



## NEW HAMPSHIRE CHARITABLE FOUNDATION

### GUIDANCE FOR TRACKING AND REPORTING LOBBYING GRANTS

The New Hampshire Charitable Foundation, like other 501(c)(3) organizations, is able to undertake lobbying activities, but is required to track and report to the IRS those Foundation expenditures which are for lobbying purposes. These expenditures include any of our grants that are earmarked, in whole or in part, for lobbying activities. When you submit your application, you will be asked if any part of your grant will be used to support lobbying activities, and if so, how much. This document provides guidance on how you determine and estimate the portion of your grant that will be used for lobbying activities.

Lobbying activities within the IRS definition include activities for the purpose of attempting to influence specific legislation. However, not all policy advocacy falls within the IRS definition of lobbying. For example, various forms of public education, research and information dissemination, policy analysis, coalition building, etc. may not be lobbying within the IRS definition.

Within reportable lobbying grants, nonprofits are required to track and report both **direct** and **grassroots** lobbying activities separately, distinguished as follows:

**DIRECT:** Communication with any member or employee of a legislative body or any government official who may participate in the formulation of legislation, if the purpose of the communication is to influence legislation.

**GRASSROOTS:** Attempting to affect the opinions of the general public by referring to specific legislation, reflecting a view on that legislation and encouraging the public to take action about the specific legislation.

Please advise how the Foundation should report the above grant - specifically what percentage and dollar amount of the grant will be used for lobbying purposes. Within this percentage, then, please also advise what portion of the grant will be designated for direct lobbying, and what portion for grassroots lobbying activities, respectively. Please report this in dollar amounts.

For example, a \$25,000 grant, half of which will be used for lobbying activities, of which you anticipate that three-fourths will be direct lobbying and one-fourth grassroots lobbying, as defined by the IRS, would be reported to us as follows:

Lobbying portion of the grant	=	\$12,500
Direct lobbying portion	=	\$9,375
Grassroots lobbying portion	=	\$3,125

If you have further questions regarding this reporting requirement, please contact us. For more guidance on lobbying rules for nonprofits see:

[Public Charities Can Lobby](#)

[Lobbying Guidelines for Public Charities](#)

[NH Center for Nonprofits – Advocacy Rules of Engagement](#)

[Center for Lobbying in the Public Interest FAQs](#)