

TIPS FOR TRACING TAX EXEMPTS

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The use of tax-exempt organizations to finance political or pseudo political activities has been going on since the late 1980s. But the abuse of these organizations continues in new and creative ways. Exempt status is created under the tax code -- usually under the 501(c)3 or 501(c)4 sections of the code -- and is meant to help charitable, religious or educational groups finance their activities. During the 1996 and 1998 elections, groups with exempt status were used to finance secretative groups that ran issue ads and engaged in other political activities.

1) Local television stations keep a log of who is buying air time for political ads during a campaign. That is a good place to start to find the names of the groups running ads in the races you're covering.

2) Once you have the name and location of the organization, you may request -- and the organization MUST provide -- a copy of its IRS Form 990. That will show how much money the group has raised (but not necessarily where it raised it), a breakdown of how it spent the money and a list of officers, directors, trustees and key employees.

3) Check the campaign contribution lists for the candidate being helped by the ads and also the lists for the corresponding party fundraising group such as the National Republican Congressional Committee and the Democratic Congressional Campaign Committee. That will show whether the candidate or the parties are giving money to the tax-exempt. The best example I've seen lately of how fruitful this can be was a story by Roll Call (12/6/99) that revealed that the NRCC had given a whopping \$500,000 to a tax-exempt group, a 501(c)4, run by Ed Buckham, a GOP consultant who with close ties to House Whip Tom DeLay. Buckham was DeLay's chief of staff.

4) The rest is gumshoe work. I've had luck calling the people listed on the 990 to find out more about what the organization is up to. In one case, a GOP lobbyist admitted that the group was more interested in taking members of Congress to lunch and on trips than in the educational activities listed on the 990 form.

5) Don't forget that the political opponents of whomever is being helped by the tax-exempt can be a good source of information, especially if they have someone assigned to do opposition research.

6) Analyze the content of the ads being run by the group to make judgments about whether it is political. Remember to note the clever ways that the ads avoid using the words "vote for" or "vote against", which would automatically make them suspect as political advertising.

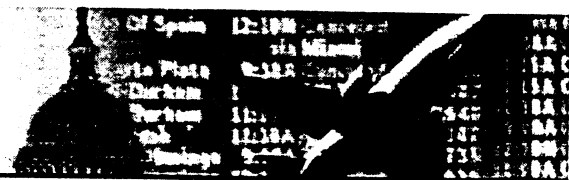
First Na	David W.	Purpose	1999 Aviation issues conference	Trans1	\$1,181.00	Meal1	\$485.00
Last Na	Hobbs			Trans2	\$1,181.00	Meal2	\$425.00
Position				Lodging	\$440.00	Other1	\$0.00
Spouse	Gretchen Hobbs			Lodging	\$0.00	Other2	\$0.00
Child				DateSig			
BeginD	1/7/99			Notes			
EndDat	1/12/99						
PDate1							
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Destinat	Kona			Committ			
State	HI			Member	Armey		
Country							
Sponsor	American Association of Airport Executives						
Sponsor							
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Leo Giacometto Trips

First Name	Last Name	Begin Date	End Date	Destination	State	Sponsor	Purpose	Total	Members
Leo	Giacometto	8/27/98	8/30/98	Fast Glacier & various sites in Wash.	MT	Burlington Northern Sante Fe	Congressional fact-finding trip	\$1,584.14	Burns
Leo	Giacometto	8/16/98	8/23/98	Western Sahara		Institute for Democratic Strategies	Congressional study mission of the Sahrawi refugee camps	\$1,652.00	Burns
Leo	Giacometto	7/17/98	7/18/98	Denver	CO	National Cattlemen's Beef Association	speaking engagement at conference	\$632.38	Burns
Leo	Giacometto	7/6/98	7/8/98	Denver	CO	U.S. West Columbia Resources Group	Fact-finding trip	\$1,600.00	Burns
Leo	Giacometto	6/29/98	7/1/98	Seattle	WA	U.S. Telephone Association	Fact-finding travel	\$1,582.00	Burns
Leo	Giacometto	6/7/98	6/9/98	Atlanta	GA	U.S. Telephone Association	Fact-finding trip	\$1,617.78	Burns
Leo	Giacometto	4/16/98	4/19/98	Hilton Head Island Fort Lauderdale &	SC	MCI Worldcom Integrated Waste	Congressional business program - featured speaker	\$1,586.00	Burns
Leo	Giacometto	2/17/98	2/19/98	Miami Beach	FL	Services Association	Congressional fact-finding trip	\$1,303.00	Burns
Leo	Giacometto	1/17/98	1/21/98	San Diego	CA	Dow Stereo and Video	Fact-finding trip	\$1,000.00	Burns
Leo	Giacometto	1/14/98	1/17/98	Dallas & San Francisco	CA	SBC Communications	Fact-finding trip	\$2,633.00	Burns
Leo	Giacometto	3/14/99	3/15/99	Corning	NY	Corning Inc.	fact-finding	\$1,049.10	Burns
Leo	Giacometto	2/4/99	2/7/99	Pebble Beach	CA	AT&T U.S. Telephone Association	fact-finding tour of the AT&T At Home network, toured AT&T Language Line	\$1,148.00	Burns
Leo	Giacometto	3/27/99	3/30/99	Jacksonville	FL	U.S. Telephone Association	fact-finding trip	\$1,418.00	Burns
Leo	Giacometto	5/21/99	5/23/99	Williamsburg	VA	U.S. Telephone Association	Fact-finding	\$845.00	Burns

