



January 23, 2019

The Honorable Charles P. Rettig  
Commissioner  
Internal Revenue Service  
1111 Constitution Ave., NW  
Washington, DC 20224

By electronic mail ([IRS.Commissioner@IRS.gov](mailto:IRS.Commissioner@IRS.gov)) and First Class mail

Re: Complaint Against Progressive Advocacy Trust

Dear Commissioner Rettig:

Citizens for Responsibility and Ethics in Washington (“CREW”) respectfully requests the Internal Revenue Service (“IRS”) investigate whether Progressive Advocacy Trust (“PAT”) violated the Internal Revenue Code (“Code”) by failing to notify the IRS of its status as a political organization under section 527 of the Code and by failing to file any reports disclosing contributions it received and expenditures it made in 2018.<sup>1</sup>

After registering as a political committee with a Michigan county in February 2018, PAT contributed more than two million dollars to groups that ran ads promoting Gretchen Whitmer, then a candidate for governor, during the Democratic primary and general election campaigns, and attacking her Republican opponent, then-Michigan Attorney General Bill Schuette. Section 527 requires political organizations like PAT to notify the IRS of their existence and to file reports disclosing both their expenditures and contributions they receive, unless the group falls into one of the statute’s exceptions. PAT failed to file any of these reports, or any similar disclosure reports in Michigan, leaving the public completely in the dark about its spending and the donors who paid for its contributions. PAT appears to claim it falls into one of section 527’s exceptions as either a local political party committee or a qualified local political organization, but PAT is neither. As a result, PAT appears to be violating section 527.

PAT’s conduct is similar to that of another group, Michigan Advocacy Trust (“MAT”), that spent millions of dollars in 2010 and 2014 on advertisements supporting Mr. Schuette in his campaigns for attorney general without disclosing its donors or expenditures and claiming that it was exempt from these obligations. In 2015, CREW asked the IRS to investigate MAT for violating the Code for reasons similar to those in this complaint.<sup>2</sup> These continuing efforts to avoid disclosure through unfounded claims to being exempt under section 527 provide a particularly strong reason for the IRS to commence an investigation.

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

<sup>2</sup> See Letter from Noah Bookbinder, Citizens for Responsibility and Ethics in Washington, to John A. Koskinen, Commissioner, Internal Revenue Service, Oct. 7, 2015, available at <https://bit.ly/2UX4auk>.

### **Progressive Advocacy Trust and its Political Activity**

On February 23, 2018, an entity calling itself the “24th Democrtic [sic] Michigan State Senate District Political Party Committee of Ingham County” filed a Statement of Organization Form for Independent, Political and Independent Expenditure Committees for a political committee with the Ingham County (Michigan) Clerk.<sup>3</sup> The filing listed the “Progressive [sic] Advocacy Trust” as an “Acronym or Abbreviation” used by the organization.<sup>4</sup> Accordingly, PAT appears to have been registered as a political committee with Michigan authorities during 2018.<sup>5</sup> In addition, a PAT spokesperson told a reporter in August 2018 that PAT is a section 527 organization.<sup>6</sup>

On its registration form, PAT checked the box requesting a waiver from the requirements under Michigan law that it report its expenditures and contributions, asserting that it did not expect to raise or spend more than \$1,000 in any year.<sup>7</sup> The waiver was granted on March 9, 2018.<sup>8</sup>

During 2018, PAT contributed at least \$2.175 million to two political organizations established under section 527 of the Code that were active in the Michigan gubernatorial election. On June 14, 2018, PAT contributed \$300,000 to Build a Better Michigan, a section 527 organization.<sup>9</sup> Build a Better Michigan was formed in April 2018 with the declared purpose “[t]o

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<sup>3</sup> 24th Democrtic Michigan State Senate District Political Party Committee of Ingham County, Statement of Organization Form for Independent, Political and Independent Expenditure Committees, Feb. 23, 2018 (“PAT Ingham County PAC Registration”), available at <https://bit.ly/2rwfWhK>.

<sup>4</sup> *Id.*, Line 4b.

