



Churches Endorsing Move to Amend: 501(c)(3) Tax-Exempt Status Impacts and Limitations

Any 501(c)(3) church can endorse Move to Amend without threatening tax-exempt status. A church may engage in legislative activity as long as it is not a “substantial part” of the church’s activity. Additionally, not all activity a church would engage in relating to Move to Amend is considered legislative activity.

IRS guidance documents explicitly state that churches may engage in lobbying or influencing legislation, including a constitutional amendment, as long as they don’t do “too much.”¹ The “substantial part test” is a fact-based determination of what is considered too much, which takes staff and volunteer work time, expenditures, and other factors into consideration. The analysis is heavily dependant on the facts and circumstances of each case. For example, courts have held that 5% is not “substantial,” but 16.6-20.5% of an organization’s activity is.

Not all activity relating to endorsing and supporting Move to Amend falls into the category of lobbying activity. A church may engage in education and discussion about Move to Amend and issues surrounding corporate power, money as speech, and specific court cases such as *Citizens United* without worrying about lobbying. Only activity such as discussing or contacting legislators regarding specific legislative proposals would be considered lobbying, and therefore subject to substantial part analysis. This distinction is clarified further in Treas. Reg. § 53-4945.2(d)(4):

“... [L]obbying communications do not include public discussion, or communications with members of legislative bodies or governmental employees, the general subject of which is also the subject of legislation before a legislative body, so long as such discussion does not address itself to the merits of a specific legislative proposal and so long as such discussion does not directly encourage recipients to take action with respect to legislation.”

Churches may therefore endorse Move to Amend, educate their members and communities, and engage in limited lobbying without risking forfeiture of their tax-exempt status. For more information please review the [IRS Tax Guide for Churches and Religious Organizations](#) found at the link below:

http://www.irs.gov/file_source/pub/irs-pdf/p1828.pdf

¹ Contrast this substantial part test for “legislative activity” with the absolute bar on “political campaign activity,” meaning that 501(c)(3) organizations may not engage in any activity relating to any candidate for public office.