Major Sponsors

The top 15 sponsors of trips for members of Congress or staff



Sponsor	Purpose	Trips	Total
The Aspen Institute, Washington, D.C.	Sponsors leadership seminars.	56	\$210,088
Chinese National Association of Industry & Commerce, Taipei, Taiwan	Taiwan's leading business lobby with close government ties.	50	\$203,450
Nuclear Energy Institute, Washington, D.C.	Promotes policies benefiting nuclear energy.	33	\$83,726
Tax Foundation, Washington, D.C.	Founded in 1937, this nonpartisan educational group provides information about tax policy.	9	\$58,391
Intelligent Transportation Society of America, Washington, D.C.	Promotes technology to improve transportation.	5	\$39,000
The Congressional Institute Inc., Washington, D.C.	A nonprofit educational organization with a board that includes Republican lobbyists.	79	\$38,651
Japan Center for International Exchange, Tokyo	Sponsors seminars for congressional staff and Japanese officials in Japan.	5	\$38,374
Singapore International Foundation, Singapore	Promotes Singapore trade and culture.	6	\$38,112
SBC Communications Inc., San Antonio, Texas	Second-largest U.S. telecommunications company, also provides overseas services.	11	\$36,159
U.S. Telephone Association, Washington, D.C.	Lobbies on behalf of local phone companies.	18	\$36,040
National Cotton Council, Memphis, Tenn.	Lobbies on behalf of cotton industry.	20	\$34,704
American Association of Airport Executives, Alexandria, Va.	Lobbies on behalf of the airport industry.	18	\$34,619
Ripon Educational Fund, Washington, D.C.	Promotes moderate Republican positions.	5	\$34,500
World Economic Forum, Geneva	Members include Fortune 500 companies.	5	\$33,517
Congressional Economic Leadership Institute, Washington, D.C.	A nonprofit foundation promoting economic issues; funded by labor unions and corporations.	10	\$33,146

