

June 15, 2016

The Honorable John A. Koskinen
Commissioner
Internal Revenue Service
1111 Constitution Ave., N.W.
Washington, DC 20224

By electronic mail (IRS.Commissioner@IRS.gov) and First Class mail

Re: Complaint against Rule of Law Project

Dear Commissioner Koskinen:

Citizens for Responsibility and Ethics in Washington (“CREW”) respectfully requests the Internal Revenue Service (“IRS”) investigate whether the Rule of Law Project (“ROLP”), a non-profit organization exempt from taxation pursuant to section 501(c)(4) of the Internal Revenue Code (“Code”), and its executive director, Adam White, violated federal law by falsely representing it spent no money on political activity in 2014.¹

In October and November 2014, ROLP spent nearly \$200,000 on a television advertisement attacking the Democratic candidate and praising the Republican candidate in Wisconsin’s attorney general election. ROLP told the IRS, however, it did not participate in any political activity in 2014. As a result, it appears ROLP and Mr. White made false representations to the IRS.

Rule of Law Project’s Political Activity

ROLP is a non-profit corporation established in 2014 in Virginia.² In addition to his role as ROLP’s executive director, Mr. White was Counsel at Boyden Gray & Associates, “a boutique litigation and public policy firm,” from 2011 to 2015,³ and he has written about legal issues involving both campaign finance and the tax-exempt status of non-profit organizations.⁴

In late October and early November 2014, ROLP broadcast an advertisement in the Green Bay, Wisconsin media market contrasting the positions of the two candidates for attorney general, Republican Brad Schimel and Democrat Susan Happ, on using the attorney general’s

¹ CREW submits this letter in lieu of Form 13909; a copy is being sent to the Dallas office.

² Rule of Law Project 2014 Form 990, at 1 (excerpts attached as Exhibit A).

³ Boyden Gray & Associates website, “Adam White” page, available at <http://boydengrayassociates.com/portfolio/adam-white/>; Boyden Gray & Associates website, Homepage, available at <http://boydengrayassociates.com/>.

⁴ See, e.g., *O’Keefe v. Chisholm*, Brief of Former Members of the Federal Election Commission, No. 14-1822 (7th Cir.), filed Sept. 2, 2014, available at <http://watchdog.wpengine.netdna-cdn.com/wp-content/blogs.dir/1/files/2014/09/Amicus-Brief-of-Former-FEC-Commissioners-O’Keefe-v-Chisholm.pdf>; Adam J. White, *Obama Admin: Religious Organizations Could Lose Tax-Exempt Status If Supreme Court Creates Constitutional Right to Same-Sex Marriage*, *The Weekly Standard*, April 29, 2015.

office to challenge federal regulations.⁵ According to the *Milwaukee Journal-Sentinel*, ROLP had “not been active in Wisconsin politics in the past.”⁶ The ad opens with the claim that “President Obama’s aggressive regulations cost jobs and hurt the rule of law.”⁷ Over text identifying Mr. Schimel as an “Attorney General Candidate,” the narrator states, “Brad Schimel will defend the rule of law and fight Obama’s federal overreach.”⁸ After showing Mr. Schimel saying during a candidate debate that he would defend the state against Environmental Protection Agency regulations, the narrator states, “Susan Happ disagrees” over text identifying her as an “Attorney General Candidate.”⁹ Following a clip of Ms. Happ answering a question at the candidate debate, the ad closes by urging viewers to “Call Susan Happ today. Tell her to stand up for the rule of law and the people of Wisconsin” and providing a phone number for Ms. Happ’s campaign office.¹⁰

The ad ran during the week before the November 4, 2014 election.¹¹ Based on Federal Communications Commission filings, the *Milwaukee Journal-Sentinel* determined ROLP spent “about \$185,000” to air the ad in the Green Bay area.¹²

Rule of Law Project’s Representations to the IRS

As a section 501(c)(4) tax-exempt organization, ROLP is required to file annual Form 990 tax returns. Tax-exempt organizations engaged in any “direct or indirect political campaign activities on behalf of or in opposition to candidates for public office” also must file a Schedule C with their tax returns, which requires disclosure of the amount spent on “political expenditures.”¹³ “Political expenditures” include all “political campaign activities” – defined as “[a]ll activities that support or oppose candidates for elective federal, state, or local public office.”¹⁴

According to ROLP’s 2014 Form 990 tax return, signed by Mr. White on October 20, 2015 under penalty of perjury, the group spent a total of \$478,408 in 2014.¹⁵ Nearly 40% of this spending, \$190,000, was paid to The Wickers Group LLC for “advertising,” apparently

⁵ Patrick Marley, *New Group Runs Ad for Brad Schimel, Against Susan Happ*, *Milwaukee Journal Sentinel*, October 31, 2014, available at <http://www.jsonline.com/blogs/news/281069552.html>.

