



DEPUTY COMMISSIONER

DEPARTMENT OF THE TREASURY
INTERNAL REVENUE SERVICE
WASHINGTON, D.C. 20224

October 17, 2012

The Honorable Carl Levin
Chairman
Permanent Subcommittee on Investigations
Committee on Homeland Security
and Government Affairs
United States Senate
Washington, DC 20510

Dear Mr. Chairman:

I am responding to your letter to Commissioner Shulman dated September 27, 2012, requesting additional information about section 501(c)(4) organizations. This response supplements the previous responses dated June 4, 2012, July 13, 2012, August 24, 2012, and September 14, 2012, and addresses the additional questions raised in your recent letter.

Question 1. Question #15 on the IRS Application for Recognition of Exemption Under Section 501(a) states:

"Has the organization spent or does it plan to spend any money attempting to influence the selection, nomination, election or appointment of any person to any Federal, state, or local public office to an office in a political organization? If "Yes," explain in detail and list the amounts spent or to be spent in each case."

a. For the following organizations please forward copies of the responses to Question #15:

- 1) Crossroads Grassroots Policy Strategies**
- 2) Priorities U.S.A**
- 3) Americans for Prosperity**
- 4) Patriot Majority USA**

b. Please provide with each answer the explanatory "detail" and the lists of the "amounts spent or to be spent in each case" referred to in Question #15.

As discussed in our previous responses dated June 4, 2012, and August 24, 2012, the IRS cannot legally disclose whether the organizations on your list have applied for tax exemption unless and until such application is approved. Section 6104(a) of the Internal Revenue Code permits public disclosure of an application for recognition of tax exempt status only after the organization has been recognized as exempt.

Enclosed are the publicly available portions of the application file for Patriot Majority USA [EIN 45-0710294].

Our records indicate a favorable determination letter was also issued to Americans for Prosperity [EIN 75-3148958] in October 2004. However, due to issues related to an electronic conversion process undertaken a number of years ago, we have not yet been able to locate our copy of the application file.¹

Question 2. In the IRS response of August 24, 2012, Mr. Miller stated that an address would be needed in order for the IRS to tell us whether or not an organization has been recognized by the IRS as tax-exempt. I have provided address information on several organizations below, as well as verbatim statements from these organizations' websites regarding their 501(c)(4) status.

For each organization, please let me know if the IRS has recognized it as tax-exempt.

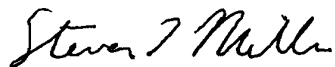
Organization Name:	Organization Address:	Organization Website Address:	Organization's statement on 501(c)(4) status:
Crossroads Grassroots Policy Strategies	P.O. Box 34413 Washington, DC 20043	http://www.crossroadsgps.org/	"Crossroads GPS is organized as a nonprofit organization under section 501(c)(4) of the Internal Revenue Code."
Priorities U.S.A.	1718 M Street NW #264 Washington, DC 20036-4504	http://www.prioritiesusa.org/	"Priorities USA is a 501(c)(4) organization dedicated to mobilizing Americans to preserve, protect and promote the middle class, and to ensure opportunity and freedom for the next generation."
Americans for Prosperity	2111 Wilson Blvd. Suite 350 Arlington, VA 22202	http://americansforprosperity.org/	"Americans for Prosperity is a 501 (c) (4) entity under the IRS code. Contributions or gifts to Americans for Prosperity are not tax deductible."
Patriot Majority USA	1717 Rhode Island Avenue, NW Washington, DC 20036	http://patriotmajority.org/	"Patriot Majority USA is a 501(c)(4) with the primary purpose of encouraging a discussion of economic issues in the United States."

As stated in our previous response to you dated August 24, 2012, our records show that Americans for Prosperity and Patriot Majority USA have been recognized by the IRS as tax exempt under section 501(c)(4). With respect to Crossroads Grassroots Policy Strategies and Priorities U.S.A., we have no record of an approved application for these organizations.

¹ In addition to public availability from the IRS, section 6104(d) of the Internal Revenue Code requires that the organization make its application for tax exemption available for public inspection.

I hope this information is helpful. If you have questions, please contact me or have your staff contact Catherine Barre at (202) 622-3720.

Sincerely,

A handwritten signature in black ink that reads "Steven T. Miller". The signature is written in a cursive style with a large, stylized 'S' and 'M'.

Steven T. Miller
Deputy Commissioner
for Services and Enforcement