



March 24, 2015

Hon. Paul Ryan, Chairman  
House Ways and Means Committee  
1102 Longworth House Office Building  
Washington, DC 20515  
(By Electronic Mail)

**Re: Support for HR 1104, The Fair Treatment for All Donations Act**

Dear Chairman Ryan:

We are a group of free-market and limited-government organizations writing to you in support of HR 1104, the "Fair Treatment for All Donations Act".

For nearly a half-century, the public has been aware of the potential power the Internal Revenue Service holds within the political process. In fact, the partisan use of the IRS led to the curtailment of the agency's powers, and subjected it to immense congressional scrutiny. But as our groups are keenly well-aware, that scrutiny and those limitations are not preventing the IRS from being used as a tool to silence political speech and harass donors to organizations that are (or could be) critical of the current administration.

While most people are familiar with the ongoing saga of the IRS' role in targeting conservative and libertarian organizations, few are familiar with the agency's use of the so-called "gift tax" in putting donors to these organizations under scrutiny. While using gift tax rules with regards to donations to research and education (501C3)

organizations, as well as public policy advocacy organizations (501C4s) has been something the IRS has asserted since the 1980s, it is clear from the underlying legislation that this is interpretive overreach by the agency.

The problem is clear: right now, supporters of organizations doing necessary research, education, and advocacy into the nation's most tenacious public policy problems are finding themselves being punished by the IRS via its misinterpretation of the gift tax. Worse, the IRS is disproportionately singling out donors to organizations engaging in research, education, and advocacy that presents a necessary (and constitutionally-protected) counterpoint to the administration's effort to concentrate power in the federal executive branch and grow that power.

HR 1104 is a necessary tool to reining in the IRS' power. We urge its passage out of committee.

Sincerely,

Andrew Langer, President  
Institute for Liberty

Grover Norquist, President  
Americans for Tax Reform

Morton Blackwell, Chairman  
The Weyrich Lunch

JennyBeth Martin, President  
Tea Party Patriots

John Tate, President  
Campaign for Liberty

Nena Whitfield, Executive Director  
Ladies of Liberty Alliance

Gary L. Bauer, President  
American Values

George Landrith, President  
Frontiers of Freedom

Jerry Rogers, President  
Six Degrees

Richard Manning, President  
Americans for Limited Government

Penny Nance, CEO and President  
Concerned Women for America  
Legislative Action

William H. Shaker, President  
Rule of Law Committee

Seton Motley, President  
Less Government

Melissa Ortiz, Founder & Principal  
Able Americans

Curt Levey, President  
Committee For Justice

Rusty Weiss, New York Political Analyst  
Editor at Mental Recession

Jim Simpson, Freelance Journalist