

**From:** Chip DeMoss - Compact for America <Chip.DeMoss@compactforamerica-action.org>  
**Sent:** Sunday, March 26, 2017 4:53 PM  
**To:** 'foavc'  
**Cc:** Nick Dranias  
**Subject:** RE: Formal Request for public tax form  
**Attachments:** CFA - 2012 Form 990N e postcard filing.pdf; CFA - 2013 Form 990N e postcard filing.pdf; CFA - 2014 Form 990N e postcard filing.pdf; CFA - 2015 Form 990N e postcard filing.pdf

Bill – here are the tax returns from Compact for America, Inc., a 501(c)4 entity.

## CHIP DEMOSS

CEO

**Compact for America, Inc.**

2323 Clear Lake City Blvd, Suite 180-190

Houston, Texas 77062


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Fax 281-946-8177

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 Follow Chip on Twitter

The only Compact for America entity authorized to influence legislation either directly or by way of grassroots calls to action without regard to any technical advisory services contract is Compact for America, Inc. ("Compact for America Action"), which is a not-for-profit tax-exempt social welfare organization under section 501(c)(4) of the Internal Revenue Code and recognized as such by the Internal Revenue Service. Compact for America Educational Foundation, Inc., which is a not-for-profit tax-exempt educational charity under section 501(c)(3) of the Internal Revenue Code and recognized as such by the Internal Revenue Service, is an entirely distinct entity from Compact for America Action and is making every effort to ensure its operations are not confused with those of Compact for America Action. This email is not authorized by Compact for America Educational Foundation, Inc. Any distribution of this message by any person who is not the intended recipient is strictly prohibited. If you have received this message in error, do not read it. Please immediately notify the sender and delete it. Thank you.

**From:** foavc [mailto:foavc@isomedia.com]  
**Sent:** Sunday, March 26, 2017 6:01 PM  
**To:** 'Chip DeMoss - Compact for America' <Chip.DeMoss@CompactforAmerica.org>  
**Cc:** 'Paulette Rakestraw' <paulette.rakestraw@compactforamerica-action.org>; 'Mead Treadwell' <mead.treadwell@compactforamerica-action.org>; 'Nick Dranias' <Nick.Dranias@CompactforAmerica.org>  
**Subject:** RE: Formal Request for public tax form

I appreciate the prompt response if unsatisfactory response. As to the search engine used it was the IRS file used by you to track down the fact that at least your organization is in fact registered with the IRS. I also examined your GuideStar information and was impressed by its "Gold Star" rating. As to the tax number redaction I have no explanation, naturally. Obviously someone in your organization had some concern. Thank you for providing it with an un-redacted letter. As to the rest of your reply which I assume you refuse to provide the requested tax forms or assume that showing only part of the information suffices for a response.

I urge you to reconsider your response. As an "official governmental body" you are required to provide the information requested either in the form of tax records or public records. There is no such thing as a private official government body which can refuse to provide information and certainly a "technical services agreement" does not relieve or excuse your organization from these requirements. Moreover while state laws may have created this commission to which you refer, the fact remains the compact has not be approved by Congress. A compact being federal, requires federal approval before it takes effect. Also a recent Supreme Court ruling mandated that before a compact can be legally created it must first receive approval by Congress then be supported in the states. All this said, I will assume you have no intention of

**foavc**

---

**From:** Nick Dranias <nick.dranias@compactforamerica.org>  
**Sent:** Monday, March 27, 2017 6:17 AM  
**To:** foavc  
**Subject:** RE: Formal Request for public tax form

Thanks Bill, we pride ourselves with strict compliance with all applicable law and maximum transparency. Nick

**From:** foavc [mailto:foavc@isomedia.com]  
**Sent:** Monday, March 27, 2017 6:01 AM  
**To:** Chip DeMoss <chip.demoss@compactforamerica.org>  
**Cc:** Nick Dranias <nick.dranias@compactforamerica.org>  
**Subject:** RE: Formal Request for public tax form

Thank you for your cooperation in this matter.