<sup>5</sup> It is unclear when PAT was established because, as discussed below, the organization never filed a Form 8871 Political Organization Notice of Section 527 Status with the IRS or any other registration forms. See Search for Form 8871, Form 8872, and Form 990 for “24th democratic michigan state senate district political party,” “24th democrtic michigan state senate district political party,” “progressive advocacy trust,” and “progressive advocacy trust,” on IRS “Basic Search” page, (“PAT Basic IRS Search”), available at <https://bit.ly/2EEAA7P>. PAT’s county registration form lists January 31, 2018 as the date the committee was formed in Michigan. See PAT Ingham County PAC Registration, Line 6. A group with the same name, however, appears to have been active between 2011 and 2012, but is unclear if it is the same organization. In its January 2011 to December 2012 PAC & Corporate Political Contributions Report, the pharmaceutical company Pfizer reported making a \$10,000 contribution to a Michigan-based organization aligned with the Democratic Party called Progressive Advocacy Trust. Pfizer PAC, Pfizer PAC & Corporate Political Contributions Report January 2011 – December 2012, available at <https://on.pfizer.com/2EcRzOe>. The Michigan Credit Union League Legislative Action Fund also reported to the Federal Election Commission that on September 10, 2012 it made a \$10,000 contribution to an organization called Progressive Advocacy Trust that used a Lansing, MI post office box as a mailing address. Michigan Credit Union League Legislative Action Fund, *FEC Form 3X, 2012 October Quarterly Report*, Oct. 11, 2012, available at <https://bit.ly/2U8Wi8w>. There appears to be no further public information about Progressive Advocacy Trust until February 2018.

<sup>6</sup> Lindsay VanHulle, *Truth Squad: Abdul El-Sayed says rival Gretchen Whitmer opens door to ‘dark money’*, *Bridge Magazine*, Aug. 2, 2018, available at <https://bit.ly/2RzyadG>.

<sup>7</sup> PAT Ingham County PAC Registration, Line 10. The form notes that the waiver will be automatically lost if the committee exceeds the \$1,000 threshold. *Id.*

<sup>8</sup> Letter from Ingham County Clerk Barb Byrum to 24th Democrtic Michigan State Senate District Political Party Committee of Ingham County, Mar. 9, 2018, available at <https://bit.ly/2rOfI2Z>.

<sup>9</sup> Build a Better Michigan, Form 8872 Political Organization Report of Contributions 2018 Second Quarterly Report, available at <https://bit.ly/2KU4zJo>. Build a Better Michigan’s 2018 second quarterly report is not currently available

engage in political activities, to influence the selection, nomination, election, appointment or defeat of candidates to federal, state or local public office.”<sup>10</sup> Before the Michigan Democratic gubernatorial primary, Build a Better Michigan spent at least \$1.8 million on an ad campaign that featured Ms. Whitmer, identified her as a candidate for governor, but stopped just short of expressly advocating for her election.<sup>11</sup> The ad campaign started in mid-June 2018 with plans for a five week run that would end soon before the August 7, 2018 primary.<sup>12</sup> Following the primary, Build a Better Michigan contributed \$825,000 to A Stronger Michigan, another section 527 organization.<sup>13</sup>

Between August 8 and November 5, 2018, PAT also made eight contributions to A Stronger Michigan, totaling \$1.875 million.<sup>14</sup> A Stronger Michigan, which is connected to the Democratic Governors Association, was formed in February 2018 with the purpose to “[c]ommunicate regarding the issue positions of candidates in Michigan.”<sup>15</sup> A Stronger Michigan spent millions on ads promoting Ms. Whitmer and attacking her Republican opponent, then-Attorney General Bill Schuette.<sup>16</sup> Similarly to Build a Better Michigan, Ms. Whitmer appeared in

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to the public through the IRS’s political organization disclosures search portal. When the report was initially due in July 2018, Build a Better Michigan’s president, Mark Burton, said that the group filed the form by mail rather than electronically. See Jonathan Oosting, Whitmer ad donors may stay ‘dark’ through Michigan Democratic gov primary, *Detroit News*, July 20, 2018, available at <https://bit.ly/2Pm6hUB>. Facing criticism that its donors would remain unknown until after the August 7 gubernatorial primary, Build a Better Michigan provided an unsigned copy of its second quarter report to reporters, revealing that PAT was its largest individual donor during the quarter. See Ted Roelofs, Group tied to Michigan governor candidate Gretchen Whitmer reveals donors, *The Bridge*, July 23, 2018, available at <https://bit.ly/2LzkWO3>; Jonathan Oosting, Group reveals donors behind Whitmer ad campaign, *Detroit News*, July 23, 2018, available at <https://bit.ly/2E1VYmA>. For unknown reasons, that report is not available on the IRS’s disclosure website.

