Nonprofit organizations often unnecessarily limit their ability to get involved in advocacy and public policy out of fear of losing their tax-exempt status. The good news is that most public advocacy is not lobbying, and also that if need be, nonprofits can actually do a good amount of lobbying under current IRS limits, and thereby avoid any threat to an organization’s tax exemption.

**What is Lobbying?**

Under IRS regulations, lobbying is defined as “a communication to legislators (or urging the public to contact legislators) intended to influence specific legislation.” Roughly speaking, “legislation” is defined under the IRS regulations as action by a legislative body, such as a city council or county board of supervisors, state or federal legislatures, as well as by the public when voting on a legislative initiative or referendum. Since courts and administrative or executive agencies (e.g., your local school board) are not considered legislative bodies, their actions are not considered legislation; so urging them to take certain actions would not be considered lobbying.

Under IRS rules (if you choose the 501(h) election described below), lobbying does not include:

1. Making available the results of nonpartisan analysis, study, or research;
2. Providing technical advice or assistance to a government body, or to its committee or other subdivision, in response to a written request from the chair of that body;
3. Self-defense communications with a governmental body regarding legislation which would affect your existence, your powers or duties, your tax-exempt status, or the deductibility of contributions to your group (fighting government funding cuts for your cause is not self-defense);
4. Discussing broad social issues, without mentioning specific legislation;
5. Communicating with a government official or employee, other than for the purpose of influencing legislation;
6. Communicating with members of your organization with respect to legislation and expressing a view about the legislation so long as the communication does not encourage members to take action regarding the legislation.

**Can Nonprofits Endorse or Oppose Candidates to Office or Ballot Initiatives?**

Supporting or opposing any candidate for elected office, even in nonpartisan races, is strictly prohibited and can result in loss of your tax exemption. Fear of violating this prohibition on political activity may be behind the reluctance of many nonprofits to get involved in policy issues.

Nonprofits can, however, get involved in election campaigns for or against ballot initiatives or referenda. These campaigns are very important policy tools in California and many other states. Trying to influence how people vote on initiatives is direct lobbying, since the voters act as legislators in approving or rejecting a ballot initiative.

**More Information and Resources**

Before engaging in public policy, be sure to assess whether your planned activities are lobbying or simply advocacy, and if it is lobbying, how much your organization can do without exceeding IRS limits. For more information and resources, visit [http://www.unitedwaysca.org/resources/nonprofit-advocacy](http://www.unitedwaysca.org/resources/nonprofit-advocacy).