

# UNDERSTANDING ADVOCACY

## RULES FOR PUBLIC CHARITIES & PRIVATE FOUNDATIONS

### **Public Charity**

*schools/universities; hospitals; community foundations; publicly supported (e.g., community based) charitable, religious, scientific, educational, literary organizations*

#### **STRUCTURE**

- Broad public funding support
- Carries out own programs and/or makes grants

#### **LOBBYING RESTRICTIONS**

- May lobby (within 501(c)(3) limits)
- May earmark grants for lobbying (within 501(c)(3) limits)
- May make unlimited grants to other public charities that may use for lobbying under rules applicable to private foundations

#### **UNLIMITED ACTIVITIES**

- Non-Lobbying Advocacy
- Nonpartisan Election-Related Work (within special rules)

#### **PARTISAN POLITICAL ACTIVITIES**

- PROHIBITED from supporting or opposing candidates for public office and political parties

### **Private Foundation**

*family foundations, corporate foundations, private operating foundations, private non-operating foundations*

#### **STRUCTURE**

- Limited sources of funding
- Makes grants primarily to public charities
- Carries out own programs
- Mandatory annual distribution

#### **LOBBYING RESTRICTIONS**

- Lobbying PROHIBITED, expenditures subject to excise tax
- May not earmark grants for lobbying; may fund grantees that lobby via general support grants and project grant safe harbor

#### **UNLIMITED ACTIVITIES**

- Non-Lobbying Advocacy
- Nonpartisan Election-Related Work (within special rules including strict rules for funding voter reg.)

#### **PARTISAN POLITICAL ACTIVITIES**

- PROHIBITED from supporting or opposing candidates for public office and political parties
- Restrictions on funding voter registration drives