



DEPARTMENT OF THE TREASURY
INTERNAL REVENUE SERVICE
WASHINGTON, D.C. 20224

JUL 17 2012

Fred Wertheimer, President
Democracy 21
2000 Massachusetts Ave., NW
Washington, DC 20036

J. Gerald Hebert, Executive Director
Campaign Legal Center
c/o Democracy 21
2000 Massachusetts Ave., NW
Washington, DC 20036

Dear Messrs. Wertheimer and Hebert:

I am responding to your letter dated March 22, 2012, which supplemented your letter dated July 27, 2011, urging the IRS to institute a rulemaking proceeding to address the rules related to political activity by organizations exempt under section 501(c)(4) of the Internal Revenue Code.

The IRS is aware of the current public interest in this issue. These regulations have been in place since 1959. We will consider proposed changes in this area as we work with the IRS Office of Chief Counsel and the Treasury Department's Office of Tax Policy to identify tax issues that should be addressed through regulations and other published guidance.

I hope this information is helpful. If you have any questions, please contact Andrew F. Megosh, Jr. (Identification Number 1000221546) at (202) 283-8942.

Sincerely,

A handwritten signature in cursive script, appearing to read "Lois G. Lerner".

Lois G. Lerner
Director, Exempt Organizations