

AUGUST 31, 2012

Colvin Letter to IRS Requests Answers on Criteria for Nonprofit Issue Ads Broadcast during Elections

On August 24, I wrote to Lois Lerner, director of Exempt Organizations at the Internal Revenue Service, with the following message:

You'll recall my May 7, 2012, letter suggesting that the IRS clear up the confusion surrounding how to use the two existing Revenue Rulings to determine, for instance, whether a (c)(4) has done too much political campaign activity to qualify for exemption.

Short of a new, consolidated ruling on issue advocacy vs. political campaign intervention, it seemed to me that if the Service could answer a few obvious, pointed questions about how the two Rulings should be construed, in a "general information letter," many recurring misconceptions could be corrected.

In my request, attached, I pose four common questions and the proposed answers. If I'm right, this gives the IRS the opportunity to state, on the record, how these two rulings should be applied without altering them or making any new interpretations of the law.

If you can do this, with all deliberate speed, I believe it will properly focus public attention on the existence of real criteria for determining what is legitimate issue advocacy during the current election and what is not. And it would make real compliance more likely.

My letter is posted below. Click on it for the most readable version.

For a discussion of my May 7 letter, click [here](#).

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Nonprofit Law Matters looks at legal issues in the nonprofit and tax-exempt organizations world. Written by the attorneys and paralegals of Adler & Colvin, it provides updates and analysis regarding philanthropy, charity, and other exempt organization issues.

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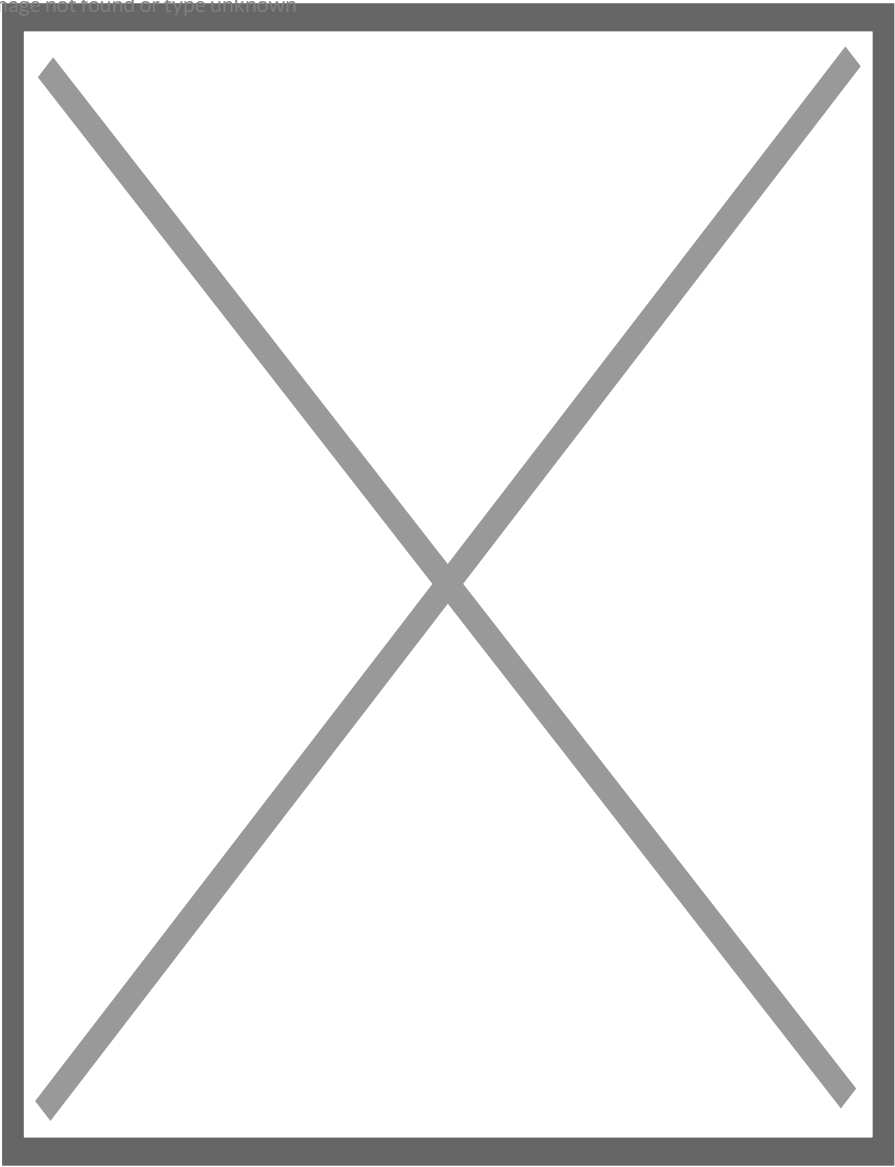