Bill Walker  
Co-Founder FOAVC  
[www.foavc.org](http://www.foavc.org)

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**From:** Chip DeMoss - Compact for America [mailto:Chip.DeMoss@CompactforAmerica.org]  
**Sent:** Sunday, March 26, 2017 9:41 PM  
**To:** 'foavc'  
**Subject:** RE: Formal Request for public tax form

Bill – regarding the forms you requested:

- Form 5768 – see page 44 of the Exempt Organization application
- Form 8871 – not applicable for a 501(c)3 charitable organization
- Form 8872 – not applicable for a 501(c)3 charitable organization
- Schedule C
  - 2014 – see page 27 of the return
  - 2015 – see page 27 of the return

The two returns and the Exempt Organization Application are the entirety of communications with the IRS. There are no other filings we have made – you have everything we have and everyone has access to them on our website.

Regards,

**CHIP DeMOSS**

**CEO**

**Compact for America Educational Foundation, Inc.**  
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**From:** foavc [<mailto:foavc@isomedia.com>]

**Sent:** Sunday, March 26, 2017 9:10 PM

**To:** 'Chip DeMoss - Compact for America' <[Chip.DeMoss@CompactforAmerica.org](mailto:Chip.DeMoss@CompactforAmerica.org)>

**Cc:** 'Nick Dranias' <[Nick.Dranias@CompactforAmerica.org](mailto:Nick.Dranias@CompactforAmerica.org)>

**Subject:** RE: Formal Request for public tax form

Mr. DeMoss,

I have no "beef" as you put it with CFA. Even if I did my request has nothing to do with the political issues of your organization. I have read the letter which I am reattaching for your review in case the wrong file was sent. The letter clearly states it is answering a general question and NOT making a ruling regarding your particular organization. The letter also mentions forms required to be filled out for such a determination. If you have them, in order to settle the question based on evidence, I ask you provide them. Otherwise I will assume for the purposes of future publication that you have no such material and that therefore are not exempt as you state. My formal requests for all tax forms remains intact.

I fully aware of your compact's conditions and so forth. Indeed after examining your site in comparison with the FOAVC site in so far as factual information based on public record and information published I think a case can be made FOAVC has published more factual records on CFA than your own site has. True, it is a slick looking site. But a careful examination shows it covers a great deal of speculation impermissible when discussing actual facts of law and record. I appreciate that you have rapidly sent 990 forms whatever condition they may be. However and this is most important, you will notice that I requested other forms such as forms (quoting my original email): "(including all addendums, attachments and all other paperwork submitted to the IRS), all Schedule C forms or any other public disclosure forms submitted with the Form 990 or separately submitted to the IRS which by law are required to be subject to public disclosure under ALL alias used or employed by your organization. In addition we request copies of any 5768, 8871 or 8872 forms filed for any year (all subject to public disclosure under federal law) be turned over to us again under all alias used or employed by your organization. Further we request all worksheets and any other information regarding your 501(c)(3) status permitted by federal law for public disclosure under all alias used or employed by your organization. In short we are asking for every tax record you have permitted by federal law to be released under the public disclosure laws." You have not produced copies of forms 5768, 8871, or 8872. Nor have you produced any Schedule C information.

I am not accusing you of deliberate deception. I am merely pointing out that under federal income tax law failure to have filed these forms can have detrimental effect on your organization. I do not want to be in the position of not giving you every opportunity to provide these documents all of which are public disclosure forms without presenting you every opportunity to do so. As to the rest of the information you are supplying, I do appreciate it, however in regards to the specific subject, income tax returns, now being discussed as no mention is made of that subject in that response, I must conclude it is irrelevant information. Besides we already have it on the FOAVC website so it is also redundant. But thank you again for the material you have transmitted. I look forward to seeing the above described forms also transmitted in a timely fashion. Thank you.

