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From: Announcements regarding tobacco control. [<mailto:STANGLANTZ-L@ITSSRV1.UCSF.EDU>] On Behalf Of Stanton A. Glantz  
Sent: Sunday, December 07, 2003 11:34 PM  
To: STANGLANTZ-L@ITSSRV1.UCSF.EDU  
Subject: 501(c)(3)'s can lobby

Charities Can Lobby, Despite Misconceptions  
12/5/2003

Not only are nonprofit groups allowed to lobby, a little-known 1976 law gives them more ability to do so than is commonly recognized, the Washington Post reported Nov. 30.

Many nonprofit leaders either don't understand how federal tax laws work regarding lobbying by tax-deductible groups or let the fear of an IRS audit dissuade them from exercising their rights under the law. A Washington Post survey of 1,700 nonprofit groups found that most needlessly limit their advocacy efforts.

"We found that the typical executive director of a 501(c)(3) has little understanding of what the law says," according to the article by Jeffrey M. Berry, a political-science professor at Tufts University. "Almost half of those surveyed are so ignorant of the law that they don't even believe their organization has the right to take a stand on federal legislation (perfectly permissible), while 45 percent believe they are not allowed to sponsor a debate featuring candidates running for public office (they can't support a candidate, but a candidate forum is just fine)."

Part of the problem is a confusing set of regulations. Section 501(c)(3) of the IRS code, for example, says nonprofits can't lobby to any "substantial" degree, but the IRS has refused to clarify what is meant by "substantial." On the other hand, nonprofits are allowed to "educate" lawmakers without constraint. "For political scientists, this is a preposterous distinction," wrote Berry. "To educate lawmakers is to lobby."

The good news is that a 1976 law provides some clear-cut guidance to nonprofits. By choosing what's known as the "H election" when filing their tax returns, nonprofits can easily spend as much as 20 percent of their annual budgets on lobbying without running afoul of the IRS. The only catch is that nonprofits have to keep track of and report their (rather narrowly defined) spending on lobbying activities.

This article is online at  
<http://www.jointogether.org/y/0,2521,567954,00.html>

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