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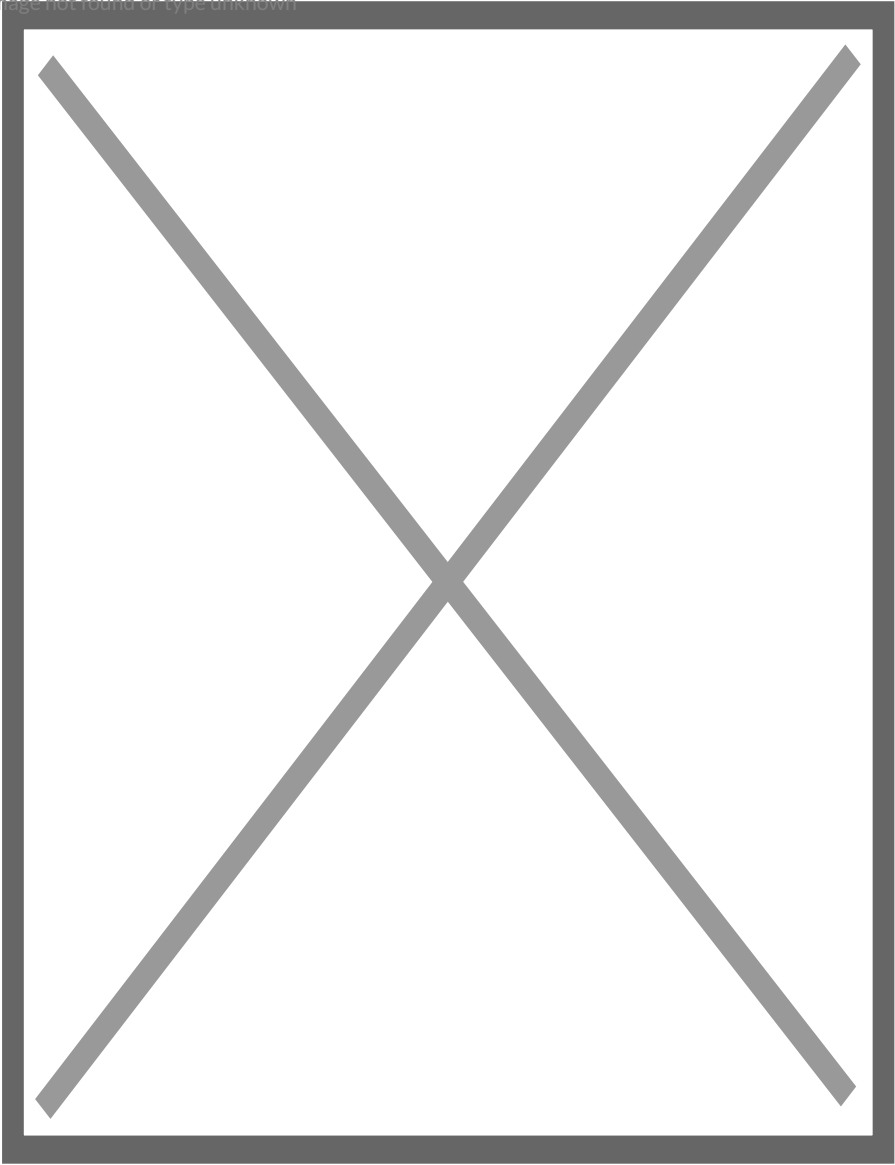


