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Congress Threatening WA DISCLOSE Act With Johnson Amendment Repeal Effort

SEATTLE, WA- Washington Nonprofits, Washington State's nonprofit association, reacted today to Governor Inslee's signing of the DISCLOSE Act.

"The DISCLOSE ACT is designed to enhance transparency and accountability in our state's elections and we look forward to partnering with state government to ensure that nonprofits know how to comply with the new law," said Washington Nonprofits Executive Director Laura Pierce. "Ironically, certain congressional leaders are currently threatening these same principles through their ongoing effort to restrict or repeal the Johnson Amendment, a longstanding federal tax law that requires tax-exempt 501(c)(3) nonprofit organizations to be nonpartisan. Repealing the Johnson Amendment would be a major mistake. The law is a vital shield that prohibits charitable resources from being used to support or oppose candidates for public office. The law benefits nonprofits because it keeps partisan politics from interfering with nonprofits' service to their communities."

"Repealing or weakening the Johnson Amendment would fly in the face of the DISCLOSE Act by potentially unleashing a flood of tax-deductible dark money into our country's political system," said Washington Nonprofits Director of Public Policy and Advocacy David Streeter. "Political donors are likely to misuse the nonprofit sector by making contributions to 501(c)(3)'s for partisan political purposes in order to receive a tax deduction instead donating to political organizations that are not tax-deductible. This would harm nonprofits' service to communities and erode the public's trust in nonprofit organizations. Washington Nonprofits hopes that our state's congressional delegation will stand with the agencies that serve their constituents by opposing the Johnson Amendment repeal effort."

The Johnson Amendment, a part of the Internal Revenue Code, requires tax-exempt 501(c)(3) nonprofit organizations to be nonpartisan. Specifically, the law declares that, in exchange for the ability to receive tax-deductible contributions, charitable, religious, and philanthropic organizations may not "support or oppose any candidate for public office." The Johnson

Amendment rightfully prohibits tax-exempt nonprofits from endorsing candidates for public office and from devoting resources to the election or defeat of a candidate. The Johnson Amendment keeps nonprofits above the political fray and enables organizations to keep their collective focus on their missions, rather than partisan politics.

Over the past year, the President, other powerful politicians, and well-funded interest groups have sought to repeal or weaken this important protection. Anti-Johnson Amendment leaders attempted unsuccessfully to repeal it during the tax reform process. They were defeated in their attempt because nonprofits, houses of worship, state charity regulators, and private citizens raised their voices against this harmful policy proposal. Now, the same forces are trying hard to attach an anti-Johnson Amendment rider to the must-pass federal spending bill that is needed to prevent the third federal government shutdown this year. The deadline for the spending bill to pass is March 23, 2018.

Please contact Washington Nonprofits for additional comment on the Johnson Amendment and the DISCLOSE Act.

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As the state association for all nonprofits, Washington Nonprofits makes sure that nonprofits across the state of Washington have what they need to succeed. Washington Nonprofits delivers on our mission through three main, integrated initiatives: learning programs, public policy, and engagement. Washington Nonprofits continues is inspired by our belief that nonprofits represent our democracy in action as people come together to make a difference. To learn more about Washington Nonprofits, visit our website at www.washingtonnonprofits.org or call (855) 299-2922.