

<i>Name and address</i>	<i>Remarks by IRS</i>
Jerre H. Paxton Foundation, Yakima, Washington.	No record of exemption application.
Hap Robinson Foundation, 8503 Kail Drive, Yakima, Washington.	Do.
Herbert M. Himes Foundation, 2114 N. Elmwood, Waukegan, Illinois.	Do.
R. E. Bolthouse Clinic, 2101 Peck Street, Muskegon Heights, Michigan.	Do.
Chandler Foundation, 4901 Main Street, Downers Grove, Illinois.	Do.

Mr. PATMAN. Mr. Cohen, will you please tell this committee exactly what you are doing with respect to the organization known as Americans Building Constitutionally?

You have already explained pretty well what you have done on that.

You expect to pursue it, I am sure, and do everything that is possible to unravel it.

Mr. COHEN. There are both revenue agents and special agents assigned to that investigation.

Mr. PATMAN. I imagine you have your very special agents on that.

Mr. MORTON. Mr. Chairman, can we get back into this for a moment?

Mr. PATMAN. Just a moment.

Either exemption applications or foundation tax returns are required by law; is that not correct?

Mr. COHEN. Tax returns are required by law.

Mr. PATMAN. They are required. That is 990?

Mr. COHEN. Form 990-A, yes, sir.

Mr. PATMAN. But the exemption application is not?

Mr. COHEN. Well, the code authorizes the Secretary of the Treasury or his delegate, in this case, the Commissioner of Internal Revenue, to require anyone to file such returns or make such statements as may be necessary to show whether the person is liable for any income tax. In regulations issued under this authority we require the application for exemption.

Mr. PATMAN. Mr. Morton, you may ask questions.

Mr. MORTON. I understood that, in a reply to a question asked by the chairman and by the distinguished gentleman from California, you said that lobbying and political activities could not be done by a foundation. Is that not correct?

Mr. COHEN. Not by any organization exempt under section 501(c)(3) of the code.

Mr. MORTON. What about COPE and its activities?

Mr. COHEN. COPE is not exempt under section 501(c)(3). Labor organizations are not exempt under that section. Business leagues are not exempt under that section. They are exempt but under other sections of the law.

Many people say to me: "Why can such and such a business league engage in lobbying?" Organizations such as the American Medical Association or the National Rifle Association, do not have exemption under the provision which imposes the restriction on political or lobbying activities. Therefore, we do not have any recourse in the case of activities of organizations which do not claim to be charitable organizations.