

# [***Exclusive: Charles Koch Has Given More Than $5 Billion Of His Stock To Two Nonprofits***](https://advance.lexis.com/api/document?collection=news&id=urn:contentItem:69CB-GHX1-JBCM-F02K-00000-00&context=1516831)

Forbes.com

October 10, 2023 Tuesday

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**Length:** 1175 words

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**Body**

**His previously unreported $4.3 billion gift to Believe in People is now the largest publicly disclosed donation to a 501(c)4 a type of nonprofit with fewer restrictions on lobbying and *politics* than traditional charities.**

**By Matt Durot, Forbes Staff**

Charles Koch is making big moves to ensure that his charities and causes are funded long after he s gone. In anexclusive interview, the 87-year-old chairman and co-CEO of Koch Industries (and the 16th richest person in America, worth $54.5 billion)tells**Forbes**that over the last four years he has quietly transferred $5.3 billion of his $125 billion (2022 sales) conglomerate s nonvoting stock to a pair of nonprofits with fewer restrictions on lobbying and ***politics*** than traditional charities.**Forbes**estimates those shares account for nearly a tenth of the 42% stake previously held by Koch (though he still has 42% voting power).

One of America stop 25 philanthropists, the staunch libertarian has donated an estimated $1.8 billion to charity over his lifetime (excluding amounts that have not yet been distributed by affiliated nonprofits), with a focus on education, poverty alleviation and reforming the criminal justice and immigration systems. Most of that has flowed through his Stand Together nonprofit network (formerly known as the Koch Network), which also includes the nearly two-decade-old Americans For Prosperity a grassroots organization that has spent tens of millions a year on policy and ***politics***.

I want everything I have beyond taking care of my family to go to these kinds of efforts, Koch says. Stand Together is the best organization I've seen to do this. They're innovative, principled and effective in helping people change their lives and in achieving policy changes more at the state level than the federal level, because that's a very difficult place to get anything improved.

But Koch didn t make gifts of his company stock directly to Stand Together. Instead he chose groups that support the network and are allowed to directly engage in political campaigns and to do an unlimited amount of issue lobbying (as long as those are not their primary activities).

Last year, he donated $4.3 billion of his Koch Industries stock to a newly created 501(c)4 nonprofit group Believe in People, named after his 2020 book**Believe in People: Bottom-Up Solutions For A Top-Down World**. The gift and the existence of this group have not been previously reported. A social welfare organization that emphasizes empowering people to reach their potential, Believe in People is run by three individuals who are all very close to Charles: Koch Industries co-CEO Dave Robertson; Brian Hooks, the CEO of Stand Together and coauthor of Koch s latest book; and Koch s son Chase, the founder and CEO of Koch Industries venture capital subsidiary Koch Disruptive Technologies who also founded Stand Together s venture capital and music-focused subsidiaries.

In 2020, Koch gave $975 million of his company stock to another C4 with a similar mission called CCKc4, which bears the initials of his 46-year-old son, Chase (his full name is Charles C. Koch), who runs the nonprofit.

Unlike a traditional 501(c)3 nonprofit which includes the private charitable foundations commonly used by wealthy individuals a C4 can own an entire for-profit company indefinitely and (so long as these activities support its principal purpose) benefit private individuals; engage in an unlimited amount of issue lobbying; and get directly involved in ***politics***.

Since 2015, whenCongress exempted donations to C4s from the 40% federal gift tax, in a move a Koch lobbyist promoted, a number of other billionaires have donated their entire companies to C4s. The most high profile of them: Patagonia founder Yvon Chouinard, who transferred all of his outdoor clothing and gear retailer s nonvoting stock to the environmentally-focused Holdfast Collective in September 2022; at the time of the gift, Patagonia was reportedly valued around $3 billion. Koch s $4.3 billion gift to Believe in People is now the largest publicly disclosed donation to a C4.

It s hard to easily parse where Koch s donations have gone. So far, most of the $254 million in grants made by Believe in People and CCKc4 over the three years through 2022 have gone to Stand Together. But that network is a maze of C3 and C4 nonprofits that also raise money from like-minded business people, making it difficult to track Koch s gifts to their final recipients. According to tax returns reviewed by**Forbes**(including draft filings for 2022), the grants made by Believe in People and CCKc4 are intended to be used for general operating support. Recipients are prohibited from spending the funds on ***politics***, though lobbying is permitted.

Meanwhile, Koch s Stand Together toutsthe legalization of marijuana in many states; the Right to Try Act of 2018, which helps terminally-ill patients get access to experimental drugs; and the rolling back of occupational licensing requirements in 12 states among its policy wins to date. In the early days of the pandemic, it partnered with payment firm Stripe s CEO and cofounderPatrick Collison, the city of Chicago and poverty-focused nonprofit UpTogether to provide cash assistance, moving more than $100 million into the bank accounts of families in need. It is also a significant financial backer of Khan Academy, a provider of free online educational courses that counts Bill Gates, venture capitalist John Doerr and Elon Musk among its other billionaire funders.

I've found them to be very thoughtful and genuine people who are trying to do good in the world, says Khan Academy s founder Sal Khan of the Kochs. Obviously not everyone on the planet will agree with every one of their vectors for how they want to do good. But I come back to San Francisco and say to my friends, Do you know who's doing a lot of work in criminal justice reform? The Kochs. And they're like, Really? Frankly, they're doing more there than almost anyone else I know of.

According to Koch, Stand Together is back to focusing on policy over ***politics*** after an experiment with partisanship failed to achieve his desired results. For example, a political action committee associated with Americans For Prosperity (AFP Action) is currently opposing both Trump and Biden, as part of a broader effort to register more voters and elect better candidates. While emphasizing that he doesn t make the decisions at AFP or AFP Action, Koch offers this shot: What I think is very dangerous, very destructive for our country is that both parties are becoming increasingly authoritarian.

Hooks, who has run Stand Together for Koch for nearly a decade, puts it this way: If you want to solve a problem, you ve often got to improve public policy. And if you want to improve public policy, it s important to be engaged in ***politics***, because politicians are the ones making the policy. But the work we re engaged in when it comes to ***politics***, while important, has never been more than 10% of what the Stand Together community has done.

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