



AMERICANS FOR LIMITED GOVERNMENT

9900 MAIN STREET SUITE 303 · FAIRFAX, VA 22031 · PHONE: 703.383.0880 · FAX: 703.383.5288 · WWW.GETLIBERTY.ORG

May 14, 2013

The Honorable Harry Reid
Senate Majority Leader
522 Hart Senate Office Building
Washington, DC 20510

The Honorable Mitch McConnell
Senate Minority Leader
317 Russell Senate Office Building
Washington, DC 20510

Dear Senator Reid and Senator McConnell,

On behalf of Americans for Limited Government (ALG), I am writing to urge that you demand Attorney General Eric Holder name a special counsel to investigate allegations that the Internal Revenue Service (IRS) targeted almost 300 non-profit citizen groups, including a significant number of tea party groups, and also Jewish groups.

Only an independent, special prosecutor can get to the bottom of this in a fair and impartial manner. The Senate majority cannot be trusted to carry out this investigation. A Sept. 28, 2010 letter from Senate Finance Committee Chairman Sen. Max Baucus to then-IRS commissioner Douglas Shulman demanded deeper scrutiny by the agency of 501(c) organizations' political activities.¹

Specifically, the letter called on Shulman to "survey major 501(c)(4), (c)(5) and (c)(6) organizations involved in political campaign activity to examine whether they are operated for the organization's intended tax exempt purpose and to ensure that political campaign activity is not the organization's primary activity" and to "to determine whether they are acting as conduits for major donors advancing their own private interests regarding legislation or political campaigns, or are providing major donors with excess benefits."

Considering the invasive questions the IRS was asking the targeted organizations, it appears that Sen. Baucus got exactly what he asked for, which was a witch-hunt. He instructed Shulman that "Possible violation of tax laws should be identified as you conduct this study. Please report back to the Finance Committee as soon as possible with your findings and recommended actions regarding this matter."

Baucus specifically referenced a Sept. 16, 2010 *Time* article, "The New GOP Money Stampede" reporting that "Democrats fear [what] could be a \$300 million Republican spending blitz this year."² The story detailed allegations that local tea party groups were actually "shadow Republican groups formed by longtime party officials." The article referenced the tea party, but also American Crossroads, American Action Network, the U.S. Chamber of Commerce as forming a wider campaign front for the 2010 Republican election campaign effort, financed "in the form of secret undisclosed contributions."

Baucus also referenced "a group transforming itself into a non-profit under 501(c)(4) of the tax code," ensuring, as the *Time* article put it, that the group would "not have to publicly disclose any information about its donors." That "group" Baucus referenced was actually Crossroads GPS.

In fact, the *Time* article Baucus so prominently referenced was all about the financing of Republican election efforts and right of center political and advocacy organizations. It did not scrutinize

¹ http://www.politico.com/static/PPM176_100929_irs.html

² <http://www.time.com/time/printout/0,8816,2019611,00.html>

any left-wing groups. Nor did Baucus include in his letter to Shulman any footnotes to articles that detailed Democrat campaign activities or left of center groups. The implicit task was to investigate the political right from start to finish. And that's exactly what the IRS did to the letter.

Sen. Baucus had the audacity to release a statement yesterday suggesting "Targeting groups based on their political views is not only inappropriate but it is intolerable," when he himself had a role in this scandal. He promised a "full investigation into this matter by the Senate Finance Committee."

But Senate Democrats were complicit in the IRS scandal targeting the tea party and other groups, per Baucus' explicit letter to Shulman. The Senate majority must therefore recuse itself from any ensuing investigation in order to ensure that the public's trust in the inquiry's findings is not tainted.

Your only good option is to stand together, lock arms, and demand that Attorney General Eric Holder name a special counsel to investigate this scandal for any wrongdoing. Just as the Senate majority cannot be trusted to investigate its own complicity in this affair, neither can the Obama Administration.

These targeted attacks by the IRS were not about restoring "transparency" to our political process, they were a part of a brazen partisan assault using the instrumentalities of the state to harass political opponents and stifle dissent to achieve a partisan end. It is beyond Nixonian in its flagrant disregard for the rule of law. Only a special counsel can get to the bottom of this.

Thank you for your time and consideration.

Sincerely,

A handwritten signature in black ink that reads "Nathan Paul Mehrens". The signature is written in a cursive style with a large initial 'N' and 'M'.

Nathan Paul Mehrens
President
Americans for Limited Government

CC: Members of the U .S. Senate, Members of the U.S. House, and select media outlets