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**From:** Chip DeMoss - Compact for America [<mailto:Chip.DeMoss@CompactforAmerica.org>]  
**Sent:** Sunday, March 26, 2017 4:51 PM  
**To:** 'foavc'  
**Cc:** Nick Dranias  
**Subject:** RE: Formal Request for public tax form

Bill – we are not really sure what your beef is with the Foundation. The IRS has already approved us exactly as the application states – nothing more, nothing less. And I am not really sure what other tax forms for the Foundation you are referring to. The Foundation was formed in 2014. We have provided you with the link to the 2014 & 2015 tax returns, the 2014 and 2015 audited financials, and the Exempt Organization application filed in 2014. I have also attached the IRS letter that addresses that governmental units are exempt from taxation and do not file returns.

I will send you a separate email with the c4 postcard returns.

Regarding Congressional consent of the Compact – here are the applicable questions and responses from our legal team’s FAQ. The legal team includes Ilya Shapiro of Cato Institute, Nick Dranias of the Foundation and formerly of Goldwater Institute, John Eastman of Chapman University Law School, Judge Harold R. DeMoss, Jr. of the US. Fifth Circuit Court of Appeals (Ret.), Greg Snowden – President Pro Tempore of the Mississippi House of Representatives, Kevin Gutzman of Western Connecticut State University, and Shane Krauser of the American Academy for Constitutional Education. As you will see, nothing happens in the Compact until Congress agrees to call the contemplated convention in accordance with the terms and provisions of the Compact.

**6. Are the States prohibited from joining the Compact before Congress impliedly consents to it in the counterpart congressional resolution?**

No. Although Article I, Section 10, of the U.S. Constitution provides that states may not enter into compacts without the “consent” of Congress, the Supreme Court has held for nearly 200 years that congressional consent to interstate compacts can be given expressly or impliedly, both before or after the underlying agreement is reached.<sup>39</sup> While it is true that the Compact Commission is meant to go live after two states join the Compact (Article IV, section 9), the Compact Commission is purely a logistical entity with no substantive powers whatsoever until Congress consents to the compact in its call. Furthermore, the compact is designed through conditional enactments and express provisions to prevent member states from taking any action in the Article V process that they do not have the inherent power to control independently of Congress, prior to receiving implied congressional consent. For example, the pre-ratification is made subject to a conditional enactment that makes its effectiveness entirely contingent on: a) the convention proposing the balanced budget amendment; and b) Congress selecting legislative ratification of that proposed amendment (see Article IX, section 2). These contingencies obviously may never occur, and if they do not occur, the pre-ratification will never be effective. If the pre-ratification is never effective, the amendment cannot trench on Congress’ exclusive role in the ratification process or federal budgetary powers. Indeed, because of the foregoing conditional enactment, the ratification will go live (if it ever goes live) only in the precise sequence required by the text of Article V. Moreover, member states are prohibited from participating in the convention organized by the compact before the convention is called by Congress “in accordance with the Compact” (see Article VIII, section 1(a)). Accordingly, there is no reason to conclude that States would be prohibited from joining the Compact before Congress impliedly consents to it in the counterpart congressional resolution.



38 See *Coleman v. Miller*, 307 U.S. 433 (1939).

39 *Cuyler v. Adams*, 449 U.S. 433, 441 (1981); *Wharton v. Wise*, 153 U.S. 155 (1894); *Virginia v. Tennessee*, 148 U.S. 503, 521 (1893); *Green v. Biddle*, 21 U.S. 1, 39-40 (1823).

January 24, 2014

(rev. ed. March 24, 2014)

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**7. Can the Compact Commission and Administrator organized by the Compact operate before Congress impliedly consents to the compact in the counterpart congressional resolution?**