<sup>10</sup> Build a Better Michigan, Form 8871 Political Organization Notice of Section 527 Status, Apr. 10, 2018, available at <https://bit.ly/2G1eiPc>.

<sup>11</sup> Jonathan Oosting, Whitmer featured in \$1.8M television ad campaign, *Detroit News*, Jun. 12, 2018, available at <https://bit.ly/2Uk30IU>. The ads are available at <https://bit.ly/2BTNjR0> and <https://bit.ly/2E6JKJ5>. In a November 27, 2018 letter to Build a Better Michigan, then-Michigan Secretary of State Ruth Johnson determined that the group’s ads featuring Ms. Whitmer and the phrase “Gretchen Whitmer candidate for governor” constituted express advocacy for the election of a candidate for office. See <https://bit.ly/2s5u95p>.

<sup>12</sup> Oosting, *Detroit News*, Jun. 12, 2018.

<sup>13</sup> Build a Better Michigan, Form 8872 Political Organization Report of Contributions and Expenditures 2018 Third Quarterly Report, Oct. 15, 2018, available at <https://bit.ly/2zKvSBY>; A Stronger Michigan, Form 8872 Political Organization Report of Contributions 2018 Post-General Election Report, Dec. 6, 2018, available at <https://bit.ly/2L0sgQh>. Even though A Stronger Michigan reported receiving \$300,000 from Build a Better Michigan during the post-general election reporting period, Build a Better Michigan does not appear to have filed its own Form 8872 Political Organization Report of Contributions covering the 2018 post-general election period. Search for Form 8871, Form 8872, and Form 990 for Build a Better Michigan on IRS “Basic Search” page, available at <https://bit.ly/2L7L8N5>.

<sup>14</sup> A Stronger Michigan, Form 8872 Political Organization Report of Contributions 2018 Third Quarterly Report, Oct. 15, 2018, available at <https://bit.ly/2QgDXs5>; A Stronger Michigan, Form 8872 Political Organization Report of Contributions 2018 Post-General Election Report, Dec. 6, 2018.

<sup>15</sup> A Stronger Michigan, Form 8871 Political Organization Notice of Section 527 Status, Feb. 26, 2018, available at <https://bit.ly/2QF2abs>.

<sup>16</sup> Craig Mauer, \$75 Million Thrown Into Michigan Governor’s Race. Here’s Who’s Spending, *Michigan Campaign Finance Network*, Oct. 26, 2018, available at <https://bit.ly/2E43VaM>.

some of A Stronger Michigan's ads.<sup>17</sup> At least one of A Stronger Michigan's ads contained onscreen text saying it was "authorized by Gretchen Whitmer."<sup>18</sup>

PAT has not notified the IRS of its existence as a political committee and has not filed any IRS reports disclosing its expenditures and donors.<sup>19</sup> PAT also does not appear to have made any disclosures of its expenditures and contributions to any Michigan agency. A search of the Michigan Department of State campaign finance database did not locate any filings for PAT, nor does it appear any are on file with the Ingham County Clerk.<sup>20</sup>

### **Legal Background**

Section 527 of the Code governs registration and reporting by political organizations. A "political organization" is broadly defined to include any "party, committee, association, fund, or other organization (whether or not incorporated) organized and operated primarily for the purpose of directly or indirectly accepting contributions or making expenditures, or both, for an exempt function."<sup>21</sup> An "exempt function" includes "influencing or attempting to influence the selection, nomination, election, or appointment of any individual to any Federal, State, or local public office."<sup>22</sup>

A political organization must register with the IRS, unless it is exempt because it is the political committee of a state or local candidate or political party, or anticipates having less than \$25,000 in receipts.<sup>23</sup> Those registrations are made on IRS Form 8871.<sup>24</sup> Registered political organizations must file regular periodic reports disclosing both their expenditures and the names and addresses of all contributors who gave a total of \$200 or more in a year and the amount contributed, unless they fall under one of the statute's exceptions.<sup>25</sup> Those exceptions include "any State or local committee of a political party or political committee of a State or local candidate" and "any organization which is a qualified State or local political organization" ("QSLPO").<sup>26</sup> The periodic reports are made on IRS Form 8872.<sup>27</sup>

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<sup>17</sup> The ads are available at <https://bit.ly/2QgkXd2>, <https://bit.ly/2L0yj7h> and <https://bit.ly/2AYrRjP>.

<sup>18</sup> See <https://bit.ly/2AYrRjP>.

<sup>19</sup> See PAT Basic IRS Search.

