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Top 25 Comments on IRS Proposed Political Activity Rules: #3 — Center for Responsive Politics (OpenSecrets.org)

"Over the last four election cycles, the amount of spending by 501(c)(4) social welfare organizations in particular has grown dramatically. In 2006, just $1.3 million in political spending was reported to the Federal Election Commission (FEC) by 501(c)(4) organizations, while by the 2010 cycle, that total had risen to $92 million. In 2012, the number more than doubled, to $256 million, and so far in the 2014 cycle, spending by 501(c)(4) organizations already outpaces totals at the same point in the previous cycle — even though this is not a presidential election year."

The Center for Responsive Politics' comments stand out for their inclusion of rigorous data analysis in the form of charts and summaries of the amount of "dark money" that has funneled through 501(c)(4) entities in recent years. CRP emphasizes technical, data-related challenges that the IRS must consider, "whatever the outcome of the larger debate," and also suggests that the IRS provide better public access to data relating to 501(c) organizations, noting that the internal data at the IRS is currently insufficient to enforce the proposed rules. CRP notes it has endorsed the Bright Lines Project's call for clearer IRS rules on political activities, based on the fact that tax-exempt nonprofit electoral campaigning is not going away, but steadily increasing.

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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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