Yes. Prior to Congress consenting to the Compact in its convention call, the Compact Commission and Compact Administrator have only notification, lobbying and litigation defense functions that could otherwise be exercised by each member state separately without a compact. The Supreme Court ruled in *U.S. Steel v. Multistate Tax Commission*, 434 U.S. 452, 459 (1978), that congressional consent is only required for an interstate compact that attempts to enhance “states power quoad [relative to] the federal government.” This means that congressional consent is not required for compacts that merely exercise the sovereign powers of the states without purporting to augment those powers relative to those of the federal government. The fact that the Compact Commission or Compact Administrator might bring “strength in numbers” and unity to the States in exercising their powers under Article V that may enhance the political chances of successfully lobbying Congress to fulfill its role in the Article V amendment process is not sufficient to render the compact a threat to federal supremacy, which would trigger the need for congressional consent for them to operate.<sup>40</sup> Consequently, the Compact Commission and Compact Administrator may operate so long as neither purports to exercise any authority infringing on congressional prerogatives, such as convening the Article V convention before the Congressional call is received.

In any event, if a court mistakenly believed the Compact Commission, which is purely a logistical entity exercising sovereign powers that could be independently exercised by member states, required congressional consent to become operative, it would be difficult to see how a court would be able to do more than delay the operations of the Commission until congressional consent was received. This is because, as provided in Article X, section 5, the effective date of any provision in the Compact is the latter of the specified effective date or the earliest date the provision is permitted to become effective by law. At the absolute worst, a court would only have authority to sever the Article creating the Commission, and related contractual provisions, if it followed its obligation under the severance clause of Article X, section 6, to construe the Compact as reciprocal legislation. This is because the remaining articles could all be enacted jointly or independently as free-standing legislation without a compact.

<sup>40</sup> *U.S. Steel*, 434 U.S. at 479 n. 33.

Regards,

**CHIP DeMOSS**

CEO

**Compact for America Educational Foundation, Inc.**

**Designated Compact Administrator – Compact for a Balanced Budget:**

**2323 Clear Lake City Blvd, Suite 180-190**

Houston, Texas 77062

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**From:** foavc [<mailto:foavc@isomedia.com>]

**Sent:** Sunday, March 26, 2017 6:01 PM

**To:** 'Chip DeMoss - Compact for America' <[Chip.DeMoss@CompactforAmerica.org](mailto:Chip.DeMoss@CompactforAmerica.org)>

**Cc:** 'Paulette Rakestraw' <[paulette.rakestraw@compactforamerica-action.org](mailto:paulette.rakestraw@compactforamerica-action.org)>; 'Mead Treadwell'

<[mead.treadwell@compactforamerica-action.org](mailto:mead.treadwell@compactforamerica-action.org)>; 'Nick Dranias' <[Nick.Dranias@CompactforAmerica.org](mailto:Nick.Dranias@CompactforAmerica.org)>

**Subject:** RE: Formal Request for public tax form

I appreciate the prompt response if unsatisfactory response. As to the search engine used it was the IRS file used by you to track down the fact that at least your organization is in fact registered with the IRS. I also examined your GuideStar information and was impressed by its "Gold Star" rating. As to the tax number redaction I have no explanation, naturally. Obviously someone in your organization had some concern. Thank you for providing it with an un-redacted letter. As to the rest of your reply which I assume you refuse to provide the requested tax forms or assume that showing only part of the information suffices for a response.

I urge you to reconsider your response. As an "official governmental body" you are required to provide the information requested either in the form of tax records or public records. There is no such thing as a private official government body which can refuse to provide information and certainly a "technical services agreement" does not relieve or excuse your organization from these requirements. Moreover while state laws may have created this commission to which you refer, the fact remains the compact has not be approved by Congress. A compact being federal, requires federal approval before it takes effect. Also a recent Supreme Court ruling mandated that before a compact can be legally created it must first receive approval by Congress then be supported in the states. All this said, I will assume you have no intention of satisfying my request and unless I hear differently from you within 24 hours of this response, I will have choice to be notify the IRS as already described and file a formal complaint of refusal to provide the required and requested tax forms. According to GuideStar your budget is \$15 million with nearly a million in assets. I'd hardly call that small. In any event even the 990 postcards are still public record and must be produced on request. You have been asked again.