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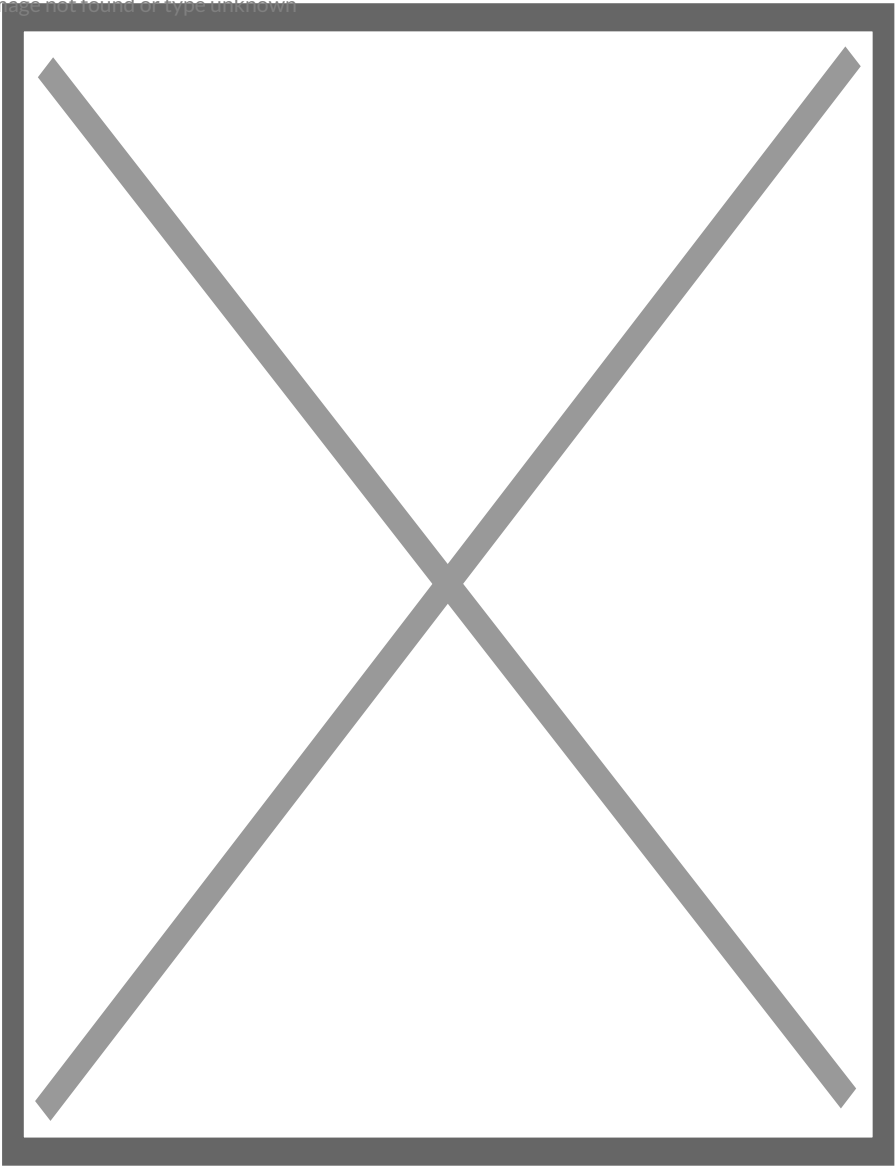


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