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Office of the Chancellor
Diocese of Knoxville

Dear Priests, Deacons, Chancery Staff & School Leaders,

Election season is in high gear, with television commercials and proliferation of signs around the community. Campaign activity for numerous state and local elections in Tennessee will continue well into the fall. Therefore, it is a good time to review issues surrounding political campaign activity. At the specific request of Bishop Beckman, I offer you the following for your compliance:

An exemption from paying income tax and allowing donations to be tax deductible has always been interpreted as a “privilege” and not a right. As with any privilege, the benefits afforded a tax-exempt organization can be amended or completely revoked. In order to retain the privileges afforded a 501(c)(3) organization, an organization must abide by the rules applicable to that privilege.

One of the primary rules is an absolute prohibition that 501(c)(3) organizations not **“participate in or intervene in (including the publishing or distributing of statements) and political campaign on behalf of (or in opposition to) any candidate for public office.”**

Therefore, an organization enjoying the benefits of a 501(c)(3) organization has a choice to either enjoy the benefits of their exempt status or engage in political campaign intervention. Therefore, courts have not been sympathetic to any claims of First Amendment, Free Speech or Religious Freedom when this privilege is revoked due to a violation of this absolute prohibition against political intervention.

Since the exempt status of organizations located within the Diocese originates by virtue of being listed in the Official Catholic Directory, a listing authorized and endorsed by the Diocese of Knoxville, the Diocese has chosen to accept the privileges afforded tax exempt entities, as opposed to, participating and intervening in political campaigns for or against a candidate for public office. **The IRS interprets the political campaign intervention prohibition as absolute, meaning that a single act can cause an organization to lose its tax exemption, regardless of whether the act constitutes a substantial part of the organization’s activities.**

With campaigning in full swing, we want to strongly advise everyone that there should be no activity which can be interpreted as supporting or opposing a particular candidate for public office. There are multiple examples of specifically prohibited political activity including:

1. There should be no campaigning or campaign materials in any form at any event on a tax-exempt entity’s property or at an event sponsored by an exempt entity.
2. If a candidate for office attends a function open to the public, such as a picnic, fish fry, gala or fundraising event, there should be no campaigning, distribution of voter materials, campaign materials, etc. allowed.

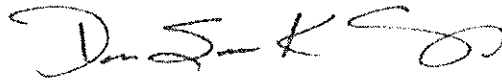
3. If a parish maintains a bulletin, website or news release, there should be no references to candidates either gratis or paid advertising.
4. Yard signs, bumper stickers, etc. for or against a particular candidate or any other type of campaign materials should not be allowed on an exempt entity's property.
5. Photos with a candidate, receptions honoring candidates, allowing a candidate to speak on an exempt entity's property or at an event sponsored by an exempt entity are also strictly prohibited.
6. **Very simply, anything which could be interpreted as supporting or opposing a candidate is strictly not allowed.**

We are fully aware that some candidates may be parishioners, alumni or a great supporter of a parish, school or one of our other organizations and ministries. However, for purposes of the prohibition against any political intervention activity for or against a candidate, these individuals cannot be treated any differently from any other candidate for office. This includes wearing the "vote for me" lapel button when a candidate attends a function, helps build a playground or helps as a volunteer.

Finally, the absolute prohibition against any activity supporting or opposing a *particular candidate* should not be confused with the freedom to, and perhaps obligation to, speak out on *moral issues in a campaign*. A few examples are anti-abortion and pro-life positions, the need for affordable housing, school choice, non-discrimination, anti-violence, and a host of other moral positions embedded in the Social Teachings of the Catholic Church.

Should you have any questions, do not hesitate to contact me at 865-584-3307 or ssmith@dioknox.org. Thank you for your timely attention to this matter!

Your Brother in Christ,



Deacon Sean K. Smith
Chancellor