
From: Williams Catherine M
Sent: Friday, August 31, 2012 1:03 PM
To: Kiser Ross T; Smith Kevin E
Cc: Glenn James E; Barre Catherine M; Norton William G Jr
Subject: Call from House Committee on Govt. Oversight and Reform re: 501c4 organizations - wants a copy of document
Attachments: SecureZIP Attachments.zip
Importance: High

There was a call from **Minority Staffer** **Phone #** stating that they are about to launch an investigation similar to the one Launched by Cong. Welch's office (see the attached incoming letter and final response pulled from etrak case# 2012-31070). He wants a copy of the 501c4 worksheet that these types of organizations are sent to fill out. (he summarizes it as a self-clearance document).

Can one of you call call him find the form he references and call him back? I'm copying Jim, Cathy and Bill since it's related to our hot topic, 501c4

Catherine M. Williams
Legislative Affairs Division
[redacted] phone
[redacted] fax

PETER WELCH
AT-LARGE, VERMONT

1404 LONGWORTH HOUSE OFFICE BUILDING
WASHINGTON, DC 20515-4501
202-225-4115

DISTRICT:
30 MAIN STREET
3RD FLOOR, SUITE 350
BURLINGTON, VT 05401
(802) 652-2450
(888) 605-7270

CHIEF DEPUTY WHIP
COMMITTEE ON AGRICULTURE
COMMITTEE ON
OVERSIGHT AND GOVERNMENT
REFORM

Congress of the United States
House of Representatives
Washington, DC 20515-4501

March 28, 2012

The Honorable Douglas Shulman,
Commissioner
Internal Revenue Service
1111 Constitution Avenue, N.W.
Washington, D.C. 20224

RECEIVED

Received by the
Commissioner's Correspondence
Office

APR 09 2012

APR 06 2012

CONG. CORR. BR
CL:LA

Dear Commissioner Shulman:

We write to urge the Internal Revenue Service (IRS) to investigate whether any groups qualifying as social welfare organizations under section 501(c)(4) of the federal tax code are improperly engaged in political campaign activity.

Congress created a tax break for nonprofit social welfare organizations because communities across our country benefit greatly from their important work. The purpose of 501 (c)(4) organizations is to increase civic engagement and foster social improvements.

IRS regulations state that an organization is operated for the promotion of social welfare "if it is primarily engaged in promoting in some way the common good and general welfare of the people of a community." The regulations further state that the "promotion of social welfare does not include direct or indirect participation or intervention in political campaigns on behalf of or in opposition to any candidate for public office." In other words, activities that promote social welfare do not include political campaign activities. Thus, as stated in IRS training materials, "an organization exempt under section 501(c)(4) may engage in political campaign activities if those activities are not the organization's primary activity."

In light of recent reports about the political activities of certain social welfare organizations, we respectfully request that the IRS review these organizations and take appropriate actions to ensure that they are in full compliance with all federal tax laws. We urge you to investigate and stop any abuse of the federal tax laws by groups whose primary activity and true mission are to influence the outcome of federal elections.

Sincerely,



PETER WELCH
Member of Congress

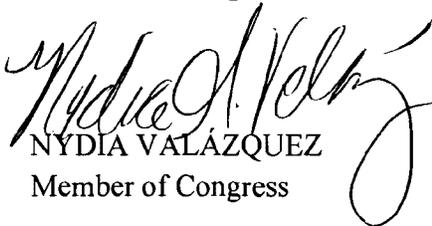


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