

JIM C'S QUIZ OF THE WEEK

MONDAY - 03/31/08

Per Wikipedia, the top five “527 groups” in 2004 were as follows:

Raised / Spent (millions)	Liberal	Conservative
\$78.7 / \$76.3	America Coming Together	
\$71.8 / \$72.3	Joint Victory Campaign 2004	
\$59.4 / \$54.4	Media Fund	
\$44.9 / \$35.4	Progress For America	
\$42.6 / \$44.0	Service Employees International Union	

HOW DID THE TERM “527 GROUP” ORIGINATE?

Definition: A type of tax-exempt political organization named after a section of the U. S. Internal Revenue Code, 26 U.S.C. § 527, which engage in political activities and try to influence federal elections through voter mobilization efforts and so-called issue ads.

Origin: Congress developed a unique provision in the tax code (Section 527) primarily for party committees as part of the post-Watergate campaign reforms.

Purpose/Loophole:: By not making expenditures directly advocating the election or defeat of any candidate for federal elective office, the 527s have avoided regulation by the Federal Election Commission and thereby are allowed to collect unlimited soft money from corporations, unions and wealthy individuals.

Conventional Wisdom: 527 Group = A campaign tax-exempt loophole

M of Z: 527 = A perfect candidate with no personal characteristics