Please send me a copy of the law you are referencing in regards to the immunity you claim as to public reporting. I remind you the law of the compact your organization clearly states that it does not take effect until accepted in 34 states. In other words while the law may have been passed in four states by it own terms it has no legal effect at this time. I can send you a copy of it if you are unfamiliar with its terms. Moreover there is no reference whatsoever in the law as to immunity from public reporting. I also remind you that state law has no effect whatsoever on federal law including federal income tax regulations.

Just remember it's not me you have to persuade but the IRS. I do not believe they will accept your argument.

Bill Walker

Co-Founder FOAVC

[www.foavc.org](http://www.foavc.org)



**From:** Chip DeMoss - Compact for America [<mailto:Chip.DeMoss@CompactforAmerica.org>]

**Sent:** Sunday, March 26, 2017 2:44 PM

**To:** 'foavc'

**Cc:** 'Paulette Rakestraw'; 'Mead Treadwell'; Nick Dranias

**Subject:** RE: Formal Request for public tax form

Bill – I don't know what search engine you were using, but here is the link to our 501(c)3 Public Charity listing on the IRS EO Select Check website.

<https://apps.irs.gov/app/eos/pub78Search.do?ein1=&names=%22compact+for+america%22&city=&state=All...&country=US&deductibility=all&dispatchMethod=searchCharities&submitName=Search>

Also, here is the link to the our GuideStar listing: <https://www.guidestar.org/profile/46-5469141>

I don't know why our Tax ID number was redacted in the IRS determination letter that is on our website. I have attached an un-redacted copy for your records.

Please be advised that the Educational Foundation has been appointed by the Compact Commission of the Compact for a Balanced Budget as the official Compact Administrator. The Foundation provides its services to the Commission under a pro-bono technical advisory services agreement. The Compact Commission is an official governmental body that is exempt from the lobbying regulations that you mention in your email. Accordingly, the services provided to the Commission by the Foundation under the technical services agreement are also exempt from such regulations.

The Foundation is careful to follow the IRS guidelines for activities that fall outside of the technical services agreement. The IRS guidelines provide that organizations may involve themselves in issues of public policy without the activity being considered as lobbying. For example, organizations may conduct educational meetings, prepare and distribute educational materials, or otherwise consider public policy issues in an educational manner without jeopardizing their tax-exempt status. That is the essence of what the Foundation is all about.

Compact for America, Inc. is a separate and unaffiliated 501(c)(4) entity that operates under different IRS rules that you know allow for a limited amount of lobbying. Since I do hold a board position on that entity, I can tell you that the annual gross receipts for that entity are of such small amounts that only a Form 990N E-Postcard return has been required each year since 2012.

Under the provisions of the Compact, the Commission has been authorized to:

1. appoint and oversee a Compact Administrator
2. encourage States to join the Compact and Congress to call the Convention in accordance with this Compact
3. the performance of obligations under the Compact
4. oversee the Convention's logistical operations as appropriate to ensure this Compact governs its proceedings
5. oversee the defense and enforcement of the Compact in appropriate legal venues
6. request funds and to disburse those funds to support the operations of the Commission, Compact Administrator, and Convention
7. to cooperate with any entity that shares a common interest with the Commission and engages in policy research, public interest litigation or lobbying in support of the purposes of the Compact

In addition, the Compact Administrator is authorized to:

1. timely notify the States of the date, time and location of the Convention
2. organize and direct the logistical operations of the Convention
3. maintain an accurate list of all Member States, their appointed delegates, including contact information
4. formulate, transmit, and maintain all official notices, records, and communications relating to this Compact
5. serve at the pleasure of the Commission
6. keep the Commission seasonably apprised of the performance or nonperformance of the terms and conditions of this Compact

The Foundation's tax records, including the 2014 and 2015 tax returns filed on Form 990, as well as the certified audits for these years, can be found at <http://www.compactforamerica.org/filings--financials>. We follow the IRS disclosure requirements for public charities. Under these guidelines, a tax-exempt organization is generally not required to disclose publicly the names or addresses of its contributors set forth on its annual return, including Schedule B (Form 990, 990-EZ, or 990-PF). The regulations specifically exclude the name and address of any contributor to the organization from the definition of disclosable documents. Contributor names and addresses listed on an exempt organization's exemption application are subject to disclosure, however.

