

What Your Nonprofit Organization May Do Before the Election

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Tax-exempt entities can play a significant role before and during elections.

501(c)(3) organizations

C3s may not engage in partisan politics, but that does not mean they must refrain from discussing issues in the political arena. For example, C3s may be used for voter registration, get out the vote (GOTV), distributing voter guides comparing how candidates vote on key issues, and even hosting candidate debates, but such activities may not be used to favor one candidate or group of candidates. In other words, the election or “political” activities may not be partisan.

C3s may also train poll watchers and election officials, and ensure local polling places have enough volunteers to supervise election integrity.

The IRS has provided more detailed information about “Charities, Churches, and Educational Organizations - Political Campaign Intervention” here: <https://www.irs.gov/charities-non-profits/charitable-organizations/charities-churches-and-educational-organizations-political-campaign-intervention>.

501(c)(4) organizations

C4s -- called “social welfare” organizations -- can do all the things C3 organizations can do, such as voter registrations and Get Out The Vote. Unlike C3s, they are not completely barred from partisan political activities. A C4 must comply with the “primary purpose” test, however, meaning that less than a majority of the organization’s activities may be partisan political.

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Also, a c4 may make Independent Expenditures advocating for the election or defeat of identified candidates, so long as they comply with Federal Election Commission reporting requirements.

Example 1. A 501(c)(3) may register new voters, but may not advocate that the new registrants vote for a particular party or candidate(s).

Example 2. A 501(c)(4) may register new voters and advocate they vote Republican, so long as the sum of the organization's partisan activities are less than half its total activities.

Example 3. A 501(c)(4) organization may pay \$1,000 for an ad saying "Vote for Smith in 2022," but must report that expenditure and the donors for that ad to the FEC. A 501(c)(3) is completely barred from paying for such an ad.

A Special Word for Religious Leaders

Religious leaders who are afraid of losing tax-exempt status for being "too political" can very much urge congregants to vote according to their religious beliefs and the teachings of their faith.

I strongly recommend you read the "Politics and the Pulpit Election Articles Series" by one of my heroes, Fr. Frank Pavone of Priests for Life, found at this link: <https://www.politicalresponsibility.com/elecarticles.htm>. In "Part Two: The IRS is Not the Law," <https://www.priestsforlife.org/columns/4896-politics-and-the-pulpit-part-two-the-irs-is-not-the-law> he writes, "So many pastors and their congregations are under the impression that they are going to 'violate the law' if they distribute a voter guide or preach about the urgent importance of voting pro-life. Nonsense, and it's time we start saying so. This series of columns will tell you why."