



## Chapter 9:

# **RULES FOR NONPROFITS**

### **For Effective Advocacy On Behalf of Early Education**

Nonprofits play a vital role in a democratic society, and that role includes lobbying, according to the [Independent Sector](#), a leadership forum for charities and foundations in the United States and around the world.<sup>6</sup> Nonprofits hold information, experience, and expertise that are critical to policy debate.

But when a nonprofit, tax-exempt organization's advocacy efforts seek to influencing legislation, the federal government sets certain lobbying guidelines and spending limits.

According to the [Independent Sector](#), “**lobbying is any attempt to influence legislation** by:

- stating a position on specific legislation to legislators or other government employees who participate in the formulation of legislation; or,
- urging your members or the general public to contact their legislators with a position on specific legislation (a ‘call to action’).”<sup>7</sup>

The Internal Revenue Service (IRS) sets specific limits on the amount of money a nonprofit organization may spend on *direct lobbying* (attempts to influence government officials who make legislation or urging an organization's members to do so) and on *grassroots lobbying* (attempting to influence legislation by asking the general public to contact their elected officials regarding the legislation). If your organization or coalition is a nonprofit, tax-exempt organization and you know that you will be engaged in legislative lobbying, speak to your tax advisor regarding the rules and how to account for your expenditures.

---

<sup>6</sup> See “Lobbying Guidelines for Public Charities at [http://www.independentsector.org/charity\\_lobbying](http://www.independentsector.org/charity_lobbying)

<sup>7</sup> Independent Sector, [http://www.independentsector.org/charity\\_lobbying](http://www.independentsector.org/charity_lobbying)

Short of influencing specific legislation, nonprofit organizations have wide latitude to advocate for issues. For example, you **CAN** do any of the following without running into any lobby law restrictions:

- respond to an elected official’s or legislative body’s written request for technical assistance or advice on an issue;
- provide nonpartisan analysis or research on an issue
- provide an examination or discussion of broad social, economic, or similar problems;
- updating your members or coalition partners about the status of legislation, without including a “call to action.”

Also exempt from lobbying restrictions are a nonprofit’s communications to a legislative body regarding matters that might threaten the nonprofit’s existence, powers, duties, or tax-exempt status (“self-defense” exemption).

Of course, nonprofit organizations are prohibited from engaging in any **partisan** activities or from supporting candidates for office.

**Here are additional resources to help you follow the rules for nonprofit lobbying:**

[Lobbying Guidelines for Public Charities](#). Independent Sector.

[Effective Advocacy at All Levels of Government](#). Center for Lobbying in the Public Interest. WK Kellogg Foundation.

[Smart and Ethical Principles and Practices for Public Interest Lobbying - Benchmarking Chart](#). Center for Lobbying in the Public Interest.

*The Lobbying and Advocacy Handbook for Nonprofit Organizations*. Avner. Available for purchase from [The Fieldstone Alliance](#).

*Nonprofit Board Member’s Guide to Lobbying and Advocacy*. (2004). Avner and Nielsen. Minnesota Council of Nonprofits. Available for purchase at [Amazon.com](#)

[The Law and Nonprofit Advocacy & Lobbying](#). Minnesota Council of Nonprofits.

[Nonprofit Advocacy: FAQs](#). Minnesota Council of Nonprofits.