⁶ *Id.*

⁷ See https://www.youtube.com/watch?v=z8X_1lDywhc.

⁸ *Id.*

⁹ *Id.*; see also <http://www.wisn.com/politics/wisconsin-attorney-general-debate-5800/29082328>.

¹⁰ See https://www.youtube.com/watch?v=z8X_1lDywhc; <http://web.archive.org/web/20141016033036/http://www.susanhappforwisconsin.com/>.

¹¹ Marley, *Milwaukee Journal-Sentinel*, October 31, 2014.

¹² *Id.*; see also Contract with WGBA, Oct. 24, 2014, available at [https://stations.fcc.gov/collect/files/2708/Political%20File/2014/Non-Candidate%20Issue%20Ads/Rule%20of%20Law%20Project/WGBA%20Rule%20of%20Law%20Project%2010.27.14%20to%2011.4.14%20\(14141745143222\).pdf](https://stations.fcc.gov/collect/files/2708/Political%20File/2014/Non-Candidate%20Issue%20Ads/Rule%20of%20Law%20Project/WGBA%20Rule%20of%20Law%20Project%2010.27.14%20to%2011.4.14%20(14141745143222).pdf).

¹³ Form 990, Part IV, Question 3; 2014 Instructions for Form 990, at 12; 2014 Instructions for Schedule C, at 1, 3.

¹⁴ *Id.* at 1; 2014 Instructions for Form 990, at 64.

¹⁵ Rule of Law Project 2014 Form 990, Part I, Line 18.

confirming ROLP's spending on the Wisconsin ad.¹⁶ The Wickers Group was the agency that handled ROLP's advertising purchases in Wisconsin.¹⁷

Nevertheless, ROLP denied it spent any money on political activities in 2014. ROLP asserted on its tax return it did not engage in any "direct or indirect political campaign activities on behalf of or in opposition to candidates for public office."¹⁸ ROLP did file a Schedule C with its Form 990, but did not provide any information reporting the amount it spent on political activities.¹⁹

Political Activity Under Section 501(c)(4)

Advertisements and other communications that support or oppose a candidate but stop short of expressly advocating for or against the candidate's election can constitute political campaign intervention. In Revenue Ruling 2007-41, the IRS promulgated guidance on the distinction between issue advocacy and political campaign intervention. The IRS takes into consideration all the facts and circumstances of a particular communication and identified the key factors as: (1) whether the statement identifies one or more candidates; (2) whether the statement expresses approval or disapproval for a candidate's position; (3) whether the statement is delivered close to an election; (4) whether the statement makes reference to voting or an election; (5) whether the issue addressed has been raised as an issue distinguishing candidates for an office; (6) whether the communication is part of an ongoing series of communications by the organization on the issue that are made independent of the timing of any election; and (7) whether the timing of the communication is related to a non-electoral event such as a scheduled vote on specific legislation by an officeholder running in an election.²⁰

ROLP's advertisement contrasting Mr. Schimel and Ms. Happ appears to constitute political activity. It identified both Mr. Schimel and Ms. Happ as candidates in the attorney general election, expressed approval of Mr. Schimel's positions and disapproval of Ms. Happ's, and was broadcast immediately before the election. The ad also was not part of an ongoing series of communications by ROLP on the issue of the rule of law – ROLP does not appear to have broadcast any ads before this one – and the timing of the advertisement does not appear to be related to any non-electoral event.

Violations

26 U.S.C. § 6652

Under the Code, a tax-exempt organization that, without reasonable cause, fails to include any of the information required on a Form 990 tax return or fails to provide the correct

¹⁶ *Id.*, Part VII, Section B.

¹⁷ Contract with WGBA, Oct. 24, 2014.

¹⁸ Rule of Law Project 2014 Form 990, Part IV, Line 3.

¹⁹ *Id.*, Schedule C.

