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Top 25 Comments on IRS Proposed Political Activity Rules: #16 — Some Religious Perspectives

Evangelical Council for Financial Accountability

“While the Treasury and the IRS seek greater clarity by further restricting the types of permissible political activity of tax-exempt organizations, the Commission [on Accountability and Policy for Religious Organizations] would achieve greater clarity by allowing *more* freedom for tax-exempt organizations to engage in political speech—while simultaneously preserving the long-held public policy of not allowing tax-exempt funds to be expended for political purposes.”

The ECFA is an association of more than 3,000 501(c)(3) churches and related evangelical organizations. Their [comments](#) take a unique stance on the proposed rules that urges a loosening of existing standards as applied to 501(c)(3)s. We think it important to include a religious perspective in our Top 25, and this is one that comes from a particularly intense and passionate group. From 2011 to 2013, the ECFA facilitated a Commission on Accountability and Policy for Religious Organizations that published a report last August entitled [Government Regulation of Political Speech by Religious and Other 501\(c\)\(3\) Organizations](#). The Commission, like many others, was displeased with the vague and uncertain “facts and circumstances” approach presently used by the IRS. Instead, it posed a bright-line alternative that would draw the line at express advocacy for expenditures but would allow “no-cost” political communications — even for speech expressly advocating a candidate’s election or defeat.

The ECFA’s comments thus focus on the effect that the proposed rules would have on 501(c)(3) charities if extended beyond 501(c)(4). In particular, the ECFA, adopting the Commission’s stance, urged the IRS to permit political campaign activity by 501(c)(3)s as long as such activities do not involve the expenditure of funds. This position would constitute a serious departure from current law, which absolutely prohibits 501(c)(3)s from engaging in any partisan campaign activity, regardless of expense. The ECFA did not comment on the application of this approach to 501(c)(4)s.

Reactions

“The last thing America or our churches, denominations, and charities need is to divide our communities along political lines, which will significantly exacerbate these concerns. The prospect of ‘Romney’ churches and ‘Obama’ churches, of ‘Republican’ denominations and ‘Democratic’ denominations, and of ‘charities’ divided along partisan lines unrelated to their core mission, would be a terrible loss to the commonwealth of our nation and to the spirit of comity, tolerance and unity so needed in our houses of worship and the charitable sector.”

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The ECFA's position received substantial objection from other religious groups, [portions of which can be read](#) on the website of the Commission on Accountability and Policy for Religious Organizations. Notably, a group of influential religious leaders of various faiths (Ingrid Mattson, Rabbi David Saperstein, Sayyid M. Sayeed, Rabbi Julie Schonfeld, Siva Subramanian, and Steven Woolf) strongly opposed the ECFA's proposal to lift the ban on political speech for churches and religious nonprofits. The Jewish Federations of North America and the Islamic Society of North America both reaffirmed their belief that the current prohibition on political campaign intervention by 501(c)(3) organizations should be retained as currently structured and as interpreted in the Internal Revenue Service.