

Tax-Exempt Organization Complaint (Referral)

1. Name of referred organization

Alianza Americas

Street address

2875 W. Cermak Road

City Chicago	State IL	ZIP code 60623	Date of referral October 26, 2022
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2. Organization's Employer Identification Number (EIN)

EIN 34-2066826

3. Nature of violation

- Directors/Officers/Persons are using income/assets for personal gain
- Organization is engaged in commercial, for-profit business activities
- Income/Assets are being used to support illegal or terrorist activities
- Organization is involved in a political campaign
- Organization is engaged in excessive lobbying activities
- Organization refused to disclose or provide a copy of Form 990
- Organization failed to report employment, income or excise tax liability properly
- Organization failed to file required federal tax returns and forms
- Organization engaged in deceptive or improper fundraising practices
- Other (*describe*)

4. Details of violation

Name(s) of person(s) involved

Claudio Lucero, principal officer and Oscar Chaco, Executive Director, and Mirtha Colon, its President

Organizational title(s)

See above

Date(s) Forms 990 for 2019 and 2020	Dollar amount(s) (<i>if known</i>)
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Description of activities

Alianza Americas engaged in extensive lobbying activities but reported in its Form 990s for both 2019 and 2020 that it did not and thus failed to file the required Schedule C to report the amount it spent on lobbying activities. If those expenditures were a significant part of its activities, its tax exempt status must be revoked. See attached supplemental complaint letter.

5. Submitter information

Name

National Legal and Policy Center

Occupation or business

Nonprofit public interest ethics watchdog

Street address

107 Park Washington Court

City Falls Church	State VA	ZIP code 22046	Telephone number (703) 237-1970
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I am concerned that I might face retaliation or retribution if my identity is disclosed

6. **Submission and documentation:** The completed form, along with any supporting documentation, may be mailed to IRS EO Classification, Mail Code 4910DAL, 1100 Commerce Street Dallas, TX 75242-1198, faxed to 214-413-5415 or emailed to eoclass@irs.gov. **Disclaimer Notice:** Your email submission of Form 13909 and attachments are not encrypted for security.

National Legal and Policy Center

"promoting ethics in public life"



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Since 1991

October 26, 2022

Robert Malone
Director, Exempt Organizations Division
Internal Revenue Service
TEGE Referrals Group - MC 4910 DAL
1100 Commerce Street
Dallas, TX 75242
Via Email: eoclass@irs.gov

Re: Supplement Documentation to Form 13909: Tax-Exempt Organization Complaint
(Referral) Alianza Americas, EIN 34-2066826

Dear Mr. Malone:

The National Legal and Policy Center (NLPC) hereby submits this supplemental complaint to the attached Form 13909 Tax-Exempt Organization Complaint (Referral) regarding violations of IRS rules and regulations by Alianza Americas, a registered 501(c)(3) tax exempt organization, and Claudio Lucero, its listed principal officer and Oscar Chaco, Executive Director, who signed the organization's 2019 Form 990; and Mirtha Colon, its principal officer and President, who signed the organization's 2020 Form 990 return, for falsely stating in each of those filings that Alianza Americas does not engage in lobbying activities and for failing to file Schedule C listing the amount it spends on its lobbying activities.

NLPC is a nonprofit 501(c)(3) ethics watchdog organization that has filed ethics complaints against public officials and organizations for failing to comply with relevant disclosure laws and related laws and regulations at the state and federal level.¹ This complaint is

¹ For information about NLPC's Government Integrity Project, see <https://www.nlpc.org/?s=government+integrity+project>. See also NLPC's IRS Complaint against Ebenezer Building Foundation and Senator Raphael Warnock for failing to disclose related organizations in its ownership of an Atlanta apartment building where poor Black tenants are being evicted for back rents as little as \$28.55, <https://www.nlpc.org/government-integrity-project/irs-complaint-filed-against-senator-warnocks-church-for-hidden-ownership-of-atlanta-apartment-building/> and NLPC's IRS Complaint against Black Lives Matter Global Network Foundation and Patrisse Cullors for personal use of nonprofit assets, <https://www.nlpc.org/featured-news/irs-complaint-filed-against-black-lives-matter-for-mansion-purchase/> and for unlawful fundraising <https://www.nlpc.org/corporate-integrity-project/nlpc-files-complaints-against-black-lives-matter-over-fundraising>.

based on information regarding the questionable and possible illegal lobbying activities of Alianza Americas as reported by investigative reporter Gabe Kaminsky in a recent news story in the Washington Examiner, "*Soros-backed nonprofit group may have illegally used federal grants: GOP*" (Oct. 22, 2022).²

Alianza Americas Lobbying Activities

Alianza Americas made news recently when it filed a class action lawsuit against Florida Governor Ron DeSantis for sending a group of migrants from Venezuela seeking asylum in the United States to Martha's Vineyard.³ In the Washington Examiner article, Mr. Kaminsky reports that complaints were filed on October 21, 2022 with the Inspector General of the Department of Health and Human Services (HHS) by Brian Harrison, the former Chief of Staff of HHS and now Texas State Representative, and U.S. Representatives Chip Roy and Beth Van Duyne from the border state of Texas, calling on the Inspector General to investigate whether Alianza Americas violated federal criminal law, 18 U.S.C. 1315, which prohibits any lobbying with appropriated federal funds. Alianza Americas was awarded federal grants of some \$8.5 million by HHS.

