



# Cotton: IRS Must Probe SPLC's Tax Status, Post Divulges Dees's Racist Remarks, Creepy Sex Harassment

The Southern Poverty Law Center, which routinely defames its political opponents as racists and haters, might be on the way to losing its tax-exempt status.

Senator Tom Cotton, the Alabama Republican, has petitioned the commissioner of the Internal Revenue Service, Charles Rettig, to probe the well-heeled outfit because it operates as a nonprofit corporation exempt from taxes.



But smearing people and organizations, Cotton argued, is not a legitimate activity for a tax-exempt nonprofit.

Three days after Cotton wrote to Rettig, on April 2, the <u>Washington Post published</u> a lengthy exposé that disclosed why the SPLC fired its founder, Morris Dees. Women employees allege that he sexually harassed them.

#### Cotton's Letter

But back to Cotton's petition to Rettig.

<u>Cotton noted</u> that SPLC's "business model has paid well," amassing more than <u>defamation</u>, <u>tortious interference</u>, including more than \$121 million parked "offshore in non-U.S. equity funds." But that business model merits a closer look:

Based on these reports, and in the interest of protecting taxpayer dollars from a racist and sexist slush fund devoted to defamation, I believe that the SPLC's conduct warrants a serious and thorough investigation.

Engaging in systematic defamation is not a tax-exempt purpose: Federal law requires nonprofits classified as 501(c)(3) organizations to comply with IRS guidelines and have a "tax-exempt purpose."

While IRS guidance lists several examples of tax-exempt purposes, engaging in defamation as a business model is of course not one of them. The SPLC defames other organizations in several ways. Each year, the SPLC publishes a so-called "hate map," which ostensibly identifies hate groups such as the Ku Klux Klan and the Nation of Islam. But under the guise of its "hate map," the SPLC also lists mainstream political opponents and faith-based groups, including reputable organizations such as the Family Research Council, the Alliance Defending Freedom, and the Center for Immigration Studies.

<u>Cotton also observed</u> that the SPLC defames individuals such as Maajid Nawaz, whom it called an "anti-Muslim extremist." That false claim cost the group \$3.375 million. SPLC's false claim that Family Research Council is a "hate group," Cotton wrote, inspired a lunatic to attempt a mass murder at its headquarters.



#### Written by **R. Cort Kirkwood** on April 8, 2019



Cotton also accused the SPLC of operating as a "tax-sheltered slush fund to enrich" employees such as Dees. In 2017, Cotton wrote, despite reports of sex harassment and Dees's greatly curtailed role, SPLC paid him more than \$400,000.

The "shady practices have earned the SPLC a well-deserved 'F' rating from Charity Watch," a group that monitors financial abuses at nonprofits, Cotton wrote.

#### Post Report

The SPLC got more bad news a few days later when the *Post* detailed the allegations of sexual harassment against Dees that led SPLC President Richard Cohen to fire him:

"Morris was well aware that his conduct was under investigation and that he had been disciplined in the past for workplace misconduct," said Cohen, who declined to detail the allegations against Dees. "I fired Morris for the good of the Center because of his misconduct."

Cohen resigned after he fired Dees.

Women employees depicted Dees as a weirdo, pervert, and dirty old man whom the SPLC should have fired long ago. Others told the *Post* Dees is racist.

"People see him as racist and sexist," senior employee Maureen Costello told Cohen, the <u>Post reported</u>, and "at least a dozen people said that they witnessed" Dees's sex harassment or racist remarks.

"Morris made overtures to women who worked for him," said Deb Ellis, one of the first female lawyers hired by the center who worked there from 1984 to 1986. She recalled that one morning she came into work to find a Victoria's Secret catalogue on her desk, with a note from Dees on top saying, "Maybe your boyfriend would like to order something for you."

Dees denied Ellis's account and said he has never made advances toward women who worked for him.

Ellis said she warned other women in the office at the time that Dees might approach them. Women who worked there more recently said they, too, exchanged similar warnings.

Costello described Dees's behavior at a group dinner at his home. On learning that the woman's husband was away, Dees "encouraged her to drink heavily and offered to drive her home." A board member joined the conversation and said, "Sure, we can take her home, especially if her husband isn't there."

Another employee said Dees used the term "colored people time" in "referring to people who were late."

Dees denied all the allegations.

The SPLC, one of its employees and two former employees, one of whom is Cohen, face multiple lawsuits from two individuals <u>and Center for Immigration Studies</u> alleging <u>defamation</u>, <u>tortious interference</u>, wire and <u>mail fraud</u>, <u>and violations</u> of the Racketeering Influenced and Corrupt Organizations Act.

Image: Screenshot from an ad at splcenter.org





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