

NON-PROFITS TO RUN WILD WITH CAMPAIGN SPENDING

Non-Profit Organization = Super PAC = Independent Expenditure = Dark Money

<p>Organization (IRC section)</p>	<p>501(c)(3) - Public charities and private foundations</p>	<p>501(c)(4) - Social welfare organizations (e.g. NRA, Sierra Club)</p> <p>501(c)(5) - Unions</p> <p>501(c)(6) - Trade associations (e.g. U.S. Chamber of Commerce)</p>
<p>Lobbying permitted under Internal Revenue Code (IRC)?</p>	<p>Permitted to engage in lobbying, so long as it constitutes "no substantial part" of the organization's activities.</p>	<p>Permitted to lobby without limitation provided that all lobbying is consistent with the group's tax-exempt purpose.</p>
<p>Political Campaign Activity permitted under Internal Revenue Code (IRC)?</p>	<p>Prohibited from "participating in, or intervening in ... any political campaign on behalf of (or in opposition to) any candidate for public office."</p>	<p>These groups cannot have as their "primary activity" participation in "political campaigns on behalf of or in opposition to any candidate for public office."</p> <p>The IRS uses a "facts and circumstances" test to determine when a group sponsoring ads is participating in political campaign activity. Factors include:</p> <ol style="list-style-type: none"> (1) Whether an ad identifies a candidate for public office; (2) Whether the timing of the ad coincides with an electoral campaign; and (3) Whether the ad targets voters in a particular election.
<p>Disclosure under Internal Revenue Code (IRC)?</p>	<p>Must file an annual information return with the IRS using the Form 990 series disclosing all funds raised and spent.</p> <p>Contributor information is not made public, except in case of private foundations.</p>	<p>Must file an annual information return with the IRS using the Form 990 series disclosing all funds raised and spent.</p> <p><i>Contributor information is not made public, even if the group engages in political campaign activity.</i></p>
<p>Disclosure under Federal Election Campaign Act (FECA)?</p>	<p>Because a 501(c)(3) is not permitted to engage in political campaign activity under the IRC, it typically would not have any political campaign spending to report under FECA.</p>	<p>All persons and groups must file "ad specific" disclosure reports with the FEC if they purchase two types of ads:</p> <ol style="list-style-type: none"> 1) Ads that expressly advocate the election or defeat of a federal candidate (e.g. "vote for," "vote against"). 2) "Electioneering communications," i.e. TV or radio ads that mention a federal candidate, are targeted to the relevant electorate, and run within 30 days preceding a primary and 60 days preceding a general election. <p>These reports must disclose: the identity of the person or group funding the ad ("ad sponsor"); the recipients of disbursements for the ad; and contributors to the ad sponsor whose contributions were made for the purpose of furthering the express advocacy or electioneering communications.</p> <p>The FEC has interpreted the law to require disclosure of only those contributors who designated their funds for specific election ads. This interpretation has allowed groups to evade disclosure by designating contributions as "unrestricted donations" or member dues.</p>