<sup>20</sup> See Michigan Department of State website, "Michigan Campaign Finance Committee Search" page, available at <https://bit.ly/2w4SAjL>, and Ingham County Clerk website, "Document Search" page, available at <https://bit.ly/2Gyy5pw>. Despite PAT's failure to file these reports, one contribution to PAT is known from the filing of the group that made it. The Michigan Pipe Trades Association Independent Expenditure Committee reported to the Federal Election Commission ("FEC") that it contributed \$250,000 to PAT on February 15, 2018. Michigan Pipe Trades Association Independent Expenditure Committee, [FEC Form 3X, 2018 April Quarterly Report](#), April 15, 2018, available at <https://bit.ly/2PxfHmV>. The pipe trades group's filing with the FEC listed the same post office box for PAT as Build a Better Michigan did on its 2018 second quarterly report. *Id.*; Build a Better Michigan, Form 8872 Political Organization Report of Contributions and Expenditures 2018 Second Quarterly Report.

<sup>21</sup> 26 U.S.C. § 527(e)(1).

<sup>22</sup> 26 U.S.C. § 527(e)(2).

<sup>23</sup> 26 U.S.C. § 527(i).

<sup>24</sup> Instructions for Form 8871 (revised Feb. 2011), at 1, available at <https://www.irs.gov/pub/irs-pdf/i8871.pdf>.

<sup>25</sup> 26 U.S.C. § 527(j).

<sup>26</sup> 26 U.S.C. § 527(j)(5).

<sup>27</sup> Instructions for Form 8872 (revised Nov. 2018), at 1-2, available at <https://www.irs.gov/pub/irs-pdf/i8872.pdf>.

The purpose of these exceptions is to avoid duplicative reporting of expenditures and contributions. As the authors of these exceptions made clear, if the political organization is disclosing its contributors and expenditures to a state agency that makes the information public, it is not necessary also to report that information to the IRS.<sup>28</sup> With regard to state or local committees of parties and candidates, “State laws regulate and require disclosure from all these committees,” and “there is never any doubt as to who is running these committees or whose agenda they aim to promote.”<sup>29</sup>

For state and local political organizations that are not political party committees, however, different states require different amounts of disclosure. To prevent these non-party organizations from avoiding the disclosure of expenditures and contributors required under section 527, the statute limits the exception to organizations that are both governed by strong state disclosure laws and follow them. Specifically, the organization must be subject to state law that requires organizations to report to a state agency the same substantive information about expenditures and contributors “which would otherwise be required to be reported” under section 527, and that requires the agency to disclose the information.<sup>30</sup> Moreover, section 527 requires that the organization actually file the state disclosure reports to qualify for the exemption.<sup>31</sup> As a result, a political organization is required to file disclosure reports with the IRS, but may be exempt if it is a state or local committee of a political party, or if it is a state or local political committee that is required to, and actually does, file state disclosure reports.

### **Progressive Advocacy Trust Is Not Exempt from Disclosure to the IRS**

Despite spending \$2.175 million to influence Michigan’s gubernatorial election in 2018 and registering with Ingham County as a political committee, PAT has not notified the IRS of its status as a political organization or filed any reports disclosing its expenditures and contributors with the IRS. Although it is not fully clear what type of organization PAT claims to be, it is neither a local committee of a political party nor a QSLPO.

PAT cannot be a local committee of a political party because Michigan law does not recognize the type of local committee PAT claims it is. PAT also cannot qualify as a QSLPO because it is not required to, and has not, filed reports with a Michigan agency disclosing information about its expenditures and contributors that must be reported under section 527.

Even though PAT has not filed a Form 8871 notifying the IRS of its existence as a section 527 political organization, a spokesperson for PAT told a reporter that PAT *is* a section 527 organization.<sup>32</sup> Suggesting that PAT is part of a local political party, the spokesperson said PAT is not required to file disclosure reports with the IRS because “527s affiliated with local (and state) parties have different reporting requirements and are exempt from reporting under the

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<sup>28</sup> 148 Cong. Rec. H8010-11 (Oct. 16, 2002) (statements of Rep. Doggett and Rep. Brady).

<sup>29</sup> 148 Cong. Rec. S10780 (Oct. 17, 2002) (statement of Sen. Lieberman).

<sup>30</sup> 26 U.S.C. § 527(e)(5).

<sup>31</sup> *Id.*; see also Rev. Rul. 2003-49, Question 16.

