

IRS Turns A Blind Eye To Unions' Political Expenditures

September 5, 2014 | [Unions And Union Membership, Labor And Employment](#)



Keith J. Brodie
Partner

The Internal Revenue Services (IRS) scandal regarding the targeting of conservative political groups took another turn this week. As email traffic from the embattled Lois Lerner continues to surface, recent emails demonstrate that the IRS (and Ms. Lerner) knew of drastic discrepancies between the sums labor unions were reporting on their Department of Labor form LM-2 and the same unions Form 990 required by the IRS. It appears Ms. Lerner turned a blind eye to such discrepancies (including that the Teamsters Union reported no political expenditures to the IRS, but reported \$7,081,965 on its LM-2 and the National Education Association similarly reported no political expenditures to the IRS but reported \$24,985,250 on its LM-2). One may recall that part of the justifications for targeting certain conservative groups was the fact that they were involved significantly in political expenditures, activity the IRS deemed might impair or jeopardize tax-exempt status. Now adding fuel to the fire, it appears there was not necessarily a level playing field, as the traditionally Democratic supporting unions were not subject to the same scrutiny. Fox News provides additional coverage of this issue [here](#).

RELATED PRACTICE AREAS

Collective Bargaining
Labor and Employment
Labor Relations
Union Avoidance