



Revoke tax status? Charity topic is a slippery slope

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The government ethics watchdog Common Cause wrote a letter last week to the Internal Revenue Service asking it to investigate a charity.

The Red Cross? United Way? The Boy Scouts?

No. Common Cause wants the IRS to determine whether the Cato Institute — a famous libertarian think tank — is nonpartisan.

The letter was prompted by a fight between Cato and Charles and David Koch, the conservative Kansas billionaires and longtime punching bags for liberals. The Kochs have sued to gain control of Cato, an organization they helped establish.

Common Cause thinks the Kochs may want to use Cato to buttress their tea party enthusiasms, not to make nonpartisan libertarian arguments. It's against the law for charities to become involved in overtly partisan politics; if the IRS decides Cato has picked sides, donations to the think tank would not be tax-deductible.

Liberals might cheer such a decision. We First Amendment types would be nervous.

It's clear there's a fundamental difference between a charity such as the United Way and a charity like Cato. What is far less clear is whether the government should be put in a position of determining what that difference actually is.

United Way is apolitical. Cato writes about nothing but politics.

Now, however, the IRS may have to determine if Cato's positions are based on sound, nonpartisan reasoning or if it's part of a partisan Republican plot — with its nonprofit charity status at risk.

Asking any government agency to make a multimillion-dollar judgment based on its interpretation of what a group writes is an extraordinarily slippery slope. It's why we have a First Amendment — to keep the government out of scrutinizing political speech.

It isn't just Cato. Dozens of political advocacy groups are organized as tax-deductible charities, from the quite liberal Center for American Progress to the highly conservative American Spectator website. All could face the government's microscope.

And who can deny the Catholic bishops' involvement in the health care debate? Should churches lose their charity status because of their statements on contraception? If so, should urban churches be penalized for what their pastors say on the Sunday before Election Day?

There is an alternative mechanism for more direct political involvement for some of these groups. They can declare themselves social welfare organizations, which are allowed more partisan leeway but can't take tax-deductible donations.

Common Cause should pay attention to all of this, by the way. Its education fund is a charity. At least for now.