

# Legal Issues

## Tax Status & Exemptions



Evangelical Lutheran Church in America  
God's work. Our hands.

### Political Activity and Tax Status

#### Will our congregation's political activity affect its tax status?

The congregation must understand what political activity is permissible and what is not in order to maintain itself as a tax exempt organization. 501(c)(3) organizations are prohibited from certain political activity. It is important to understand what political activities are strictly prohibited and what constitute permissible actions.

See the three references listed below for more information:



#### Examples of prohibited activities:

- Contribution to candidates or campaigns
- Direct endorsement of a candidate
- Indirect activities that would clearly favor one candidate

#### Examples of permissible activities:

- Voter guides/encourage voting
- Debates
- "Equal opportunity" speeches
- Lobbying activities are not completely prohibited, but are limited. Test is whether a substantial part of the non-profit's activities are to influence legislation. Most congregations do not exceed substantial part tests.

For additional helpful information, with examples, regarding political activity see also:

- [See IRS Publication 1828 Tax Guide for Churches and Religious Organizations](#) 
- [IRS Revenue Ruling 2007-41](#)
- [Being a Public Church \(an ELCA guide for churches participating in the electoral process\)](#)
- [Political Activity Guidelines for Catholic Organizations 2018](#)
- [Politics and the Pulpit 2008: A Guide to the Internal Revenue Restrictions on the Political Activity of Religious Organizations](#) 

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