Congressional Institute Trips

First Name	Last Name	BeginDate	EndDate	Destination	State	Purpose	Total	Member
Robert R.	Hood	1/15/98	1/16/98	Warrenton	VA	Environmental issues meeting	\$320.00	Gingrich
Martha	Morrison	2/9/98	2/11/98	Williamsburg	VA	Republican members' conference	\$540.00	Gingrich
Jay	Pierson	2/9/98	2/11/98	Williamsburg	VA	Republican members' conference	\$540.00	Gingrich
Christina	Martin	2/9/98	2/11/98	Williamsburg	VA	Legislative retreat	\$510.00	Gingrich
Arne	Christenson	2/9/98	2/11/98	Williamsburg	VA	Member retreat	\$510.00	Gingrich
Christy	Surprenant	2/9/98	2/11/98	Williamsburg	VA	Member retreat	\$540.00	Gingrich
Heather	Hopkins	2/9/98	2/11/98	Williamsburg	VA	Republican conference retreat	\$540.00	Gingrich
Lisa B.	Nelson	2/9/98	2/11/98	Williamsburg	VA	Leadership retreat	\$510.00	Gingrich
Robert R.	Hood	2/9/98	2/11/98	Williamsburg	VA	conference	\$540.00	Gingrich
David	Winston	2/9/98	2/11/98	Williamsburg	VA	Member of Congress retreat	\$510.00	Gingrich
Kathryn	Lehman	2/9/98	2/11/98	Williamsburg	VA	Member retreat	\$510.00	Gingrich
Mark G.	Peterson	2/9/98	2/11/98	Williamsburg	VA	Congressional retreat	\$510.00	Gingrich
John W.	Howard	2/9/98	2/11/98	Williamsburg	VA	Educational	\$540.00	Gingrich
Ellen D.	Jenkins	2/9/98	2/11/98	Williamsburg	VA	Leadership retreat staff	\$540.00	Gingrich
Susan B.	Hirschmann	2/9/98	2/11/98	Williamsburg	VA	Staff support for congressional retreat & planning session	\$510.00	DeLay
Scott	Hatch	2/9/98	2/11/98	Williamsburg	VA	Staff support for congressional retreat & planning session	\$510.00	DeLay
Scott B.	Palmer	2/9/98	2/11/98	Williamsburg	VA	House Republican retreat	\$510.00	DeLay
Arthur L.	Singleton	2/9/98	2/11/98	Williamsburg	VA	Williamsburg conference of GOP members	\$510.00	Archer
Ari	Fleischer	2/9/98	2/11/98	Williamsburg	VA	conference of GOP members	\$510.00	Archer
Tony C.	Rudy	2/9/98	2/11/98	Williamsburg	VA	House Republican retreat	\$540.00	DeLay
David E.	Bonior	4/30/98	5/1/98	Warrenton	VA	Meeting	\$366.00	Bonior
James E.	Derderian	2/9/98	2/11/98	Williamsburg	VA	Participate in policy planning conference	\$510.00	Billey
Nandan	Kenkeremath	1/15/98	1/16/98	Warrenton	VA	Environmental issues forum	\$320.00	Billey
Robert J.	Meyers	1/15/98	1/15/98	Airlie	VA	Environmental issues meeting	\$121.50	Billey
James W.	Dyer	2/9/98	2/10/98	Williamsburg	VA	Attend Republican conference	\$255.00	Livingston
Terry	Holt	2/9/98	2/11/98	Williamsburg	VA	Member retreat	\$510.00	Boehner
Joyce	Gates	2/9/98	2/11/98	Williamsburg	VA	House Republican retreat	\$540.00	Boehner
Barry	Jackson	2/9/98	2/11/98	Williamsburg	VA	Member retreat to discuss legislative agenda	\$510.00	Boehner
Christy	Evans	2/9/98	2/11/98	Williamsburg	VA	Member retreat to discuss legislative agenda	\$540.00	Boehner
Brenda	Benjamin	2/9/98	2/11/98	Williamsburg	VA	Member retreat	\$540.00	Boehner
Dwayne A.	Kratt	2/9/98	2/11/98	Williamsburg	VA	Member retreat	\$510.00	Boehner
Stephen	Rademaker	2/9/98	2/11/98	Williamsburg	VA	Conference	\$540.00	Gilman
Wayne	Struble	2/9/98	2/11/98	Williamsburg	VA	member retreat	\$510.00	Kasich
Gary L.	Parker	2/9/98	2/11/98	Williamsburg	VA	majority retreat	\$540.00	Leach
Catherine M.	Abernathy	2/9/98	2/11/98	Williamsburg	VA	participate and staff GOP conference w/Members	\$510.00	Thomas
Mary C.	McKenzie	2/9/98	2/11/98	Williamsburg	VA	Republican members' retreat	\$510.00	Talent
Colin A.	Chapman	2/9/98	2/10/98	Williamsburg	VA	House Republican policy conference	\$255.00	D. Young
Elizabeth R.	Meggins	1/15/98	1/15/98	Airlie	VA	to attend meeting	\$123.00	D. Young

