



FORMAT FOR
PRINTING
sponsored by



March 10, 2008

PAGE ONE

Obama Pastors' Sermons May Violate Tax Laws

Famous Parishioner
Disavows Himself
From Partisan Tilt

By SUZANNE SATALINE
March 10, 2008; Page A1

On Christmas morning, Rev. Jeremiah Wright Jr. compared presidential candidate Barack Obama's impoverished childhood to Jesus Christ's. "Barack knows what it means to be a black man living in a country and a culture that is controlled by rich white people," he then trumpeted. "Hillary [Clinton] can never know that."

Mr. Wright wasn't at a convention or a campaign stop. He was standing at the pulpit before the mostly African-American congregation of Chicago's Trinity United Church of Christ, where Sen. Obama has worshiped for more than 20 years.

THOU SHALT VOTE FOR...

- **The News:** Sen. Barack Obama's Chicago church has been promoting him -- and criticizing his rival Hillary Clinton -- from the pulpit.
- **The Issue:** Has the church violated federal law that restricts a church's political activity?
- **What's At Stake:** The church's tax-exempt status and its ability to raise money.

Mr. Wright, who will be ending his 36-year tenure as the church's senior pastor in June, has previously been criticized for comments deriding President George Bush and lauding Louis Farrakhan of the Nation of Islam. Now Mr. Wright's and his successor's repeated enthusiastic promotion of their famous parishioner may be running afoul of federal tax law, which says churches can endanger their tax-exempt status by


endorsing or opposing candidates for public office.

Sen. Obama's campaign issued a statement saying that he has repeatedly stressed that personal attacks "have no place in this campaign or our politics, whether they're offered from a platform at a rally or the pulpit of a church." The statement also said he "does not think of the pastor of his church in political terms. Like a member of his family, there are things he says with which Senator Obama deeply disagrees." Mr. Wright declined to comment.

Trinity's national parent, the United Church of Christ, recently disclosed that it's being investigated by the Internal Revenue Service for a speech Sen. Obama gave to 10,000 people at a church conference in June in Hartford, Conn., in which he mentioned his candidacy and parts of his platform, namely health-care reform.

Scholars and attorneys say that a growing number of congregations are delving into issue

DOW JONES REPRINTS

 This copy is for your personal, non-commercial use only. To order presentation-ready copies for distribution to your colleagues, clients or customers, use the Order Reprints tool at the bottom of any article or visit:
www.djreprints.com.

- [See a sample reprint in PDF format.](#)
- [Order a reprint of this article now.](#)

advocacy and partisan politics, a trend dating back to the 1980s, when the religious right enlisted churches to fight abortion. An increasing number of complaints to the IRS over church politicking have triggered agency probes into both liberal and conservative religious groups. A Baptist church in California has acknowledged it's under IRS scrutiny after a watchdog group complained that the church backed Republican Mike Huckabee in his recently ended bid for the White House.

"There have never been more audits than in the last three or four years" involving churches, says Marcus Owens, an attorney who represents some congregations and is a former director of the IRS's exempt-organizations division. But while the agency has issued dozens of warning letters aimed at halting advocacy for political candidates, it has only twice revoked a church's tax-exempt status since the tax law was amended in 1954, a spokeswoman said.



Barack Obama

Under the law that governs tax-exempt organizations, churches are allowed to support causes or ballot initiatives such as laws to ban same-sex marriage. They also can hold a candidates' night for all office-seekers in a race. But according to guidance provided on the IRS's Web site, churches are "absolutely prohibited from directly or indirectly participating in, or intervening in, any political campaign on behalf of (or in opposition to) any candidate for elective public office."

The prohibition is aimed at preventing government subsidies -- in the form of tax breaks -- from going to organizations that support political parties. Other types of nonprofits are permitted to engage in partisan political activity but have more limited tax protections. For instance, their financial supporters aren't allowed to claim tax deductions for their donations.

With 6,000 members, Trinity is the largest United Church of Christ congregation. The church is centered in a poor Chicago neighborhood, near public housing and down the road from Cut Rate Food & Liquors, which posts a sign reading "No drug dealing." A review by The Wall Street Journal of 13 sermons at Trinity seen live or through church-recorded DVDs since late December found nine instances of ministers at Trinity appearing to promote Sen. Obama's candidacy.

From the Pulpit

Some of the sermons mentioned Sen. Clinton or her husband in unflattering ways. During that Christmas morning sermon, Mr. Wright declared that Hillary Clinton "ain't had to work twice as hard just to get accepted by the rich white folk who run everything or to get a passing grade when you know you are smarter than that 'C' student sitting in the White House." On Jan. 13, Mr. Wright told the Trinity congregation that some people say, "Hillary is married to Bill and Bill [has] been good to us." Mr. Wright continued, "No, he ain't!" Sen. Clinton's campaign didn't respond to requests for comment.

