



Lobbying in an Election Year

There are federal rules about lobbying and now there are also (Uniform Guidance) rules for charities that receive federal funding. Uniform Guidance section 200.450 addresses lobbying, including lobbying activities which are unallowable costs, such as attempting to influence a federal employee regarding a federal award on any basis other than the merits of the matter.

Uniform Guidance also identifies costs that aren't specifically unallowable such as nonpartisan analysis and research reports.

If you have a federal indirect cost rate, lobbying needs to be charged with indirect costs.

Advocacy is not lobbying although it can include lobbying. Advocacy can be any of a variety of activities with the objective of bringing about systemic social change. Advocacy can advance your cause and increase your visibility.

Advocacy can also include communicating with your legislators or the general public about helpful legislation without addressing specific legislation— that is not lobbying.

Uniform Guidance and IRS use similar definitions of what activities are allowable.

Charities exempt under IRS Code section 501(c)(3) have an option to register to come under a safe harbor which allows them to spend a certain percentage of their total expenditures on allowable lobbying each year.

Political Parties and Candidates:

Unlike lobbying, certain involvement with political candidates or political parties is strictly prohibited for charities and can lead to revocation of your exempt status.



You can't use organization's resources to support or oppose candidates for public office, or allow paid employees to work on behalf of a candidate or political organization while receiving compensation.

Campaigning AGAINST a candidate has the same effect as campaigning FOR one.

This prohibition also extends to contributions to candidates' campaigns, engaging in fund-raising activities, distributing statements and similar activities. You cannot use organization resources for a candidate's golf tournament or any other fundraising event, or allow a candidate or political organization to use your facilities or equipment.

Watchdog organizations monitor nonprofits, informing the IRS about violations of the rules prohibiting involvement in political campaigns.

Additional information about lobbying guidelines can be found at www.independentsector.org.

Look at the policy and advocacy tab of their website. This can be a one-stop shop for rules and requirements as well as advocacy skills and information on how to contact your legislators.