

# WORKING WITH GOVERNMENT OFFICIALS

## RULES FOR PRIVATE FOUNDATIONS

### IRS Tax Rules and Payments to Government Officials

A private foundation **may not** offer or make the following payments to government officials:

- A payment for travel outside the United States
- A payment in cash, including gifts, contributions and honoraria
- A payment through a grant if the payment is earmarked for a government official

A private foundation **may** make the following types of payments to government officials:

- Payments for travel, conferences, and meetings:
  - For domestic travel, payment of actual transportation expenses
  - Subject to per diem limits, payment for lodging, meals and incidentals
  - The cost of a government official's attendance or participation in a conference sponsored by the foundation in furtherance of its exempt purposes, including—
    - the cost of attendance
    - professional and other non-monetary benefits of an intellectual or psychological nature received from attending or participating in the conference; and
    - benefits resulting from publication or distribution of the conference record to conference participants
- Other types of permissible payments:
  - A gift (other than money), or services or facilities made available, if the total value is not more than \$25 during any calendar year
  - A payment under any agreement to employ or make a grant to a government official for any period after the termination of government service if the agreement is entered into within 90 days before termination
  - A prize or award that does not have to be included in gross income if the official receiving the prize or award is selected from the general public
  - A payment made under a government employees' training program
  - A scholarship or a fellowship grant to be used for study at a recognized educational organization