Church and State

Alleged cases of political campaign interventions by tax exempt organizations selected by the IRS for examination in 2006*

Number Selected	Allegation
16	Allowed a candidate to speak at an official function
15	Posted a sign on its property endorsing a candidate
14	Distributed printed documents supporting candidates

Ellen Aprill, an associate dean at Loyola Law School in Los Angeles and a former adviser to the Treasury Department on matters including nonprofit tax law, says she believes those sermons are "clearly a violation. They're naming names."

Donald Tobin, an associate dean at Ohio State University law school, who formerly worked for the Justice Department on nonprofit tax matters, adds that nonprofits cannot make endorsements or engage in a "pattern and practice that is designed to support one candidate over another." After being read sections of the Trinity sermons by the Journal, he said, "There does seem to be a pattern of attempting to tip the scales in a way for Barack Obama. And churches shouldn't be doing that."

Allusions to Candidate

In some instances, the church's ministers alluded to Sen. Obama without naming him. During a Trinity sermon observed by a Journal reporter on March 2, the Rev. Otis Moss III, the pastor, preached, "There was a non-Babylonian, a young man who heard the word of God and said, 'I have the audacity to hope!' Now the whole nation says, 'Yes, we can! Yes, we can! Yes, we can!'"

"Because that phrase is so identified with Barack Obama and because he is a member of the congregation, it's possible that it could be interpreted as an implicit endorsement," Ms. Aprill says. Mr. Moss didn't return calls seeking comment.

Congregants are hearing more about politics during worship services than they did decades ago, scholars say. A 2006 poll of 3,000 churchgoers found that about a third of Roman Catholics and white evangelicals and 42% of black Protestants said politics and social issues had been discussed from the pulpit at least "once every month or two," according to David Campbell, a political science professor at the University of Notre Dame, who commissioned the survey for a book he is helping to write on churches' civic life.

Americans United for Separation of Church and State, a Washington, D.C., nonprofit, says it has filed 13 complaints with the IRS in the past year over alleged church politicking. They include allegations that churches made endorsements from the pulpit or on church stationery for Sen. Obama or Mr. Huckabee, says Rob Boston, a spokesman. One of those complaints involves First Southern Baptist Church in Buena Park, Calif., which has acknowledged that it's under federal investigation. The ministry endorsed Mr. Huckabee on its stationery and its Internet radio program, Americans United said.

Current Investigations

The IRS won't disclose how many congregations it is currently investigating. Last July, the agency reported that it was reviewing complaints involving 44 churches and 56 other nonprofits related to the 2006 election cycle and had, at that point, found 26 cases of improper political activity. The agency examined 110 cases during the 2004 elections, issuing 69 advisories, akin to warning letters, and revoked the tax-exempt status of five nonprofits, none of them churches.

Revoked Status

Since Congress amended the tax law in 1954 to restrict campaign activity by nonprofits, only two churches have had their tax-exemptions revoked, according to the IRS. The most recent case involved Branch Ministries Inc., which ran a church in Binghamton, N.Y., and placed full-page ads in two newspapers in 1992 urging Christians not to vote for then-candidate Bill Clinton. The IRS decision was upheld on appeal.

Losing tax-exempt status would be a serious blow to any church. It likely would be subject to income taxes and not be able to solicit tax-deductible contributions. Any IRS investigation -- even

if it doesn't lead to any action -- can embroil a church in months, sometimes years, of costly legal battles.

Write to Suzanne Sataline at suzanne.sataline@wsj.com¹

URL for this article:

<http://online.wsj.com/article/SB120511457633523621.html>

Hyperlinks in this Article:

(1) <mailto:suzanne.sataline@wsj.com>

Copyright 2008 Dow Jones & Company, Inc. All Rights Reserved

This copy is for your personal, non-commercial use only. Distribution and use of this material are governed by our [Subscriber Agreement](#) and by copyright law. For non-personal use or to order multiple copies, please contact Dow Jones Reprints at 1-800-843-0008 or visit www.djreprints.com.

RELATED ARTICLES FROM ACROSS THE WEB

Related Content may require a subscription | [Subscribe Now -- Get 2 Weeks FREE](#)

Related Articles from WSJ.com

- [Obama, His Pastor and The Democrats' Religion Problem](#) Mar. 21, 2008
- [Obama Speech on Race Seeks To Repair Damage to Campaign](#) Mar. 18, 2008
- [Notable & Quotable](#) Mar. 17, 2008
- [Obama and the Minister](#) Mar. 14, 2008

Related Web News

- [OBAMA'S SPEECH HOLDS OUT POSSIBILITY OF TRANSCENDING RACE](#) Mar. 21, 2008 [news.yahoo.com](#)
- [Senator asks IRS to explain inquiry of church over Obama speech](#) Mar. 20, 2008 [boston.com](#)
- [The Origin of Obama's Pastor Problem](#) Mar. 20, 2008 [time.com](#)
- ['Awesome pastor' at Trinity draws mixed views locally - politics - inRich.com](#) Mar. 20, 2008 [inrich.com](#)

More related content

Powered by [Sphere](#) 