<sup>32</sup> See PAT Basic IRS Search; VanHulle, *Bridge Magazine*, Aug. 2, 2018.

code.”<sup>33</sup> It is possible that PAT considers itself to be the “administrative account” of the Ingham County Democratic Party. Notably, Build a Better Michigan described PAT as the “Ingham County Democratic Party Admin Account” on its disclosure report listing PAT’s contribution.<sup>34</sup>

PAT, however, does not appear to be part of the Ingham County Democratic Party. Instead, PAT appears to have established itself as a separate political entity on the county level. As noted above, on February 23, 2018, PAT treasurer John P. Granger filed a Statement of Organization Form for Independent, Political and Independent Expenditure Committees for the “24th Democratic [sic] Michigan State Senate District Political Party Committee of Ingham County” with the Ingham County Clerk, which listed the “Progressive [sic] Advocacy Trust” as an acronym or abbreviation used by the organization.<sup>35</sup>

The 24th Democratic Michigan State Senate District Political Party Committee of Ingham County, however, cannot be part of a local party committee under Michigan law. Michigan law specifically provides for three types of political party committee: state central committees, congressional district committees, and county committees.<sup>36</sup> An organization that is not one of these types of committee may not register as a political party committee.<sup>37</sup>

Based on its name, the 24th Democratic Michigan State Senate District Political Party Committee of Ingham County does not claim to be any of these. Rather, it purports to be some form of state senate district committee, which is not recognized under Michigan law. The group also cannot claim it is a recognized county party committee. Michigan law permits only one officially designated political party per county,<sup>38</sup> and the Ingham County Democratic Executive Committee has existed since 2010.<sup>39</sup>

In addition, the form the 24th Democratic Michigan State Senate District Political Party Committee of Ingham County filed is for political action committees, not party committees. Michigan provides and uses a different form for political party committees.<sup>40</sup> Moreover, although Michigan law requires all political party committees to file a statement of organization with the

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<sup>33</sup> *Id.*

<sup>34</sup> Build a Better Michigan, Form 8872 Political Organization Report of Contributions 2018 Second Quarterly Report.

<sup>35</sup> See PAT Ingham County PAC Registration, Lines 4a, 4b.

<sup>36</sup> Mich. Comp. Law § 169.211(6). The definition section of the statute identifies “district” committees, but other parts of the statute and the Michigan Department of State make clear this means a congressional district rather than a state legislative district. Mich. Comp. Law § 169.269(4); Michigan Department of State, Bureau of Elections, Political Party Committee Manual, The Statement Of Organization Forming And Registering A Political Party Committee, available at <https://bit.ly/2SfS1Pi>.

<sup>37</sup> *Id.* (“An organization that is not the official state level organization designated congressional district organization or county level organization of a political party is not permitted to register as a Political Party Committee under the MCFA.”)

<sup>38</sup> Mich. Comp. Law § 169.211(6).

<sup>39</sup> See Statement of Organization Form for Political Party Committees, Ingham County Democratic Executive Committee, Aug. 11, 2015 (registering committee as Ingham County political party committee), available at <https://bit.ly/2EDwVHD>; see also <https://bit.ly/2zPCu1C>.

<sup>40</sup> Compare *id.* with PAT Ingham County PAC Registration.

Michigan Department of State,<sup>41</sup> the “24th Democratic Michigan State Senate District Political Party Committee of Ingham County” does not appear to have filed one.<sup>42</sup>

The group’s claim it is a genuine party committee is further undermined claim by its lack of activity. The 24th Democratic Michigan State Senate District Political Party Committee of Ingham County does not appear to have been active in any of the races for the 24th State Senate District in 2018, or even to have a website. In fact, Mr. Granger asserted on the organization’s registration form it did not expect to raise or spend more than \$1,000 in any year, and thus was exempt from any further disclosure.<sup>43</sup> The form, however, notes that the waiver will be automatically lost if the committee exceeds the \$1,000 threshold, and PAT pumped more than \$2 million into political organizations backing Ms. Whitmer in her gubernatorial campaign.

PAT also is not shielded from disclosure to the IRS based on any claim that it is an “administrative account” of a political party and thus exempt from disclosure to Michigan. Michigan allows parties to establish an “administrative account” that can accept otherwise banned corporate and labor contributions. These may be used to pay administrative expenses “totally unrelated to the party’s political activity” and may not be used to support or oppose candidates, and thus do not need to be reported on the party’s disclosure statements.<sup>44</sup> Whether the funds are spent by a party itself or an administrative account, however, is irrelevant to section 527’s exception for local party committees. The 24th Democratic Michigan State Senate District Political Party Committee of Ingham County is not a local party committee, so the statute’s exception does not apply. In addition, as discussed below, PAT’s spending clearly is political under the Code and IRS authority, and must be reported to the IRS.

