



September 4, 2014

Dear Religious Leader,

As election season begins to heat up, you may be asked to help candidates connect with your congregants or you may be encouraged to take positions on electoral candidates. However, if your faith community is classified as a 501 (c) 3 under the Internal Revenue Service Tax Code, there are very specific prohibitions against "directly or indirectly participating in, or intervening in, any political campaign on behalf of (or in opposition to) any candidate for public office." (See Treas. Reg. § 501 (c)(3)-1(c)(3)(hi).

As you may know, Citizens Project is a local nonprofit dedicated to protecting religious freedom and separation of church and state. We strive to be a local voice on these issues and to support both faith and secular communities in their efforts to honor the unique and diverse faith traditions that abound in the region, and we welcome your participation and feedback.

I write today to highlight some of the most important guidelines to protect your house of worship and members of your congregation from confusion and potential challenges to your tax-exempt status, and to present additional resources that may serve you well as Election Day approaches.

Some of the activities that have drawn the attention of the IRS in the past that should be avoided include:

- Endorsements – implied or tacit – of political candidates.
- Fiscal sponsorship of candidates, or donations to campaigns.
- Sponsorship of single-candidate or single-party events at your church.

Generally, houses of worship are barred from “politicking” and “electioneering”. In the last two decades, several houses of worship have been audited, and in at least one case, tax-exempt status has been revoked. Additional sanctions have included retroactive payment of taxes by 501 (c) 3 organizations engaged in such activity. Again this year, the IRS is promoting a guide to better inform faith communities of their rights – and responsibilities – in election cycles, which is accessible at <http://www.irs.gov/pub/irs-pdf/p1828.pdf>.

Despite these restrictions, there are many things your faith community *can* do to encourage wide, informed civic participation among your congregants:

- Discussion of public policy issues in the context of your faith.
- Nonpartisan voter registration drives and advocacy for voting as a civic duty.
- Encouraging communication with candidates.
- Sponsoring nonpartisan election education events to which all major candidates are invited and a broad range of issues are covered.

As you can see, your religious community has a great deal of latitude to empower your congregants to make their voices heard at the ballot box, and we hope you will take advantage of it. We encourage you to use the resources listed below, and consult with a legal professional on specific questions.

Thank you for your attention, and please let me know if I can be of further assistance.

Sincerely,

Kristy Milligan

Resources:

IRS Web site: <http://www.irs.gov/charities/churches/index.html>

Religious Law Network, Election Year Q & A article: <http://tinyurl.com/lhyhg97>