²⁰ Rev. Rul. 2007-41; *see also* Rev. Rul. 2004-06.

information, is liable for civil penalties.²¹ By failing to report that it engaged in political campaign activities on its 2014 Form 990 and by failing to report the amount it spent on them, ROLP appears to have violated 26 U.S.C. § 6652 and should be subject to monetary penalties.

26 U.S.C. § 7206

Under the Code, any person who “[w]illfully makes and subscribes any return, statement, or other document, which contains or is verified by a written declaration that it is made under the penalties of perjury, and which he does not believe to be true and correct as to every material matter,” is guilty of a felony and subject to up to three years in prison and a fine of up to \$100,000.²² The money spent on political campaign activities a tax-exempt organization reports to the IRS on its Schedule C is material for several reasons, including: (1) the amounts reported can be used by the IRS to determine whether the organization is complying with its tax-exempt status; (2) the amount an organization expended on section 527 exempt activities in part determines exempt function taxes the organization must pay;²³ and (3) accurate public disclosure of the amount of political activity conducted by tax-exempt organizations is critical to the objective of transparency that underlies the reporting required on Form 990.²⁴

ROLP’s 2014 Form 990 was signed by Mr. White under a written declaration that it was made under penalty of perjury, and that Mr. White had examined the return and it was true, correct, and complete to the best of his knowledge.²⁵ The tax return, however, appears to be false and incorrect as to the material matters of the fact that ROLP engaged in political campaign activities in 2014 and the amount it spent on them.

ROLP’s and Mr. White’s representations may be willful. Mr. White is an experienced attorney who has written about legal issues involving both campaign finance and the tax-exempt status of non-profit organizations. As a result, the representation that ROLP spent nothing at all on political activity may be willfully false.

18 U.S.C. § 1001

Federal law further prohibits anyone from “knowingly and willfully” making “any materially false, fictitious, or fraudulent statement or representation” in any matter within the jurisdiction of the executive, legislative, or judicial branch.²⁶ Violations are punishable by up to five years in prison.²⁷ By falsely stating that ROLP did not engage in any political campaign activity on the 2014 Form 990, Mr. White and ROLP appear to have violated 18 U.S.C. § 1001.

²¹ 26 U.S.C. §§ 6652(c)(1)(A)(ii), 6652(c)(4); *see also* 2014 Instructions for Form 990, at 6.

²² 26 U.S.C. § 7206(1).

²³ 26 U.S.C. § 527(f)(1).

²⁴ IRS, Background Paper, Summary of Form 990 Redesign Process, August 19, 2008, at 1.

²⁵ Rule of Law Project 2014 Form 990, Part II.

²⁶ 18 U.S.C. § 1001(a)(2).

²⁷ *Id.*

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Conclusion

It appears ROLP and Mr. White falsely represented that ROLP did not engage in any political activity in 2014 and omitted thousands of dollars in spending on political activity from ROLP's 2014 tax return. The IRS should investigate ROLP and Mr. White and, should it find they made false or incomplete statements on ROLP's tax return, take appropriate action.

Thank you for your prompt attention to this matter.

Sincerely,



Noah Bookbinder
Executive Director
Citizens for Responsibility and Ethics in Washington

Encls.

cc: IRS-EO Classification

EXHIBIT A

efile GRAPHIC print - DO NOT PROCESS

ORIGINAL DATA - Production

DLN: 93493293000175

Form **990**Department of the Treasury
Internal Revenue Service**Return of Organization Exempt From Income Tax****Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except private foundations)**

- ▶ Do not enter social security numbers on this form as it may be made public.
▶ Information about Form 990 and its instructions is at www.irs.gov/form990.

OMB No. 1545-0047

2014Open to Public
Inspection**A For the 2014 calendar year, or tax year beginning 01-01-2014, and ending 12-31-2014****B Check if applicable:**

- ☐ Address change
☐ Name change
☐ Initial return
☐ Final return/terminated
☐ Amended return
☐ Application pending

C Name of organization
RULE OF LAW PROJECT

Doing business as

Number and street (or P.O. box if mail is not delivered to street address) Room/suite
1627 I ST NW NO 950City or town, state or province, country, and ZIP or foreign postal code
WASHINGTON, DC 20006**F Name and address of principal officer:**ADAM WHITE
1627 I ST NW NO 950
WASHINGTON, DC 20006**D Employer identification number**

