Federal and State Lobbying Laws: Is Your Organization in Compliance?

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Organizations need to be proactive in securing funds, which often involves advocacy and lobbying. While these terms are sometimes used interchangeably, they have distinct meanings. Advocacy involves supporting a cause, while lobbying seeks to influence legislation. Not-for-profit organizations can lobby, but they must follow specific guidelines to avoid IRS penalties. Additionally, state laws vary on lobbying definitions and registration rules.

Advocacy vs. Lobbying

Advocacy is promoting your organization's mission, and anyone in the organization can be an advocate. Lobbying, however, involves specific actions to influence legislation, such as contacting legislators or urging others to do so. Educational activities are not considered lobbying.

Federal Lobbying Laws

Non-profits can engage in lobbying but must ensure it is not a substantial part of their activities to maintain tax-exempt status. The IRS allows some lobbying, but too much can risk this status. Organizations can choose to register under the 1976 lobbying law using IRS Form 5768, which provides clear guidelines and limits on lobbying expenditures. The law allows lobbying up to a certain percentage of the organization's budget, with penalties for exceeding limits.

More information can be found at: **https://www.irs.gov/charities-non-profits/lobbying**

Massachusetts Lobbying Laws

Massachusetts expanded its lobbying definition to include activities like strategizing and planning if related to communicating with government officials. The law requires legislative and executive agents to register and report lobbying activities, with lowered thresholds for what is considered "incidental lobbying." Lobbyists must complete annual educational seminars and file detailed reports.

Not-for-profit board members are typically exempt from being classified as lobbyists, but boards must register if they spend over $250 on lobbying annually. For more information, refer to Massachusetts' lobbying law resources.

Massachusetts has a comprehensive educational and informational page at: **https://www.sec.state.ma.us/LobbyistWeb/Common/CertificationInformation.aspx**

To ensure that your organization remains compliant with both federal and state lobbying laws, it is crucial to stay informed and proactive. If you have any questions or need further assistance in navigating these regulations, please don't hesitate to reach out to our nonprofit team. We are here to help you understand the requirements and provide guidance on best practices for your advocacy and lobbying efforts.

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