

C A M P A I G N F O R

ACCOUNTABILITY

February 24, 2022

VIA E-MAIL: eoclass@irs.gov

IRS EO Classification
Mail Code 4910DAL
1100 Commerce St.
Dallas, TX 75242-1189

VIA E-MAIL: EnfComplaint@fec.gov

Office of General Counsel
Federal Election Commission
1050 First Street, NE
Washington, DC 20463

Re: Complaint Against White Coat Waste Project, Inc., EIN 46-0856543

Dear Sir or Madam:

Campaign for Accountability (“CfA”)¹ respectfully submits this Tax-Exempt Organization Complaint (Referral) and supporting documentation to the Internal Revenue Service (“IRS”) and the Federal Election Commission (“FEC”) regarding the activities of the White Coat Waste Project, Inc. (EIN 46-0856543)(“WCW Project”), a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the “Code”) and the White Coat Waste PAC (FEC Committee ID# C00632760)(WCW PAC”) in violation of the Code and the Federal Election Campaign Act of 1971, as amended (“FECA”) and FEC regulations. Form 13909 is enclosed with this letter.

Background

The White Coat Waste Project, Inc. received its final determination letter authorizing it to operate as a 501(c)(3) organization on October 17, 2013.² According to the *Washington Post*, “White Coat Waste was founded in 2013 by Anthony Bellotti, a veteran GOP operative who told

¹ CfA is a Code Section 501(c)(3) tax-exempt organizations (EIN: 54-1850126) that serves as a non-partisan, nonprofit ethics watchdog.

² Internal Revenue Service, Final Determination Letter for The White Coat Waste Project, Inc. (Oct. 17, 2013) available at [FinalLetter_46-0856543_THEWHITECOATWASTEPROJECTINC_11152012_01.tif](#)

the *Post* he developed a passion for animal rights as a teenager during a stint at a lab doing medical research on pigs. Bellotti's political resume includes directing campaigns to end public funding for Planned Parenthood, mobilize opposition to the Affordable Care Act and pass a California ballot initiative to ban same-sex marriage."³ White Coat Waste Project founder and president Anthony Bellotti ("Bellotti") and White Coat Waste Project spokesman Justin Goodman ("Goodman") subsequently co-founded the White Coat Waste PAC.⁴ The PAC was registered with the FEC on February 10, 2017, purportedly as a nonconnected PAC.⁵ In fact, however, it appears that Bellotti and Goodman have established, financed, maintained, and controlled the White Coat Waste PAC ("WCW PAC") as a separate segregated fund of the White Coat Waste Project, Inc. ("WCW Project") and utilized it to engage in political campaign activities to further the 501(c)(3) organization's lobbying activities in violation of both the Code and the FECA.

Since its inception, Bellotti and Goodman have made barely any effort to maintain the pretense that the WCW PAC is not a separate segregated fund of the WCW Project. The WCW PAC and the WCW Project have the same stop sign-shaped logo containing the same slogan.⁶ The WCW PAC uses its website to raise money from the general public.⁷ WHOIS data shows that the WCW PAC's website domain was registered with ICANN by Bellotti on April 22, 2017.⁸ The WCW Project – not the WCW PAC – is listed as both the registrant organization and the administrative organization for the WCW PAC website.⁹ Current WHOIS data still lists the WCW Project as the registrant organization for the WCW PAC website.¹⁰ The WCW PAC reports paying regular fees to Bellotti for "website services."¹¹ Accordingly, it appears that Bellotti created and maintains the website for the WCW PAC in his role as president of the WCW Project.

In addition to creating and administering the WCW PAC, Bellotti and Goodman have provided a substantial amount of funding for the PAC. Since its inception, the WCW PAC has raised a total of \$135,403.43.¹² During that same time period, Bellotti and Goodman contributed

³ Yasmeen Abutaleb and Beth Reinhard, Fauci swamped by angry calls over beagle experiments after campaign that included misleading image, *Washington Post*, Nov. 19, 2021, available at

<https://www.washingtonpost.com/investigations/2021/11/19/fauci-beagle-white-coat-waste/>

⁴ *Id.*

⁵ White Coat Waste PAC, FEC Form 1, Statement of Organization (February 10, 2017) available at <https://docquery.fec.gov/cgi-bin/forms/C00632760/1148567/>

⁶ Compare <https://www.whitecoatwastepac.org/> with <https://www.whitecoatwaste.org/>

⁷ See <https://secure.whitecoatwastepac.org/kittens/?InitiativeKey=VVOHJZF2EXWM>

⁸ White Coat Waste PAC WHOIS data for April 22, 2017, available at

<https://www.documentcloud.org/documents/21166414-white-coat-waste-pac-domain-tools-report-as-of-113021>

⁹ *Id.*

¹⁰ White Coat Waste PAC WHOIS data for November 30, 2021, available at

<https://www.documentcloud.org/documents/21166414-white-coat-waste-pac-domain-tools-report-as-of-113021>

¹¹ See, e.g., White Coat Waste PAC, FEC Form 3X, 2021 Mid-Year Report (filed July 30, 2021)