46-5189296

E Telephone number

(202) 706-5488

G Gross receipts \$ 490,000**I Tax-exempt status:** ☐ 501(c)(3) ☐ 501(c)(4) (insert no.) ☐ 4947(a)(1) or ☐ 527**J Website:** WWW.RULEOFLAWPROJECT.COM (INACTIVE)**H(a)** Is this a group return for subordinates? ☐ Yes ☐ No**H(b)** Are all subordinates included? ☐ Yes ☐ No
If "No," attach a list. (see instructions)**H(c)** Group exemption number ▶**K Form of organization:** ☐ Corporation ☐ Trust ☐ Association ☐ Other ▶**L Year of formation:** 2014**M State of legal domicile:** VA**Part I Summary**




Activities & Governance	1	Briefly describe the organization's mission or most significant activities: THE RULE OF LAW PROJECT IS ESTABLISHED TO EDUCATE AND ADVOCATE ON THE IMPORTANCE OF PROMOTING THE RULE OF LAW IN GOVERNMENT AT THE FEDERAL AND STATE LEVELS.		
	2	Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets.		
	3	Number of voting members of the governing body (Part VI, line 1a)	2	
	4	Number of independent voting members of the governing body (Part VI, line 1b)	2	
	5	Total number of individuals employed in calendar year 2014 (Part V, line 2a)	0	
	6	Total number of volunteers (estimate if necessary)	4	
		7a	Total unrelated business revenue from Part VIII, column (C), line 12	0
7b		Net unrelated business taxable income from Form 990-T, line 34	0	
Revenue	8	Contributions and grants (Part VIII, line 1h)		
	9	Program service revenue (Part VIII, line 2g)	490,000	
	10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	0	
	11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	0	
	12	Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	490,000	
	Expenses	13	Grants and similar amounts paid (Part IX, column (A), lines 1–3)	180,000
14		Benefits paid to or for members (Part IX, column (A), line 4)	0	
15		Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10)	0	
16a		Professional fundraising fees (Part IX, column (A), line 11e)	0	
b		Total fundraising expenses (Part IX, column (D), line 25) ▶ 0		
17		Other expenses (Part IX, column (A), lines 11a–11d, 11f–24e)	298,408	
18		Total expenses. Add lines 13–17 (must equal Part IX, column (A), line 25)	478,408	
19		Revenue less expenses. Subtract line 18 from line 12	11,592	
Net Assets or Fund Balances		20	Total assets (Part X, line 16)	11,634
		21	Total liabilities (Part X, line 26)	42
	22	Net assets or fund balances. Subtract line 21 from line 20	11,592	

Part II Signature Block

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here	*****		2015-10-20	
	Signature of officer		Date	
Paid Preparer Use Only	ADAM WHITE EXECUTIVE DIRECTOR			
	Type or print name and title			
	Print/Type preparer's name WILLIAM E TURCO	Preparer's signature WILLIAM E TURCO	Date	Check <input type="checkbox"/> if self-employed PTIN P00369217
	Firm's name <input checked="" type="checkbox"/> MCGLADREY LLP		Firm's EIN <input checked="" type="checkbox"/> 42-0714325	
	Firm's address <input checked="" type="checkbox"/> 9737 WASHINGTONIAN BLVD SUITE 400 GAITHERSBURG, MD 20878		Phone no. (301) 296-3496	
May the IRS discuss this return with the preparer shown above? (see instructions) <input type="checkbox"/> Yes <input type="checkbox"/> No				
For Paperwork Reduction Act Notice, see the separate instructions. Cat. No. 11282Y Form 990 (2014)				

