



Written by [Bob Adelman](#) on February 6, 2014

## IRS to Issue Rules to Silence Conservative Groups

The 90-day period for public input into the IRS' [proposed new rules](#) for Tea Party and other conservative groups to qualify for tax-exempt status is about to end. Carefully crafted to put "tea party groups out of business," as House Ways and Means Chairman Dave Camp (R-Mich.) put it, the announcement was made just before Thanksgiving and then forgotten. The rules are the result of "reverse-engineering" the activities found to be most threatening to the Washington establishment, and under the new guidelines, those activities will be outlawed, come March.



Those activities [include](#)

- Voter registration drives to get out the vote
- Distribution of any material prepared by (or on behalf of) a political candidate
- Preparation or distribution of voter guides that refer to candidates
- Holding any event within 60 days of a general election at which a political candidate appears as part of the program

The new rules deliberately target just Tea Party and conservative groups under Section 501(c) 4 of the Internal Revenue Code, but not similar activities by unions under Section 501(c) 5, as noted by House Oversight Committee Chairman Darrell Issa (R-Calif.):

The fact that the Administration's new effort only applies to social welfare organizations — and not powerful unions or business groups — underscores that this is a crass political effort by the Administration to get what political advantage they can, whenever they can.

In its press release dated November 26, 2013, the Treasury Department said that the new rules will "clarify" and "improve" the understanding of what activities are allowed, and not allowed, in order to claim tax exemption. IRS Commissioner Danny Werfel explained:

This is part of ongoing efforts within the IRS that are improving our work in the tax-exempt area.

Once final, this proposed guidance will continue moving us forward and provide clarity for this important segment of exempt organizations.

The IRS announcement said that further "clarifications" will be forthcoming that will address "other issues" as necessary.

These new proposed rules come at a bad time for the IRS, as continuing revelations of deceit pour out of Washington. Lawyers for the American Center for Law and Justice (ACLJ) have been busy exposing President Obama's lie that there's "not even a smidgen of corruption" inside the IRS: The ACLJ has brought out revelations that decisions to stall approval of applications from conservative groups came



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from the very top of the IRS, that Tea Party applications were specifically flagged for close attention, that the IRS targeted enemies of the administration with audits and harassment, and that, despite the negative publicity, the resignations of top officials, and the claiming of Fifth Amendment privileges, Tea Party groups are still being targeted and delayed in their quest to gain tax exempt status.

When the Treasury Inspector General for Tax Administration (TIGTA) looked into those allegations, it confirmed those suspicions:

The IRS used inappropriate criteria that identified for review Tea Party and other organizations applying for tax-exempt status based upon their names or policy positions instead of indications of potential political campaign intervention.

[The IRS] 1) allowed inappropriate criteria to be developed and stay in place for more than 18 months, 2) [which] resulted in substantial delays in processing certain applications, and 3) allowed unnecessary information requests to be issued.

Although the processing of some applications with potential significant political campaign intervention was started soon after receipt, no work was completed on the majority of these applications for 13 months....

Many organizations received requests for additional information from the IRS that included unnecessary, burdensome questions (e.g., lists of past and future donors).

In his article published by Fox News, ACLJ attorney Jay Sekulow said he was going to press forward with his federal lawsuit against the IRS representing 41 groups who were discriminated against. Sekulow then asked:

The question is not whether the IRS was corrupt. It was and is. The question is, how corrupt? How far up the chain of command does the corruption extend?

Most Americans following the story already know the answer to Sekulow's questions. A much better question — one that has not been asked publicly — is this one: Why would any Tea Party or conservative group even bother with trying to obtain tax exempt status in the first place? First of all, [according to the IRS](#), "Contributions to civic leagues or other section 501(c)4 organizations generally are not deductible as charitable contributions for federal income tax purposes," so possible donors have less reason to contribute to an organization's cause

Second, such an exemption involves an enormous amount of time and effort (and patience) to pass muster and get approval. Third, once the exemption is approved, that's just the beginning of the paper blizzard. For example, the compliance guide for 501(c)4 groups [is 40 pages long](#).

The argument for getting an exemption goes something like this: It's important to gain credibility so that donors may feel comfortable supporting us. Once an exemption is granted, the donors are shielded from public exposure as to their identity and the amount of their support.

But nowhere in any IRS regulation does it state that such groups must apply. And so why would they? Why would they want to subject themselves willingly to the threat of falling out of compliance, the threat of being sued or mulcted for back taxes and fees if they do fail to comply? Why would they invest precious resources that could otherwise be used far more wisely and effectively in the freedom fight?

With the credibility of the IRS continuing its inevitable decline, what possible advantage could there be to having a tax exemption certificate hanging on a wall somewhere, knowing that the organization's every move is being monitored by some IRS agent somewhere to keep them in line?



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Finally and most importantly, aren't most of these groups supportive of the Constitution and its Bill of Rights? In particular, aren't they supportive of the First Amendment, which states clearly:

Congress shall make no law respecting an establishment of religion, or prohibiting the free exercise thereof; or abridging the freedom of speech.

Why would they so happily and willingly give up such a precious right for a piece of parchment?

Happily, with the institution of the new rules, come March that's exactly what many so-called conservative groups will be forced to do if they wish to remain faithful to their calling: opt out, stay out, and fight back. Some might even wish to turn their decision not to seek tax exemption into a marketing advantage, seeking donors who are more interested in results than in show, in commitment to principle rather than compromise.

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