the Interior, the provisions of Decree 639 of February 10, 1981 shall apply for the remainder of the process.

Article 30. –This law shall enter into force upon its publication in La Gaceta, Official Journal.

Given in the Chamber of Sessions of the National Assembly on the nineteenth day of the month of March of the year nineteen hundred and ninety-two.

Therefore let it be published and executed.
Managua, sixth of April of nineteen hundred and ninety-two.

Translated into English from Spanish original
by Kathy Ogle Member of TTIG #100, CWA