Part IV Checklist of Required Schedules

	Yes	No
1 Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? If "Yes," complete Schedule A	1	No
2 Is the organization required to complete Schedule B, Schedule of Contributors (see instructions)? 	2 Yes	
3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? If "Yes," complete Schedule C, Part I 	3	No
4 Section 501(c)(3) organizations. Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? If "Yes," complete Schedule C, Part II	4	
5 Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? If "Yes," complete Schedule C, Part III 	5 Yes	
6 Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? If "Yes," complete Schedule D, Part I	6	No
7 Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? If "Yes," complete Schedule D, Part II	7	No
8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? If "Yes," complete Schedule D, Part III	8	No
9 Did the organization report an amount in Part X, line 21 for escrow or custodial account liability; serve as a custodian for amounts not listed in Part X; or provide credit counseling, debt management, credit repair, or debt negotiation services? If "Yes," complete Schedule D, Part IV	9	No
10 Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi-endowments? If "Yes," complete Schedule D, Part V	10	No
11 If the organization's answer to any of the following questions is "Yes," then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable.		
a Did the organization report an amount for land, buildings, and equipment in Part X, line 10? If "Yes," complete Schedule D, Part VI.	11a	No
b Did the organization report an amount for investments—other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VII	11b	No
c Did the organization report an amount for investments—program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VIII	11c	No
d Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part IX	11d	No
e Did the organization report an amount for other liabilities in Part X, line 25? If "Yes," complete Schedule D, Part X	11e	No
f Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? If "Yes," complete Schedule D, Part X	11f	No
12a Did the organization obtain separate, independent audited financial statements for the tax year? If "Yes," complete Schedule D, Parts XI and XII	12a	No
b Was the organization included in consolidated, independent audited financial statements for the tax year? If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI and XII is optional	12b	No
13 Is the organization a school described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E	13	No
14a Did the organization maintain an office, employees, or agents outside of the United States?	14a	No
b Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at \$100,000 or more? If "Yes," complete Schedule F, Parts I and IV	14b	No
15 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or other assistance to or for any foreign organization? If "Yes," complete Schedule F, Parts II and IV	15	No
16 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or other assistance to or for foreign individuals? If "Yes," complete Schedule F, Parts III and IV	16	No
17 Did the organization report a total of more than \$15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? If "Yes," complete Schedule G, Part I (see instructions)	17	No
18 Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? If "Yes," complete Schedule G, Part II	18	No
19 Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? If "Yes," complete Schedule G, Part III	19	No
20a Did the organization operate one or more hospital facilities? If "Yes," complete Schedule H	20a	No
b If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?	20b	

Check if Schedule O contains a response or note to any line in this Part VII

Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

☐ Check this box if neither the organization nor any related organization compensated any current officer, director, or trustee.

[illegible]

Form 990 (2014)

Part VII Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees *(continued)*

[illegible]

2	Total number of individuals (including but not limited to those listed above) who received more than \$100,000 of reportable compensation from the organization.	0
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		Yes	No
3	Did the organization list any former officer, director or trustee, key employee, or highest compensated employee on line 1a? <i>If "Yes," complete Schedule J for such individual</i>		
		3	No
4	For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? <i>If "Yes," complete Schedule J for such individual</i>		
		4	No
5	Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? <i>If "Yes," complete Schedule J for such person</i>		
		5	No

Section B. Independent Contractors

1 Complete this table for your five highest compensated independent contractors that received more than \$100,000 of compensation from the organization. Report compensation for the calendar year ending with or within the organization's tax year.

(A) Name and business address	(B) Description of services	(C) Compensation
THE WICKERS GROUP LLC 1819 POLK STREET 373 SAN FRANCISCO, CA 84109	ADVERTISING	190,000

2 Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 of compensation from the organization: 1

efile GRAPHIC print - DO NOT PROCESS

ORIGINAL DATA - Production

DLN: 93493293006175

OMB No. 1545-0047

SCHEDULE C
(Form 990 or 990-EZ)Department of the Treasury
Internal Revenue Service**Political Campaign and Lobbying Activities**For Organizations Exempt From Income Tax Under section 501(c) and section 527
▶ Complete if the organization is described below. ▶ Attach to Form 990 or Form 990-EZ.▶ Information about Schedule C (Form 990 or 990-EZ) and its instructions is at
www.irs.gov/form990.**2014**Open to Public
Inspection

If the organization answered "Yes" to Form 990, Part IV, Line 3, or Form 990-EZ, Part V, line 46 (Political Campaign Activities), then

- Section 501(c)(3) organizations: Complete Parts I-A and B. Do not complete Part I-C.
- Section 501(c) (other than section 501(c)(3)) organizations: Complete Parts I-A and C below. Do not complete Part I-B.
- Section 527 organizations: Complete Part I-A only.

If the organization answered "Yes" to Form 990, Part IV, Line 4, or Form 990-EZ, Part VI, line 47 (Lobbying Activities), then

- Section 501(c)(3) organizations that have filed Form 5768 (election under section 501(h)): Complete Part II-A. Do not complete Part II-B.
- Section 501(c)(3) organizations that have NOT filed Form 5768 (election under section 501(h)): Complete Part II-B. Do not complete Part II-A.

If the organization answered "Yes" to Form 990, Part IV, Line 5 (Proxy Tax) (see separate instructions) or Form 990-EZ, Part V, line 35c (Proxy Tax) (see separate instructions), then

- Section 501(c)(4), (5), or (6) organizations: Complete Part III.

