

CLIENT ALERTS

The IRS Publishes Proposed Regulations On Political Activities of 501(c)(4) Organizations

12.9.2013

December 9, 2013

In this issue:

The IRS Publishes Proposed Regulations On Political Activities of 501(c)(4) Organizations

The day after Thanksgiving, the Internal Revenue Service published proposed regulations that, if adopted, will dramatically affect the extent to which non-profit organizations can participate in political activities and the manner in which the IRS regulates those organizations. Although the regulations are targeted at social welfare organizations that qualify for tax-exempt status under Internal Revenue Code (IRC) § 501(c)(4), the comments the IRS published with these regulations suggest that the scope of the IRS's regulatory initiative will ultimately cover many non-profit organizations. Because the IRS may ultimately sweep charities (exempt under IRC § 501(c)(3)), unions and agricultural associations (exempt under IRC § 501(c)(5)), and tax-exempt trade associations (exempt under IRC § 501(c)(6)) into this regulatory undertaking, virtually all non-profit organizations should become familiar with how these new proposed regulations could ultimately affect them.

Although the proposed regulations will not take effect until at least 2015, non-profit organizations should be reviewing them now. Any non-profits that determine that they could be significantly affected should consider retaining experienced legal counsel to prepare comments on the proposed regulations, which are due as early as January 28, 2014.

To view the complete publication, click the link under Related Files.

Related People

Joseph G. Cosby
Of Counsel

Related Services

Charitable Planning
Estate & Succession Planning
Health Care
Nonprofit Organizations
Tax
Tax Exempt Organizations