IMPACTING PUBLIC POLICY WHAT CAN NONPROFITS¹DO?

Always
Permissible

ADVOCACY²

Not defined in law. In practice, efforts to create policy and systems change This is fertile territory for all nonprofit organizations. Think broadly about what's possible: organizing communities, educating legislators, nonpartisan voter education, research, litigation, regulatory efforts, training grantees to lobby.

Never Permissible

PARTISAN POLITICAL ACTIVITY³

Intervening in political campaigns on behalf of candidates or political parties

Partisan political activity is illegal for nonprofits and could get your organization in big trouble. This is some pretty common sense stuff, i.e. don't contribute to a candidate's campaign with nonprofit dollars or pay for partisan voter registration efforts.

lt Depends

LOBBYING⁴

Communicating a specific viewpoint about a legislative proposal to a lawmaker OR asking someone else to

The degree to which you can lobby depends on your tax status.



PRIVATE FOUNDATIONS⁵

Private Foundations CAN fund organizations and projects that include lobbying, provided they don't earmark funds specifically for lobbying. Private Foundations cannot directly lobby except in very limited circumstances.

PUBLIC CHARITIES

Public charities can lobby as long as it's not a major part of the organization's activities.
The IRS provides two options for how public charities track and report their lobbying.

INSUBSTANTIAL PART ⁶

This is the default, but there are few instances when it is the preferred method of tracking lobbying. The law says that lobbying must be an "insubstantial" part of a nonprofit's activity, but does not define the term.

501(h) ELECTION ⁷

Your organization can submit a form to elect for lobbying to be measured under 501(h) standards, which are much clearer. Lobbying expenses are capped based on your organization's operating budget.

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1 Nonprofits refers to 501(c)3 organizations.

- 2 Bolder Advocacy, "What is Advocacy?" Available online at https://www.bolderadvocacy.org/wp-content/uploads/2013/03/What_Is_Advocacy.pdf
- 3 IRS, "The Restriction of Political Campaign Intervention by Section 501(c)3 Tax-Exempt Organizations." Available online at https://www.irs.gov/charities-non-profits/charitable-organiza-
- tions/the-restriction-of-political-campaign-intervention-by-section-501c3-tax-exempt-organizations
- 4 IRS, "Lobbying" Available online at https://www.irs.gov/charities-non-profits/lobbying
- 5 Bolder Advocacy, "Private Foundations Can Advocate." Available online at https://bolderadvocacy.org/wp-content/uploads/2012/05/Private_Foundations_May_Advocate.pdf
- 6 IRS "Measuring Lobbying: Substantial Part Test." Available online at https://www.irs.gov/charities-non-profits/measuring-lobbying-activity-expenditure-test
- 7 IRS "Measuring Lobbying: Expenditure Test." Available online at https://www.irs.gov/charities-non-profits/measuring-lobbying-activity-expenditure-test
- This overview is simplified for educational purposes. It is not legal advice, and should not be relied on as such. Consult a qualified attorney for legal advice.