Name of the organization
RULE OF LAW PROJECT

Employer identification number

46-5189296

Part I-A Complete if the organization is exempt under section 501(c) or is a section 527 organization.

- Provide a description of the organization's direct and indirect political campaign activities in Part IV.
- Political expenditures \$ _____
- Volunteer hours _____

Part I-B Complete if the organization is exempt under section 501(c)(3).

- Enter the amount of any excise tax incurred by the organization under section 4955 \$ _____
- Enter the amount of any excise tax incurred by organization managers under section 4955 \$ _____
- If the organization incurred a section 4955 tax, did it file Form 4720 for this year? ☐ Yes ☐ No
- a Was a correction made? ☐ Yes ☐ No
- b If "Yes," describe in Part IV.

Part I-C Complete if the organization is exempt under section 501(c), except section 501(c)(3).

- Enter the amount directly expended by the filing organization for section 527 exempt function activities \$ _____
- Enter the amount of the filing organization's funds contributed to other organizations for section 527 exempt function activities \$ _____
- Total exempt function expenditures. Add lines 1 and 2. Enter here and on Form 1120-POL, line 17b. \$ _____
- Did the filing organization file Form 1120-POL for this year? ☐ Yes ☐ No
- Enter the names, addresses and employer identification number (EIN) of all section 527 political organizations to which the filing organization made payments. For each organization listed, enter the amount paid from the filing organization's funds. Also enter the amount of political contributions received that were promptly and directly delivered to a separate political organization, such as a separate segregated fund or a political action committee (PAC). If additional space is needed, provide information in Part IV.

(a) Name	(b) Address	(c) EIN	(d) Amount paid from filing organization's funds. If none, enter -0-.	(e) Amount of political contributions received and promptly and directly delivered to a separate political organization. If none, enter -0-.

For Paperwork Reduction Act Notice, see the instructions for Form 990 or 990-EZ.

Cat. No. 50084S

Schedule C (Form 990 or 990-EZ) 2014

Part II-A Complete if the organization is exempt under section 501(c)(3) and filed Form 5768 (election under section 501(h)).

- A** Check ☐ if the filing organization belongs to an affiliated group (and list in Part IV each affiliated group member's name, address, EIN, expenses, and share of excess lobbying expenditures).
- B** Check ☐ if the filing organization checked box A and "limited control" provisions apply.

Limits on Lobbying Expenditures
(The term "expenditures" means amounts paid or incurred.)

	(a) Filing organization's totals	(b) Affiliated group totals												
1a Total lobbying expenditures to influence public opinion (grass roots lobbying)														
b Total lobbying expenditures to influence a legislative body (direct lobbying)														
c Total lobbying expenditures (add lines 1a and 1b)														
d Other exempt purpose expenditures														
e Total exempt purpose expenditures (add lines 1c and 1d)														
f Lobbying nontaxable amount. Enter the amount from the following table in both columns.														
<table border="1"> <thead> <tr> <th>If the amount on line 1e, column (a) or (b) is:</th> <th>The lobbying nontaxable amount is:</th> </tr> </thead> <tbody> <tr> <td>Not over \$500,000</td> <td>20% of the amount on line 1e.</td> </tr> <tr> <td>Over \$500,000 but not over \$1,000,000</td> <td>\$100,000 plus 15% of the excess over \$500,000.</td> </tr> <tr> <td>Over \$1,000,000 but not over \$1,500,000</td> <td>\$175,000 plus 10% of the excess over \$1,000,000.</td> </tr> <tr> <td>Over \$1,500,000 but not over \$17,000,000</td> <td>\$225,000 plus 5% of the excess over \$1,500,000.</td> </tr> <tr> <td>Over \$17,000,000</td> <td>\$1,000,000.</td> </tr> </tbody> </table>	If the amount on line 1e, column (a) or (b) is:	The lobbying nontaxable amount is:	Not over \$500,000	20% of the amount on line 1e.	Over \$500,000 but not over \$1,000,000	\$100,000 plus 15% of the excess over \$500,000.	Over \$1,000,000 but not over \$1,500,000	\$175,000 plus 10% of the excess over \$1,000,000.	Over \$1,500,000 but not over \$17,000,000	\$225,000 plus 5% of the excess over \$1,500,000.	Over \$17,000,000	\$1,000,000.		
If the amount on line 1e, column (a) or (b) is:	The lobbying nontaxable amount is:													
Not over \$500,000	20% of the amount on line 1e.													
Over \$500,000 but not over \$1,000,000	\$100,000 plus 15% of the excess over \$500,000.													
Over \$1,000,000 but not over \$1,500,000	\$175,000 plus 10% of the excess over \$1,000,000.													
Over \$1,500,000 but not over \$17,000,000	\$225,000 plus 5% of the excess over \$1,500,000.													
Over \$17,000,000	\$1,000,000.													
g Grassroots nontaxable amount (enter 25% of line 1f)														
h Subtract line 1g from line 1a. If zero or less, enter -0-														
i Subtract line 1f from line 1c. If zero or less, enter -0-														
j If there is an amount other than zero on either line 1h or line 1i, did the organization file Form 4720 reporting section 4911 tax for this year?	<input type="checkbox"/> Yes <input type="checkbox"/> No													

