

106TH CONGRESS
2D SESSION

S. 2582

To amend section 527 of the Internal Revenue Code of 1986 to better define the term political organization.

IN THE SENATE OF THE UNITED STATES

MAY 17, 2000

Mr. LIEBERMAN (for himself, Mr. LEVIN, Mr. DASCHLE, Mr. MCCAIN, Mr. JEFFORDS, Mr. FEINGOLD, Mr. DURBIN, Mr. CLELAND, Mr. KERRY, Mr. TORRICELLI, Mr. KENNEDY, Mr. AKAKA, and Mr. BRYAN) introduced the following bill; which was read twice and referred to the Committee on Finance

A BILL

To amend section 527 of the Internal Revenue Code of 1986 to better define the term political organization.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. DEFINITION OF POLITICAL ORGANIZATION.**

4 (a) DEFINITION OF POLITICAL ORGANIZATION.—
5 Paragraph (1) of section 527(e) of the Internal Revenue
6 Code of 1986 (relating to political organizations) is
7 amended to read as follows:

8 “(1) POLITICAL ORGANIZATION.—

“(A) IN GENERAL.—The term ‘political organization’ means a party, committee, association, fund, or other organization (whether or not incorporated)—

“(i) organized and operated primarily for the purpose of directly or indirectly accepting contributions or making expenditures, or both, for an exempt function, and

“(ii) which is a political committee described in section 301(4) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(4)).

“(B) EXCEPTIONS.—Subparagraph (A)(ii) shall not apply in the case of—

“(i) an organization described in subparagraph (C),

“(ii) any committee, club, association, or other group of persons (other than a separate segregated fund established under section 316 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441b)) which accepts contributions or makes expenditures (as defined in this subsection) during a calendar year in an aggregate amount of less than \$1,000, or

1 “(iii) any local committee of a political
 2 party which is not a political committee (as
 3 so defined).

4 “(C) CERTAIN ORGANIZATIONS.—An orga-
 5 nization is described in this subparagraph if—

6 “(i) the activities of the organization
 7 are for the primary purpose of influencing
 8 or attempting to influence—

9 “(I) the selection, nomination,
 10 election, or appointment of any indi-
 11 vidual to any State or local public of-
 12 fice,

13 “(II) the appointment of any in-
 14 dividual to any Federal public office,
 15 or

16 “(III) the selection, nomination,
 17 election, or appointment of any indi-
 18 vidual to any office in a political orga-
 19 nization, and

20 “(ii) the organization does not engage
 21 in any activity that is for the purpose of
 22 directly or indirectly influencing or at-
 23 tempting to influence the selection, nomi-
 24 nation, or election of any individual to any

1 Federal public office or the election of
2 Presidential or Vice Presidential electors.

3 The preceding sentence shall apply whether or
4 not an individual described in subclause (I),
5 (II), or (III) of clause (i) or in clause (ii) of
6 such sentence is selected, nominated, elected, or
7 appointed to such office.”.

8 (b) EFFECTIVE DATE.—This section and the amend-
9 ment made by this section take effect on the date that
10 is 30 days after the date of enactment of this Act.

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