## Forbes



**Robert W. Wood** THE TAX LAWYER

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## **Pulpit Freedom and Taxes**

Today is so-called <u>Pulpit Freedom</u> <u>Sunday</u>, which sounds a little odd on its face. Political rhetoric has been flying along with the more conventional religious variety. With religion and politics already too closely tied for many of us, it seems anachronistic to have pastors preaching which



candidates deserve your vote. Separation of church and state dates to our founders. Yet separation of church and political speech is more recent.

The 1954 version of the Internal Revenue Code added restrictions on 501(c)(3) organizations such as churches so they couldn't participate in political campaigns. For many of us who grew up knowing that rule, it seemed to make sense. The tax advantages churches and other charities receive are considerable.

Yet constitutional lawyers and scholars can and do debate whether this limitation on the speech and activities of churches is unconstitutional. The stick the IRS has is considerable, including the threat the tax exemption of churches could be revoked. The IRS does the best it can to fairly enforce the most complex tax system in the world. On the whole, it does a pretty good job.

But the IRS is in a pickle. For as you'll see in <u>The Political Pulpit</u>, the IRS

is criticized if it enforces the rules and if it doesn't. Perhaps the IRS, the churches and their free-speaking figureheads will find a way to compromise. However, this now annual foray into (more) religion-infused politics (or is that politics-infused religion?) may be more about whose pulpit is bigger.

Regardless of which side of the pulpit you're on, this not-so-little-pulpitpounding-I-dare-you-to-tax-me debate isn't over. There will be another sort of coming. Or perhaps <u>There Will Be Blood</u>.

For much more:

The Pulpit Initiative: Executive Summary

The Pulpit Initiative: FAQ

The Pulpit Initiative: White Paper

The Pulpit Initiative: What It Is – What It's Not

<u>Pulpit Perversion Sunday: The Religious Right's Partisan Scheme To</u> <u>Politicize Churches</u>

Pastors Who Play Politics from the Pulpit

Pastors to IRS: Come and Get Us

**Christian Crusade For Tax Benefits** 

Robert W. Wood practices law with Wood LLP, in San Francisco. The author of more than 30 books, including Taxation of Damage Awards & Settlement Payments (4th Ed. 2009, Tax Institute), he can be reached at Wood@WoodLLP.com. This discussion is not intended as legal advice, and cannot be relied upon for any purpose without the services of a qualified professional.