

## **Basic Rules on Lobbying and Political Activities by 501(c)(3) Organizations**

According to the [Internal Revenue Code](#), nonprofit organizations with 501(c)(3) tax-exempt status are organized "for charitable, religious, educational, or scientific purposes." These organizations are subject to the rule that lobbying cannot be a "substantial" part of their activities. According to the IRS, "A 501(c)(3) organization may [engage in some lobbying](#), but too much lobbying activity risks loss of tax-exempt status."

### **Lobbying**

"Lobbying" itself is simply defined by the IRS as attempting to influence *legislation*, [defined by the IRS here](#). Be sure you understand this provision, as "an organization will be regarded as attempting to influence legislation if it contacts, or urges the public to contact, members or employees of a legislative body for the purpose of proposing, supporting, or opposing legislation, or if the organization advocates the adoption or rejection of legislation."

### **Not Lobbying**

Organizations may conduct educational meetings, prepare and distribute educational materials, advise members about legislation without requesting any type of action, or otherwise consider public policy issues in an educational manner without jeopardizing their tax-exempt status.

### **Prohibited Political Activity**

501(c)(3) organizations [are prohibited](#) from "directly or indirectly participating in, or intervening in, any political campaign on behalf of (or in opposition to) any candidate for elective public office." This includes financial and in-kind contributions and public statements of position (verbal and written). It also includes voter education or registration activities that show bias toward or against any candidate. Be sure to [read the specific language from the IRS](#).

### **Allowable Political Activity**

Nonprofits can participate in the following as long as they remain nonpartisan: voter registration, get-out-the-vote drives, or voter education activities such as public forums or voter education guides.

### **Grassroots Lobbying**

Grassroots lobbying is a [communication with the public](#) that expresses a view about specific legislation and includes a call to action, asking or suggesting to the public that they contact a legislator.

### **[The 501\(h\) Option](#)**

This option allows nonprofits concerned about the extent of their direct and grassroots lobbying to elect the expenditure test.