I would also urge you to read our Application for Recognition of Exemption Form 1023 that is located on the same page as the tax returns and audits. When you read through the application, you will note that the IRS approved the Foundation's educational activities that were specifically targeted to the amendment process, specific amendments, and communications with state legislators and members of Congress. Part IV – the narrative description, goes into great detail on these approved activities.

As you can tell, we take the IRS Regulations seriously and have set up our organization to comply fully with the requirements. I trust this answers your questions and concerns regarding the Educational Foundation.

Regards,

**CHIP DeMOSS**

**CEO**

**Compact for America Educational Foundation, Inc.**

**Designated Compact Administrator – Compact for a Balanced Budget**

**2323 Clear Lake City Blvd, Suite 180-190**

Houston, Texas 77062

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Website: [www.CompactforAmerica.org](http://www.CompactforAmerica.org)

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 Follow Chip on Twitter



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encourage other states to join the Compact and to work with Congress on the passage of the applicable resolution. The role of the Compact Administrator is to

**From:** Nick Dranias [<mailto:nick.dranias@compactforamerica.org>]

**Sent:** Sunday, March 26, 2017 11:38 AM

**To:** foavc <[foavc@isomedia.com](mailto:foavc@isomedia.com)>; Chip DeMoss <[chip.demoss@compactforamerica.org](mailto:chip.demoss@compactforamerica.org)>

**Cc:** Paulette Rakestraw <[paulette.rakestraw@compactforamerica-action.org](mailto:paulette.rakestraw@compactforamerica-action.org)>; Mead Treadwell



<[mead.treadwell@compactforamerica-action.org](mailto:mead.treadwell@compactforamerica-action.org)>

**Subject:** RE: Formal Request for public tax form

Dear Mr. Walker:

We appreciate your inquiry and respectfully advise you that we have provided or will provide the public with maximum transparency as required by law and good practice. All of Compact for America Educational Foundation's educational activities are in full conformity with its 501(c)(3) tax status and in full compliance with our lobbying policy, which is based on well-established law and available here:

[http://media.wix.com/ugd/e48202\\_89417884447149c8b46bc6de78a071a7.pdf](http://media.wix.com/ugd/e48202_89417884447149c8b46bc6de78a071a7.pdf).

As for tax records of the Foundation, we have made or will make public all of the information that is consistent with our duty at law as described herein: <https://www.irs.gov/charities-non-profits/public-disclosure-and-availability-of-exempt-organizations-returns-and-applications-documents-subject-to-public-disclosure>. This includes our 1023 application, our exemption letter determination, and all filed tax returns. To my knowledge, what is online is complete and genuine except that we have redacted certain donors at their request to protect their privacy and we have redacted the Foundation's tax identification number to prevent phishing and identity theft. I am sure that Chip will be happy to furnish you with the full original filings if you are entitled to them, but they are not in my possession.

All I ask, not as a condition to any such disclosure but simply out of human decency: please take steps to protect our donors' privacy preferences (there is a considerable risk of political retaliation in this space) and to minimize the risk of phishing and identity theft.

Compact for America, Inc. is a separate 501(c)(4) entity that predated the formation of the Foundation by several years. It is a social welfare educational entity, not a political entity. It was not created by the Foundation. I do not serve as an officer and never have. You need to direct your request for its tax records to [Chip.DeMoss@CompactforAmerica-Action.org](mailto:Chip.DeMoss@CompactforAmerica-Action.org).