PAT’s filings with Michigan also suggest the possibility that it is claiming to be a QSLPO, but the group cannot qualify under that exception to section 527’s disclosure requirements. The QSLPO exception applies only if the group is subject to state law requiring it to report the same substantive information about its expenditures and contributors which would otherwise be required to be reported under section 527 to a state agency that discloses the information, and the organization actually files the state disclosure reports. Michigan law requires committees that receive contributions or make expenditures for the purpose of influencing an election to register and file disclosure reports.<sup>45</sup> An “expenditure” includes “[a] contribution or a transfer of anything of ascertainable monetary value for purposes of influencing the nomination or election of a candidate.”<sup>46</sup>

PAT, therefore, was subject to a state law that required it to report the same information which must otherwise be reported under section 527. However, PAT does not appear to have

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<sup>41</sup> Mich. Comp. Law §§ 169.224(1), 169.236(3).

<sup>42</sup> See Michigan Department of State website, “Michigan Campaign Finance Committee Search” page, *available at* <https://bit.ly/2w4SAjL>.

<sup>43</sup> PAT Ingham County PAC Registration, Line 10.

<sup>44</sup> Michigan Department of State, Bureau of Elections, Political Party Committee Manual, Contributions And Other Receipts, *available at* <https://bit.ly/2PUm9hc>.

<sup>45</sup> Mich. Comp. Law §§ 169.203(4), 169.226.

<sup>46</sup> Mich. Comp. Law § 169.206(1)(a).

actually made any disclosures of its expenditures and contributions to a Michigan agency. A search of the Michigan Department of State campaign finance database did not locate any filings for PAT, nor does it appear any are on file with the Ingham County Clerk. PAT apparently does not believe it is required to disclose its expenditures and contributions to either Michigan or the IRS. PAT requested a reporting waiver from Ingham County, and a PAT spokesperson asserted that groups like PAT “are exempt from reporting under the code.”<sup>47</sup>

As a result, PAT is not a local committee of a political party and cannot qualify as a QSLPO, and thus is not exempt from section 527’s disclosure requirements.

### **Violation**

#### **26 U.S.C. § 527**

Section 527 requires registered political organizations to notify the IRS of their existence and file regular periodic reports disclosing their expenditures and contributors unless they fall under one of the statute’s exceptions.<sup>48</sup> PAT has not filed a Form 8871 notifying the IRS of its existence and has not filed any Form 8872 reports disclosing its expenditures and contributions to the IRS and the public, and it is not exempt from filing them. As a result, PAT appears to have violated 26 U.S.C. § 527(j). Under section 527, when an organization fails to make the required disclosures, the IRS assesses a penalty equal to the highest corporate tax rate (currently 35 percent) on the amount of money to which the failure relates,<sup>49</sup> in this case “the sum of the contributions and expenditures not disclosed.”<sup>50</sup>

### **Conclusion**

The principle behind section 527’s registration and disclosure requirements is that groups that spend most of their time and money on politics must disclose their activities and donors to inform voters about who is trying to influence them and to deter corruption. PAT spent millions of dollars contributing to section 527 organizations that ran television ads intended to support Ms. Whitmer in her campaign for Michigan governor and attack her opponents. Yet, like Michigan Advocacy Trust, it is trying to elude the law’s registration and disclosure requirements, erroneously invoking exemptions designed to avoid duplicative reporting in an attempt to escape any disclosure at all. The IRS should commence an investigation of PAT and must aggressively enforce the law to prevent political organizations from evading the disclosure that is vital to democracy.

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<sup>47</sup> *Id.*

<sup>48</sup> 26 U.S.C. § 527(j).

<sup>49</sup> 26 U.S.C. § 527(j)(1).

<sup>50</sup> IRS, Section 527 Organizations Revised Tax Filing Requirements, FS 2002-13 (November 2002); I.R.M. § 4.76.30.3.2.

Hon. Charles P. Rettig  
January 23, 2019  
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Thank you for your prompt attention to this matter.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Noah Bookbinder', with a stylized flourish at the end.

Noah Bookbinder  
Executive Director

cc: IRS-EO Classification