

P306. Lerner expressed strong feelings about the Supreme Court’s 2010 *Citizens United* v. *FEC* decision. In a June 1, 2012, email exchange with [REDACTED], Lerner wrote that “*Citizens United* is by far the worst thing that has ever happened to this country.” Pls.’ Ex. 152.

P307. Later in the same email exchange, Lerner expanded on her views of *Citizens United*:

We are witnessing the end of “America.” There has always been the struggle between the capitalistic ideals and the humanistic ideals. Religion has usually tempered the selfishness of capitalism, but the rabid, hellfire piece of religion has hijacked the game and in the end, we will all lose out. it’s all tied together—money can buy the Congress and the Presidency, so in turn, money packs the SCt. and the court backs the money—the “old boys” still win.”

Id.

P308. Lerner sought to reverse the impact of *Citizens United*. In a June 11, 2012, email exchange with Robert Stern about Stern’s report discussing states’ responses to *Citizens United*, Lerner wrote: “I like it! Very easy to find specific information, as well as get the big picture—you done good! Now, if you can only fix the darn law!” Pls.’ Ex. 153, Email from Lerner to Stern regarding My Report. In a February 13, 2012, email exchange among Lerner and various of her subordinates about federal legislation that would require tax-exempt organizations to disclose their donors, Lerner wrote: “Wouldn’t that be great? And I won’t hold my breath.” Pls.’ Ex. 154, Email from Lerner to Urban et al regarding Legislation .

P309. Lerner began to worry that applicants for exemption would rely on *Citizens United* to challenge the IRS’s regulations on political activities by (c)(3) and (c)(4) organizations. Ex. 46, at 53:5 to 53:15.

P310. Lerner particularly worried that Tea Party groups would seek to challenge IRS regulations. In an email exchange concerning the February 1, 2011, SCR, Lerner told Paz and others: “Tea Party Matter very dangerous.” She went on: “This could be the vehicle to go to

court on the issue of whether Citizen’s United [sic] overturning the ban on corporate spending applies to tax exempt rules. Counsel and Judy Kindell need to be in on this one please needs to be in this. Cincy should probably NOT have these cases—Holly please see what exactly they have please.” Pls.’ Ex. P309b, Email from Lerner to Fish re SCR Table for Jan. 2011 and SCR Items.

P311. Later in that exchange, Lerner directed her subordinates to find a reason *other than political activity* to deny the Tea Party applicants exemption under § 501(c)(3) to prevent them from challenging the exemption rules based on *Citizens United*: “Thanks—even if we go with a 4 on the Tea Party cases, they may want to argue they should be 3s, so it would be great if we can get there without saying the only reason they don’t get a 3 is political activity.” *Id.* Lerner believed that if the cases could be decided on the “private benefit” basis, they would not implicate *Citizens United*. Pls.’ Ex. 46, Lerner Tr. at 114:13-114:22. She expected that Paz and Seto would follow her instructions. *Id.*

P312. Two years later, in April 2013, Lerner’s attitude had not changed, even after having gained complete knowledge of the Targeting Criteria, unnecessary questions, and the IRS’s multiple rounds of scrutiny, and even after having been confronted with TIGTA’s initial conclusions. *See* Pls.’ Ex. 155 (March 29, 2013 to April 1, 2013 email exchange between Lerner, Marks, Paz, and David Fish). Lerner began the exchange by asking counsel, Nan Marks, for ways to get the facts and analysis of proposed c4 denials out to the public, perhaps through designating the cases for litigation. *Id.* at USA_NorCal_RFP_0001072. After Marks expressed uncertainty that c4s would actually litigate, opening up their records to public scrutiny, Lerner disagreed. “Sorry,” she said. “These guys are itching for a Constitutional challenge. Not you [sic] father’s EO.” *Id.* at USA_NorCal_RFP_0001071.