4-Year Averaging Period Under section 501(h)
(Some organizations that made a section 501(h) election do not have to complete all of the five columns below. See the separate instructions for lines 2a through 2f.)

Lobbying Expenditures During 4-Year Averaging Period

Calendar year (or fiscal year beginning in)	(a) 2011	(b) 2012	(c) 2013	(d) 2014	(e) Total
2a Lobbying nontaxable amount					
b Lobbying ceiling amount (150% of line 2a, column(e))					
c Total lobbying expenditures					
d Grassroots nontaxable amount					
e Grassroots ceiling amount (150% of line 2d, column (e))					
f Grassroots lobbying expenditures					

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Part II-B Complete if the organization is exempt under section 501(c)(3) and has NOT filed Form 5768 (election under section 501(h)).

For each "Yes" response to lines 1a through 1i below, provide in Part IV a detailed description of the lobbying activity.

		(a)		(b)
		Yes	No	Amount
1	During the year, did the filing organization attempt to influence foreign, national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of:			
a	Volunteers?			
b	Paid staff or management (include compensation in expenses reported on lines 1c through 1i)?			
c	Media advertisements?			
d	Mailings to members, legislators, or the public?			
e	Publications, or published or broadcast statements?			
f	Grants to other organizations for lobbying purposes?			
g	Direct contact with legislators, their staffs, government officials, or a legislative body?			
h	Rallies, demonstrations, seminars, conventions, speeches, lectures, or any similar means?			
i	Other activities?			
j	Total. Add lines 1c through 1i.			
2a	Did the activities in line 1 cause the organization to be not described in section 501(c)(3)?			
b	If "Yes," enter the amount of any tax incurred under section 4912			
c	If "Yes," enter the amount of any tax incurred by organization managers under section 4912			
d	If the filing organization incurred a section 4912 tax, did it file Form 4720 for this year?			

Part III-A Complete if the organization is exempt under section 501(c)(4), section 501(c)(5), or section 501(c)(6).

		Yes	No
1	Were substantially all (90% or more) dues received nondeductible by members?	1 Yes	
2	Did the organization make only in-house lobbying expenditures of \$2,000 or less?	2 Yes	
3	Did the organization agree to carry over lobbying and political expenditures from the prior year?	3	No

Part III-B Complete if the organization is exempt under section 501(c)(4), section 501(c)(5), or section 501(c)(6) and if either (a) BOTH Part III-A, lines 1 and 2, are answered "No" OR (b) Part III-A, line 3, is answered "Yes."

1	Dues, assessments and similar amounts from members	1	
2	Section 162(e) nondeductible lobbying and political expenditures (do not include amounts of political expenses for which the section 527(f) tax was paid).		
a	Current year	2a	
b	Carryover from last year	2b	
c	Total	2c	
3	Aggregate amount reported in section 6033(e)(1)(A) notices of nondeductible section 162(e) dues	3	
4	If notices were sent and the amount on line 2c exceeds the amount on line 3, what portion of the excess does the organization agree to carryover to the reasonable estimate of nondeductible lobbying and political expenditure next year?	4	
5	Taxable amount of lobbying and political expenditures (see instructions)	5	

Part IV Supplemental Information

Provide the descriptions required for Part I-A, line 1; Part I-B, line 4; Part I-C, line 5; Part II-A (affiliated group list); Part II-A, lines 1 and 2 (see instructions), and Part II-B, line 1. Also, complete this part for any additional information.

Return Reference	Explanation
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