Hawaii Trips

First Name	Last Name	Begin Date	End Date	Destination	State	Sponsor	Purpose	Total	Member
Ted	Stevens	4/13/98	4/17/98	Lanai	HI	The Aspen Institute	Participate in a conference on U.S.-China relations	\$6,769.00	Stevens
William V. Steven	Roth Elmendorf	4/13/98 8/26/98	4/19/98 8/28/98	Lanai Honolulu	HI HI	The Aspen Institute AFSCME	Participate in a conference on U.S.-China relations	\$8,271.00 \$1,549.00	Roth Gephardt
David W.	Hobbs	1/5/98	1/9/98	Maui	HI	American Association of Airport Executives	participation in conference	\$2,180.00	Armey
H. Benjamin	Hartley	1/5/98	1/9/98	Maui	HI	Airport Research & Development Foundation	Annual aviation issues conference	\$2,125.00	Archer
Norah H.	Moseley	1/4/98	1/7/98	Maui	HI	American Association of Airport Executives	Participation in conference on aviation issues	\$2,075.00	Archer
David R.	Obey	4/13/98	4/17/98	Lanai	HI	The Aspen Institute	Conference on U.S.-China relations	\$3,912.50	Obey
Daniel	Akaka	4/13/98	4/17/98	Lanai	HI	The Aspen Institute	Conference: U.S./China Relations	\$3,591.00	Akaka
Katherine A.	Ates	1/4/98	1/9/98	Maui	HI	American Association of Airport Executives	Attendee and panelist at aviation issues conference.	\$1,825.00	Rockefeller
Joseph R.	Biden Jr.	4/13/98	4/17/98	Lanai	HI	The Aspen Institute	Aspen Institute's conference on U.S.-China relations.	\$7,555.00	Biden
Brett	Hale	1/2/98	1/10/98	Maui	HI	American Association of Airport Executives	To participate in panel discussions and informal discussion groups regarding aviation issues facing the 105th Congress	\$2,060.00	Gorton
Frank	Murkowski	4/13/98	4/17/98	Lanai	HI	The Aspen Institute	conference participant on U.S.-China relations	\$7,645.79	Murkowski
Tony J.	Williams	1/3/98	1/9/98	Maui	HI	American Association of Airport Executives	Aviation issues conference	\$2,319.00	Gorton
Thomas E.	Zoeller	1/5/98	1/9/98	Maui	HI	American Association of Airport Executives	speaking/participant at annual conference	\$1,933.00	Ford
George	Miller	4/13/98	4/17/98	Lanai	HI	The Aspen Institute	to participate in a conference on U.S.-China relations	\$6,167.00	Miller
C. Edward	Rowe III	10/7/98	10/10/98	Maui	HI	National Association of Development Companies	speak to & participate in conference on lending & development	\$1,390.00	Talent
Howard L.	Berman	4/13/98	4/17/98	Lanai	HI	The Aspen Institute	participate in conference	\$5,662.00	Berman

Hawaii Trips

David	Traynham	1/4/98	1/10/98 Maui	HI	American Association of Airport Executives	Participate in aviation issues conference. (Both he & Heymsfeld are minority staff, but form signed by Shuster)	\$2,330.00 Shuster
James	Coon	1/4/98	1/10/98 Maui	HI	American Association of Airport Executives	Participate in aviation issues conference	\$2,145.00 Shuster
David	Schaffer	1/5/98	1/11/98 Maui	HI	American Association of Airport Executives	Participate in aviation issues conference	\$1,992.00 Shuster
Henry	Waxman	4/13/98	4/17/98 Lanai	HI	The Aspen Institute	Participate in conference on U.S.-China relations.	\$6,332.72 Waxman
David	Heymsfeld	1/5/98	1/9/98 Maui	HI	American Association of Airport Executives	Conference	\$2,300.00 Shuster
David W.	Hobbs	1/7/99	1/12/99 Kona	HI	American Association of Airport Executives	1999 Aviation issues conference to attend and to participate in the AAEE Issues conference	\$3,712.00 Arney
Sam	Spina	1/3/99	1/9/99 Kona	HI	American Association of Airport Executives	to attend and to participate in the AAEE Issues conference	\$1,260.00 Gorton
Brett	Hale	1/2/99	1/10/99 Kona	HI	American Association of Airport Executives	speaking to an industry-wide gathering of aviation executives regarding the upcoming "Year of aviation" in Congress	\$2,703.00 Gorton
David	Schaffer	1/4/99	1/10/99 Kona	HI	American Association of Airport Executives	to participate in airport conference discussion of policy issues for this year's congressional session	\$2,175.00 Shuster
Paul H.	Feldman	1/2/99	1/10/99 Kona	HI	American Association of Airport Executives		\$2,140.00 Shuster