



December 5, 2017

RE: Striking House Tax Bill Section 5201 (weakening the Johnson Amendment)

Dear Tax Conferees:

The charitable nonprofit and foundation communities have grave concerns about numerous provisions in the House and Senate versions of the Tax Cuts & Jobs Act, but we take this opportunity to express our unified and strongest opposition possible to a section of the House bill that would inject partisan politics into the boardrooms, sanctuaries, and places of business of charitable nonprofits, houses of worship, and foundations in communities throughout the country. We urge you to strike House tax bill Section 5201 from the final tax bill that the conference committee will consider.

We collectively represent tens of thousands of charitable and philanthropic organizations that employ millions of individuals in every state and community, engage tens of millions of additional individuals who serve as board members and other volunteers, and touch the lives of virtually every American every day. All of these organizations are dedicated to the public good. Virtually all 501(c)(3) organizations oppose any changes to longstanding law that enables each to pursue its missions free from partisan influence, interference, or suspicions.

The House tax bill provision found at Section 5201 would radically change the longstanding, vital protection in law for nonpartisanship of charitable, religious, and philanthropic organizations, known as the Johnson Amendment. The Johnson Amendment, signed into law by President Eisenhower and again by President Reagan in 1986 and strengthened in 1987, provides a powerful protection and clear tradeoff: in exchange for exemption from taxation and the ability to receive tax-deductible donations, 501(c)(3) organizations agree not to support or oppose candidates for public office or divert charitable assets from mission to fund partisan campaigns. Section 5201 would effectively repeal that vital protection and ignore the tradeoff by allowing political operatives to pressure 501(c)(3) organizations to endorse or oppose candidates for public office. It would also empower influential donors to exert even more pressure by giving or threatening to withhold charitable contributions to get the organizations to endorse or oppose candidates the donors prefer. The proposed change would also make political donations – for the first time ever – tax-deductible when funneled through charitable nonprofits, houses of worship, and foundations. As a result, the provision jeopardizes the future of the charitable deduction, donor privacy, and the public's trust in the nonprofit sector. It also increases IRS scrutiny of faith-based and charitable activities using confusing, subjective standards.

These changes to settled law are vigorously opposed by mainstream [religious denominations](#) and [faith leaders](#), [law enforcement](#) officials, [charitable nonprofits and foundations](#), and the vast [majority of the American public](#). The reason is simple: Nonpartisanship is vital to the work of charitable nonprofits and foundations. It enables organizations to address community challenges, and invites the problem-solving skills of all residents, without the distractions of party labels and the caustic partisanship that is bedeviling our country. Indeed, current law is the reason that charitable nonprofits are safe havens from politics, places where people can come together to actually solve community problems rather than just posture and further polarize our communities.

The protection of the independence and nonpartisanship of our charitable nonprofits and foundations must be preserved. We urge you to ensure that tax reform is not used to politicize frontline organizations addressing the needs of our communities. We ask that you take action to ensure that Section 5201 or any language to weaken or repeal the Johnson Amendment is NOT included in the final conference report.

Respectfully,

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Tim Delaney
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