Very truly yours,

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Nick Dranias  
President & Executive Director  
Office of the President  
**Compact for America Educational Foundation, Inc.**  
[\*Buy Official Compact for America Gear\*](#)  
[\*Donate to Free Your Community and Fix the Nat'l Debt\*](#)

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**From:** foavc [<mailto:foavc@isomedia.com>]  
**Sent:** Sunday, March 26, 2017 8:27 AM  
**To:** Chip DeMoss <[chip.demoss@compactforamerica.org](mailto:chip.demoss@compactforamerica.org)>  
**Cc:** Paulette Rakestraw <[paulette.rakestraw@compactforamerica-action.org](mailto:paulette.rakestraw@compactforamerica-action.org)>; Mead Treadwell <[mead.treadwell@compactforamerica-action.org](mailto:mead.treadwell@compactforamerica-action.org)>; Nick Dranias <[nick.dranias@compactforamerica.org](mailto:nick.dranias@compactforamerica.org)>  
**Subject:** Formal Request for public tax form

Dear Sirs,

It has come to our attention that your organization Compact for America claims status as a Section 501(c)(3) non-profit organization incorporated under the laws of the State of Texas as well as a 501(c)(4) organization. Quoting your website:

"Compact for America Action is a project of Compact for America, Inc., which is a Texas-incorporated non-profit corporation that enjoys recognition from the Internal Revenue Service as an social and educational organization under Internal Revenue Code 501(c)(4). Compact for America, Inc. is a distinct legal entity from Compact for America

Educational Foundation, Inc., which is a Texas-incorporated non-profit corporation that enjoys recognition from the Internal Revenue Services as an educational charity under Internal Revenue Code 501(c)(3).”

Your site has published some purported records <http://www.compactforamerica.org/filings--financials> which other amendment advocacy groups have not. Yet we note in one file your tax number 46-5469141 has been blacked out (a possible violation of federal income tax law as well as indicating a possible attempt to prevent full public inspection of required income tax filings). See: [http://media.wix.com/ugd/e48202\\_2fe55ae6280d4a97b78b36dfadc7e26b.pdf](http://media.wix.com/ugd/e48202_2fe55ae6280d4a97b78b36dfadc7e26b.pdf)

Based on the material you have provided it appears you have filed as a political organization with the IRS. However your records are incomplete and cannot be independently confirmed by use of any title you provide or by your tax number 46-5469141. Therefore we cannot confirm than other for the single year you provide on your site (2015) your organization has filed all required paperwork with the IRS or continues to be a qualified tax exempt organization or in fact actually filed the purported tax form. Despite your showing of purported IRS letter affirming approval of your purported tax status we can find no records in the IRS database confirming such status.

According to the above quote your organization has created a lobbying organization and an educational tax exempt organization. The purpose of your organization “Compact for America” which you have solicited donations is to cause the calling of a national amendments convention called under authority of the Compact Clause of the United States Constitution by the creation of a compact authorized by that constitutional clause. In all instances the creation of a compact is a legislative matter encompassing the passage of legislation in the effected states creating the compact. It further requires assenting legislation by the Congress of the United States as mandated by the terms of the compact clause. Under interpretation of the Supreme Court a compact in no way is construed to be part of the amendment process of the United States Constitution but instead is entirely a legislative process requiring the passage of legislation to bring about the compact. See generally: <https://supreme.justia.com/cases/federal/us/148/503/case.html> Under the standard of the Court established in that case and subsequently repeated since the Court determined a formal legislatively created compact consented to by Congress is required should it effect “federal power.” Obviously the creation of an entirely new amendment process for the federal Constitution effects federal power. Clearly therefore the requirements of the compact clause and its legislative mandates apply.

We are not here to discuss the political issues regarding whether or not such a convention exists or could exist. Instead the purpose of this email is a formal request for ALL tax records of your organization (permitted by federal law for examination) only a part of which you present on your website. Quoting the IRS publication ([www.irs.gov/charities-non-profits/lobbying](http://www.irs.gov/charities-non-profits/lobbying)):

“In general, no organization may qualify for section 501(c)(3) status if a substantial part of its activities is attempting to influence legislation (commonly known as *lobbying*). A 501(c)(3) organization may engage in some lobbying, but too much lobbying activity risks loss of tax-exempt status.

*Legislation* includes action by Congress, any state legislature, any local council, or similar governing body, with respect to acts, bills, resolutions, or similar items (such as legislative confirmation of appointive office), or by the public in referendum, ballot initiative, constitutional amendment, or similar procedure. It does not include actions by executive, judicial, or administrative bodies.

