



SOROPTIMIST
Best for Women®

*Improving the lives of women and girls through
programs leading to social and economic
empowerment.*

SOROPTIMIST INTERNATIONAL OF THE AMERICAS

FAQ: Advocacy and the 501(c)(3) Tax Exemption

Advocacy is an important tool for Soroptimists to use to improve the lives of women and girls in local communities and throughout the world. In the United States, non-profit organizations with 501(c)(3) status are able to use advocacy without jeopardizing tax-exempt status, but there are rules that must be followed. The following are some answers to frequently asked questions concerning advocacy in the United States.

What is Advocacy?

Simply put, advocacy is the act or process of supporting something. In the United States, advocacy usually refers to advancing or supporting a specific issue or solution to a problem. There are many different kinds of advocacy one of which is lobbying (see below). Advocacy can include educating members or the public on issues or providing a point of view on an issue. When directed at the public, even though it might endorse a specific response to a question, such as an increase in funding for women's health care, it is not considered lobbying unless the public is encouraged to contact their legislators regarding specific legislation (generally called grassroots lobbying). Under IRS rules, advocacy can include publicizing the results of nonpartisan analysis and studies; discussing broad social issues (without mentioning specific legislation); communicating with a government official or employee, other than for the purpose of influencing legislation; or communicating with members about specific legislation without a call to take action.

Advocacy that does not seek to effect a legislative decision is permissible for organizations with a 501(c)(3) designation.

What advocacy activities are allowed?

Soroptimists are allowed to educate the public about issues that are important to us and we are permitted to discuss the issues important to us with legislators and other government officials. Voter education, voter registration and get out the vote drives are permitted as long as they are conducted in a nonpartisan manner. As an organization, Soroptimist is also allowed to lobby to a small degree.

What activities are not allowed?

As a 501(c)3 organization, Soroptimist is strictly prohibited from supporting or opposing any candidate for elected office, even in nonpartisan or uncontested races. In addition, the following activities are prohibited: distributing materials that encourage voting for a particular candidate; criticizing or supporting a candidate; placing signs on property supporting a specific candidate; or giving preferential treatment to certain candidates like allowing them to speak at Soroptimist functions or use Soroptimist resources. Individuals are, of course, encouraged to exercise their right to vote and we believe qualified women should become candidates—but voting, campaigning or holding office must be a personal decision, not a Soroptimist-endorsed or influenced decision.

What is lobbying?

In order for advocacy to constitute lobbying, it must address specific legislation which means a specific policy to be enacted by a law. This is different from addressing a broad policy issue. Also, if advocates are speaking with people who do not pass laws but enforce them or implement them, this is not lobbying because there is no legislative decision. Advocacy is only considered lobbying if it is directed toward persons who can make a legislative decision or if an organization is directing others to contact legislators. For example, asking a legislator for a specific vote on legislation is lobbying. However, speaking with those who enforce or implement legislation is not considered lobbying.

Can 501(c)(3) organizations lobby?

Yes. Tax exempt 501(c)(3) organizations can lobby but it must not be a substantial part of their activities. The IRS evaluates what constitutes a substantial part based on the totality of the facts and circumstances. Relevant factors include the quantity and quality of lobbying activities and their relative importance, whether lobbying is a primary objective of the organization, the amount of direct expenses for lobbying, the time spent by compensated and volunteer workers engaged in lobbying and the use of other resources such as office space and equipment.

Is the amount of lobbying that SIA undertakes insubstantial?

Yes. It has been determined that the very little lobbying conducted by Soroptimist does not endanger the 501(c)(3) tax exemption. SIA is very aware of the implications that advocacy and lobbying could have on our tax status and consults our legal and tax experts as needed. The lobbying expenses of Soroptimist are reported annually on our 990.

Do Soroptimist clubs need to follow the same guidelines?

Yes. Soroptimist clubs in the United States share the 501(c)(3) designation through the group exemption. The same advocacy rules apply to Soroptimist clubs.

What about other organizations which do considerably more lobbying than Soroptimist?

Organizations with 501(c)(3) tax exemption that make lobbying a larger part of their work can file a 501(h) election which sets clear limits on the amount of lobbying the organization can do. With this election, an organization can engage in more lobbying activity and it will not endanger its tax-exempt status. The 501(h) rule places an overall limit of \$1 million on lobbying expenditures for electing organizations that qualify.

Where can I find out more information about advocacy and lobbying?

IRS: General information about advocacy and the 501(c)(3) exemption:
<http://www.irs.gov/charities/charitable/index.html>

Independent Sector: https://www.independentsector.org/policy_advocacy

Alliance for Justice: https://www.mffh.org/mm/files/AFJ_what-is-advocacy.pdf

If you have any additional questions, please contact siahq@soroptimist.org.