

Understanding the Lobbying Disclosure Act

Nonprofit organizations seeking to influence public policy need to be aware of different sets of laws that may apply to their lobbying activities. Federal tax law governs the amount of lobbying that 501(c)(3) organizations can engage in annually, while allowing 501(c)(4) organizations, unions, and trade associations to spend as much as they like on lobbying. At the federal level, the Lobbying Disclosure Act (LDA) imposes registration and reporting obligations on individuals and entities that lobby various federal officials once certain thresholds have been exceeded.

The LDA applies to any entity that lobbies, whether 501(c)(3), 501(c)(4), union or for-profit. The thresholds under the LDA do not limit your organization's lobbying, but rather impose certain disclosure and reporting obligations. Registering under the LDA will not affect an organization's tax-exempt status. For more detailed information on the LDA see the [Clerk of the U.S. House of Representatives](#).

What is the LDA?

The purpose of the LDA is to shine a light on the federal lobbying activities of business entities, nonprofit organizations, and paid lobbyists. It requires an organization that employs at least one "lobbyist" (as that term is defined in the LDA) to register with the Senate and House of Representatives if the organization's spending on lobbying activities during a quarterly period reaches a certain level. A registrant must thereafter file a report every three months that discloses approximately how much it spent on lobbying activities during the previous calendar quarter, describes the issues that were the subjects of the lobbying activities, and which of the organization's lobbyists participated in them. Another report¹ must be filed semiannually describing certain contributions by the filer such as campaign contributions and certifying compliance with congressional gift and travel rules. These reports must be filed even in reporting periods when the organization does not have any lobbying expenses or contributions.

LDA Applies Only to Direct Lobbying at the Federal Level

The LDA applies only to lobbying directed at the legislative and executive branches of the federal government—specifically, lobbying contacts with covered legislative branch officials and covered executive branch officials.² It does not apply to state, local, or foreign lobbying efforts. Grassroots lobbying efforts fall outside of its scope.³ Houses of worship are also exempt. For more information on state level lobbying regulations, see AFJ's [state law resources](#).

Organizations that have only occasional contacts at the federal level (having occasional meetings with members or staff, or sending occasional letters to Congress) will not need to register under the LDA. The thresholds are designed to require only those organizations with sustained lobbying activities and expenses to file. See AFJ's factsheet on [LDA registration thresholds](#) to find out whether your organization needs to register under the LDA.

¹ This is called Form LD-203.

² See [Section 3](#) of the *LDA Guidance* document from Clerk of the U.S. House of Representatives for more information on the definition of covered executive and covered legislative officials.

³ Grassroots lobbying is a communication with the general public that reflects a view on specific legislation and includes a call to action that encourages people to contact their legislative representatives or staff in order influence that legislation.

Gift and Travel Ban

Organizations employing one or more lobbyists are generally prohibited from giving gifts and paying for the travel of members and employees of Congress. Individuals registering under the LDA are required to certify that they have read both the House and Senate's rules on gifts and travel. Even if your organization is not required to register under the LDA, it is nonetheless important to be familiar with these rules as some of them apply also to individuals and organizations engaging in advocacy that do not meet LDA registration thresholds.⁴

The information contained in this fact sheet and any attachments is being provided for informational purposes only and not as part of an attorney-client relationship. The information is not a substitute for expert legal, tax, or other professional advice tailored to your specific circumstances, and may not be relied upon for the purposes of avoiding any penalties that may be imposed under the Internal Revenue Code. Alliance for Justice publishes plain-language guides on nonprofit advocacy topics, offers educational workshops on the laws governing the advocacy of nonprofits, and provides technical assistance for nonprofits engaging in advocacy. For additional information, please feel free to contact Alliance for Justice at 866-NPLOBBY.

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⁴ Please note that the [House](#) and the [Senate](#) have different gift and travel rules.