An organization will be regarded as attempting to influence legislation if it contacts, or urges the public to contact, members or employees of a legislative body for the purpose of proposing, supporting, or opposing legislation, or if the organization advocates the adoption or rejection of legislation.” [Emphasis added].

The entire and sole purpose of “Compact for America” is to cause and support states passing resolutions for a “Compact” and the passage of laws (legislation) supporting the purported constitutional action of the creation of a compact. Clearly therefore there appears to be a clear violation of IRS regulations regarding charitable organizations unless your tax records demonstrate otherwise by presentation of tax forms permitting lobbying by both groups.



You should be aware we have researched the IRS data files thoroughly and used the terms “Compact” “Compact for America Initiative”, “Compact for America Action” as well as your tax number 46-5469141 along with other alias which have come to light. To date our examination has provided no information from the IRS databank showing any filings whatsoever under any of these names. We point out that regardless of whatever alias your organization chooses to employ for the purposes of reporting the tax number remains the same and again we have not discovered any records using that source whatsoever. FOAVC prefers to use primary sources as its reference which the purpose for our request. We believe therefore in the interest of accuracy that any information regarding your tax status should come “straight from the horse’s mouth.”

Under federal law 26 US 6104 and appropriate IRS regulations, any organization claiming 501(c)(3) or any other tax exempt status permitted by federal income tax law is required upon request to turn over to any person making such request copies of all public disclosure tax forms. While the law only requires the organization provide tax forms for the past three years, we would appreciate it if you would provide to us ALL public disclosure tax forms for all years submitted under all alias used by your organization since its conception. This includes all Form 990 submissions (including all addendums, attachments and all other paperwork submitted to the IRS), all Schedule C forms or any other public disclosure forms submitted with the Form 990 or separately submitted to the IRS which by law are required to be subject to public disclosure under ALL alias used or employed by your organization. In addition we request copies of any 5768, 8871 or 8872 forms filed for any year (all subject to public disclosure under federal law) be turned over to us again under all alias used or employed by your organization. Further we request all worksheets and any other information regarding your 501(c)(3) status permitted by federal law for public disclosure under all alias used or employed by your organization. In short we are asking for every tax record you have permitted by federal law to be released under the public disclosure laws.

Please be advised that failure to produce these records within a period not to exceed two weeks from the date of this email (March 26, 2017) making the last date possible for reply April 9, 2017 will result in the filing of a formal complaint using IRS form 13909 regarding your refusal to provide public information as required by federal law together with evidence of apparent violation of the lobbying laws by your organization as also provided by form 13909. Further refusal by your organization to provide required public records as mandated by federal law will result in publication of the fact together with fact of apparent violation of federal income tax law. Under federal law you are permitted to charge a reasonable rate for printing of copies of the forms. FOAVC will bear the costs of such printing should you choose to impose the legal rate allowed by federal law. If so, please furnish us a bill by return email so we may immediately forward you the funds. We would prefer you send us pdf copies of your forms by electronic response to this email. However should you elect to do so you can send us paper copies to our mailing address of: FOAVC, PO Box 1242, Auburn, WA 98071-1242.

While federal law does permit (upon formal appeal to the IRS) an organization to turn down requests for copies of tax documents of 501(c)(3) organizations intended to be released to the public based on perceived harassment, we do not believe this to be the case in this instance. FOAVC has never requested such forms from your organization in the past. We will only request the information once. We point out that notification of filing of a formal complaint is the right of every citizen and is encouraged by the IRS itself. Therefore informing you of the consequences of what public law provides should you fail to comply with provisions of that public law which enable your organization to enjoy a tax benefit that it would not otherwise enjoy when it is likely your organization is already fully aware of the laws is not harassment. We are merely reminding you of your required obligation and the consequences for not doing so.

Thank you for your cooperation in this matter.

Bill Walker  
Co-Founder FOAVC