

JUSTICE NEWS

Department of Justice

Office of Public Affairs

FOR IMMEDIATE RELEASE

Thursday, October 26, 2017

Attorney General Jeff Sessions Announces Department of Justice has Settled with Plaintiff Groups Improperly Targeted by IRS

Attorney General Jeff Sessions announced today that the Department of Justice has entered into settlements, pending approval by the district courts, in two cases brought by groups whose tax-exempt status was significantly delayed by the Internal Revenue Service based on inappropriate criteria. The first case, *Linchpins of Liberty v. United States*, comprised claims brought by 41 plaintiffs, and the second case, *NorCal Tea Party Patriots v. Internal Revenue Service*, was a class action suit that included 428 members. Attorney General Sessions released the following statement about the cases:

“Chief Justice John Marshall wrote ‘that the power to tax involves the power to destroy ... [is] not to be denied.’ And it should also be without question that our First Amendment prohibits the federal government from treating groups differently based solely on their viewpoint or ideology.”

“But it is now clear that during the last Administration, the IRS began using inappropriate criteria to screen applications for 501(c) status. These criteria included names such as “Tea Party,” “Patriots,” or “9/12” or policy positions concerning government spending or taxes, education of the public to “make America a better place to live,” or statements criticizing how the country was being run. It is also clear these criteria disproportionately impacted conservative groups.”

“As a result of these criteria, the IRS transferred hundreds of applications to a specifically designated group of IRS agents for additional levels of review, questioning and delay. In many instances, the IRS then requested highly sensitive information from applicants, such as donor information, that was not needed to make a determination of tax-exempt status.”

“The IRS’s use of these criteria as a basis for heightened scrutiny was wrong and should never have occurred. It is improper for the IRS to single out groups for different treatment based on their names or ideological positions. Any entitlement to tax exemption should be based on the activities of the organization and whether they fulfill requirements of the law, not the policy positions adopted by members or the name chosen to reflect those views.”

“There is no excuse for this conduct. Hundreds of organizations were affected by these actions, and they deserve an apology from the IRS. We hope that today’s settlement makes clear that this abuse of power will not be tolerated.”

[*Linchpins of Liberty, et al., v. United States of America, et al.*, No. 1:13-cv-00777-RBW in the United States District Court for the District of Columbia]

[*NorCal Tea Party Patriots v. Internal Revenue Service, et al.*, No. 1:13-cv-00341 in the United States District Court for the Southern District of Ohio]

Component(s):

Office of the Attorney General

Press Release Number:

17-1200

Updated October 26, 2017