



IRS's targets shared in much Some coalitions had same offices, lawyers

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Written by James Pilcher, The Cincinnati Enquirer

Of the Ohio groups granted tax-exempt status as social welfare or education organizations in the past two years, nearly half shared lawyers, public relations advisers and, in some cases, offices.

Those entanglements could be among the reasons those groups were delayed or targeted by the Internal Revenue Service office in Cincinnati that is at the heart of the ongoing controversy surrounding the agency. Soon after the scandal erupted, the IRS disclosed more than 200 groups that had been approved for tax-exempt status through the Cincinnati office, and that list included eight groups from Ohio.

Three of the Ohio groups are Jobs and Progress Fund (formerly Ohio First for a Better Government), Protect Your Vote Ohio, and the Faith and Freedom Coalition of Ohio.

Both Jobs and Progress and Faith and Freedom are now housed in the West Chester office of widely known attorney David Langdon, who has represented several conservative causes, including Citizens for Community Values among others. Both groups also have been represented by Pierce Communications, a Columbus-based PR and political-strategy agency. Langdon also served as treasurer for Protect Your Vote Ohio.

IRS officials did not return calls seeking comment, but a former IRS official who helped run the Cincinnati determinations office said such connections were exactly what he trained agents to look for.

“We would always be on the lookout for what we called a ‘private benefit’ or an instance where a group was set up to help another group or help with an overall effort,” said Marcus Owens, who served as the director of the IRS’ exempt organizations division for 10 years. Owens retired in 2000 and is now an attorney in Washington, D.C., representing nonprofit organizations.

“We would be looking for any sign of a coordinated organization between individual groups,” Owens said. “I’m not saying that is the case here, but it certainly is something that would prompt questions.”

The groups share only tenuous connections when it comes to their missions, at least on the surface.

Protect Your Vote Ohio was never incorporated in the state, according to the Ohio Secretary of State’s website, yet it was a big contributor in the campaign to defeat Issue 2, the 2012 ballot

initiative that would have given a citizen's panel the ability to draw congressional districts in Ohio.

According to the nonpartisan campaign finance-tracking website FollowTheMoney.org, Protect Your Vote raised more than \$8.2 million last year. That included \$3.9 million from the Partnership for Ohio's Future, a 501(c)(4) created in 2006 by the Ohio Chamber of Commerce, a pro-business group.

In addition, Cincinnati-based consumer products giant Procter & Gamble gave \$100,000 to Protect Your Vote. The money was spent on anti-Issue 2 advertising and literature, with Langdon serving as the organization's treasurer. Issue 2 was soundly defeated in November 2012.

14 groups move address to West Chester office

The Jobs and Progress Fund's initial state application for incorporation says the organization's mission is furthering "the common good and general welfare of the people of Ohio."

But all the organization's website consists of is attack ads on U.S. Rep. Aaron Schock, R-Ill.

Officials with Schock's office did not return several messages seeking comment.

The Faith and Freedom Coalition of Ohio also lists its mission as promoting "the common good and general welfare of the citizen's of Ohio" in its incorporation papers, which were filed by Langdon, who also filed the incorporation papers for Ohio First (now Jobs and Progress).

Its website features several articles written by Ken Blackwell, the former Ohio secretary of state and GOP gubernatorial candidate who also served as mayor of Cincinnati. Blackwell is now vice chairman of the Republican National Committee's platform committee. The site has not been updated since 2011.

Langdon filed to move the official address for Faith and Freedom and Jobs and Progress to his West Chester address in November 2012, along with 14 other for-profit and nonprofit firms and agencies — including Citizens for Community Values.

"What we were trained to do and what I trained people to do was to ask questions to collapse any of these connections between groups," said Marvin Friedlander, who worked in the exempt-organizations office for 40 years and who trained many of the determinations staff members in Cincinnati. He retired in 2009 as head of the office's technical unit in Washington. "We would also make sure that these groups were not set up to benefit one political party or politician."

Do those groups think their common connections are a reason why they might have been targeted? They aren't talking.

Langdon did not return several calls seeking comment. In an email, he wrote that he would try to get his clients to discuss the groups and IRS targeting, but he did not disclose who the clients were. No one responded.

Pierce Communication owner Gene Pierce acknowledged doing work for Jobs and Progress and the Faith and Freedom Coalition, but he declined to comment further.

The cost of tax exemption is disclosure requirement

Additionally, some of these agencies and others from the region are apparently in violation of IRS regulations requiring them to release any documentation having to do with applying for nonprofit status to the public.

According to IRS regulations, any agency receiving nonprofit status is required to provide public access to what is called a “public disclosure” folder, which includes the initial application form, any correspondence to and from the IRS regarding that application, and the final determination letter granting nonprofit status.

That requirement was confirmed with several nonprofit lawyers, including John E. Christopher of the Cincinnati firm Manley Burke.

“It’s part of the rules of the game. ... If you get a nonprofit exemption, you need to play ball with the public disclosure rules,” Christopher said. “After all, the public is helping finance the group with the tax exemption in the first place.”

The American Center for Law and Justice is representing several groups targeted by the IRS. The Washington-based conservative advocacy group refused to provide the full set documents for the Lexington-based Kentucky 912 Project, citing attorney-client privilege. Langdon also did not provide complete documents for Jobs and Progress, Faith and Freedom, or Protect Your Vote.

Officials with the other regional groups listed by the IRS provided their documents as required, including the Ohio Liberty Coalition, which was initially represented by the ACLJ but is no longer working with that group.

Also responding was the West Chester-based anti-Obamacare group Ohioans For Healthcare Freedom. The organization received nearly \$820,000 in donations in 2011 alone, according to FollowTheMoney.org. It was created by local conservative activist Chris Littleton, who also helped create the Cincinnati Tea Party as well as the Ohio Liberty Coalition.

A recently created progressive-liberal group from Ohio, Innovation Ohio of Columbus, did not file for nonprofit status. Its educational subsidiary, Innovation Ohio Education Fund, did file for 501(c)(3) status, however, and received many of the same questions as conservative groups. That organization did release its records when made aware of the IRS regulations.

Innovation Ohio, the parent organization, is operating like a 501(c)(4) but is not planning to file for tax-exempt status, spokesman Dale Butland said. It is telling prospective donors that contributions are not tax deductible, but it is acting like a nonprofit and does not plan on paying taxes itself, Butland said.

Such organizations are not required to file to the IRS for that status, and Innovation Ohio’s attorney Jeffrey Ruppert said in an email that the group’s board “decided that resources should be dedicated ... to achieving its core educational and social welfare mission, rather than filing a Form 1024,” the IRS nonprofit application.

Original article:

<http://www.newarkadvocate.com/article/20130705/NEWS01/307050018/IRS-s-targets-shared-much?gcheck=1>