As reported in the Washington Examiner article:

"I have continued to monitor actions taken by the Department and am deeply concerned that taxpayer dollars, in the guise of federal grants from the Centers for Disease Control and Prevention (CDC) and the Health Resources and Services Administration (HRSA), are being used to fund lobbying activities and contacts in the United States and foreign jurisdictions and to promote illegal immigration into the United States," Harrison wrote in his letter.

"As members of Congress we take seriously our roles of ensuring taxpayer dollars are used wisely and within the confines of the law, and we are sure you share that goal," Roy and Van Duyne wrote in their letter. "As such, we are requesting a review of all grants received by Alianza Americas as well as the publicly disclosed actions taken by Alianza Americas that would be in violation of the law and federal regulations."

* * * *

Alianza held "two congressional briefings" in Washington, D.C., on immigration-related issues and made over 200 "visits to Congress" between June 2017 and September 2019, the nonprofit group disclosed on its 2019 tax documents. Alianza also disclosed it

² <https://www.washingtonexaminer.com/news/bidens-hhs-may-have-illegally-given-millions-to-soros-nonprofit>

³ <https://www.nbcnews.com/politics/immigration/migrants-flown-marthas-vineyard-sue-desantis-lawsuit-alleging-fraud-rcna48649>

*"activated a nationwide community organizing strategy" after the Trump administration's "cancellation" of temporary protected status — letting immigrants remain in the United States if their native country is dealing with armed conflict or other extraordinary condition.*⁴

Indeed, an examination of Alianza America's Form 990 returns for both 2019 and 2020 show extensive lobbying activities. In its 2020 Form 990 filing, the group reports in Part III:

This organization and mobilization led by Alianza Americas and member organizations have enabled our network and partner organizations in various states to engage hundreds of TPS holders so they could tell their own stories to policymakers in Congress and advocate for permanent solutions, and for immediate measures to protect TPS holders. Recent results our organizational strategy: Two congressional briefings on TPS, DACA and DED, held in Washington, DC More than 200 visits to Congress made between June 2017 and September 2019. (emphasis added).

And yet, it answered "No" in Part IV, line 4 to the following question:

Section 501(c)(3) organizations. Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? If "Yes," complete Schedule C, Part II.⁵

Similarly, in its Form 990 filed for calendar year 2019, Allianz described its lobbying activity in Schedule O of their return as follows:

Save TPS:

In response to the cancellation of Temporary Protected Status (TPS) programs, we activated a nationwide community organizing strategy led by our members, including the "House for House" campaign in key cities in the USA This organization and mobilization led by Alianza Americas and member organizations have enabled our network and partner organizations in various states to engage hundreds of TPS holders so they could tell their own stories to policymakers in Congress and advocate for permanent solutions, and for immediate measures to protect TPS holders.

Recent results our organizational strategy:

*Two congressional briefings on TPS, DACA and DED, held in Washington, DC More than 200 visits to Congress made between June 2017 and September 2019.*⁶

⁴ See note 2, *supra*.

⁵ <https://projects.propublica.org/nonprofits/organizations/342066826/202111689349300341/full>

⁶ https://projects.propublica.org/nonprofits/display_990/342066826/05_2021_prefixes_34-35%2F342066826_201912_990_2021051318106130

And just as they did in their 2020 return, they checked the box “No” in response to the following question:

Section 501(c)(3) organizations. Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? If "Yes," complete Schedule C, Part II.

According to the IRS’s definition of lobbying, “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).⁷ It seems abundantly clear that Alianza Americas has violated the IRS laws and regulations for failing to report that it engages in lobbying activities as defined by the IRS and failing to file the required Schedule C listing the expenditures for such activities.

CONCLUSION

The IRS must conduct a full investigation and audit of Alianza Americas’ lobbying activities and to assess appropriate civil and criminal penalties, because the Form 990s were signed under penalty of perjury, and to revoke its tax exempt status if warranted. The public interest demands it.

NLPC reserves the right to further supplement this complaint with addition information that it may obtain.

Sincerely,

/s/ Paul D. Kamenar

Paul D. Kamenar, Esq.

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Counsel to NLPC

Encl: Form 13909: Tax-Exempt Organization Complaint (Referral) Alianza Americas, 34-2066826

⁷ <https://www.irs.gov/charities-non-profits/lobbying>