<https://docquery.fec.gov/pdf/808/202107309456948808/202107309456948808.pdf>

¹² See White Coat Waste PAC, FEC Form 3X, 2021 Year-End Report (filed January 23, 2022)

<https://docquery.fec.gov/pdf/677/202201239475106677/202201239475106677.pdf>; White Coat Waste PAC, FEC

a total of \$32,400 to the WCW PAC – nearly 24% of all the money raised by the PAC.¹³ The WCW PAC’s reliance on contributions from officers, directors, and employees of the WCW Project is particularly stark in the early years of its operation. In 2018, the first full year of the WCW PAC’s existence, it raised a total of \$15,253.50.¹⁴ Bellotti and Goodman contributed a total of \$7,000 to the WCW PAC in 2018 – 46% of all the money raised by the WCW PAC that year.¹⁵ The total amount of money contributed by WCW Project officers, directors, and employees cannot be determined because FECA only requires PACs to itemize contributions from individuals who give \$200 or more in a calendar year.¹⁶ Accordingly, it is possible that as much as 76% of all the money the PAC has raised since its inception came from individuals outside the restricted class.¹⁷

Finally, and most importantly, it appears Bellotti and Goodman established, financed, maintained, and controlled the WCW PAC for the specific purpose of supporting the lobbying activities of the WCW Project. The WCW PAC was registered with the FEC on February 10,

Form 3X, 2021 Mid-Year Report (filed July 30, 2021)

<https://docquery.fec.gov/pdf/808/202107309456948808/202107309456948808.pdf>; White Coat Waste PAC, FEC

Form 3X, 2020 Year-End Report (filed January 18, 2021)

<https://docquery.fec.gov/pdf/164/202101189405153164/202101189405153164.pdf>; White Coat Waste PAC, FEC

Form 3X, 2019 Year-End Report (filed January 31, 2020)

<https://docquery.fec.gov/pdf/569/202001319184166569/202001319184166569.pdf>; White Coat Waste PAC, FEC

Form 3X, 2018 Year-End Report (filed January 21, 2019)

<https://docquery.fec.gov/pdf/991/201901219143899991/201901219143899991.pdf>; and White Coat Waste PAC,

FEC Form 3X, 2017 Year-End Report (filed January 27, 2018)

<https://docquery.fec.gov/pdf/989/201801279090675989/201801279090675989.pdf>

¹³ See White Coat Waste PAC, FEC Form 3X, 2021 Year-End Report (filed January 23, 2022)(\$5,000 – Bellotti and \$5,000 – Goodman) <https://docquery.fec.gov/pdf/677/202201239475106677/202201239475106677.pdf>; White Coat

Waste PAC, FEC Form 3X, 2020 Pre-General Report (filed October 14, 2020)(\$5,000 – Goodman)

<https://docquery.fec.gov/pdf/781/202010199297329781/202010199297329781.pdf>; White Coat Waste PAC, FEC

Form 3X, 2019 Year-End Report (filed January 31, 2020)(\$5,000 – Goodman)

<https://docquery.fec.gov/pdf/569/202001319184166569/202001319184166569.pdf>; White Coat Waste PAC, FEC

Form 3X, 2019 Mid-Year Report (filed July 31, 2019)(\$2,000 – Bellotti)

<https://docquery.fec.gov/pdf/612/201907319161256612/201907319161256612.pdf>; White Coat Waste PAC, FEC

Form 3X, 2018 Year-End Report (filed January 21, 2019) (\$2,000 – Bellotti)

<https://docquery.fec.gov/pdf/991/201901219143899991/201901219143899991.pdf>; White Coat Waste PAC, FEC

Form 3X, 2018 October Quarterly Report (filed October 12, 2018) (\$5,000 – Goodman)

<https://docquery.fec.gov/pdf/270/201810129124518270/201810129124518270.pdf>; and White Coat Waste PAC,

FEC Form 3X, 2017 Year-End Report (filed January 27, 2018)(\$3,400 – Bellotti)

<https://docquery.fec.gov/pdf/989/201801279090675989/201801279090675989.pdf>

¹⁴ White Coat Waste PAC, FEC Form 3X, 2018 Year-End Report (filed January 21, 2019)

<https://docquery.fec.gov/pdf/991/201901219143899991/201901219143899991.pdf>

¹⁵ White Coat Waste PAC, FEC Form 3X, 2018 Year-End Report (filed January 21, 2019) (\$2,000 – Bellotti)

<https://docquery.fec.gov/pdf/991/201901219143899991/201901219143899991.pdf>; White Coat Waste PAC, FEC

Form 3X, 2018 October Quarterly Report (filed October 12, 2018) (\$5,000 – Goodman)

<https://docquery.fec.gov/pdf/270/201810129124518270/201810129124518270.pdf>

¹⁶ 52 U.S.C. § 30104(b)(3)(A).

¹⁷ See *infra* at footnotes 12-13.

2017.¹⁸ Ten days later, Goodman filed a lobbying registration statement indicating he would be lobbying on behalf of the WCW Project.¹⁹

As a section 501(c)(3) tax-exempt organization, the WCW Project is required to file annual Form 990 tax returns. Tax-exempt organizations engaged in any “direct or indirect political campaign activities on behalf of or in opposition to candidates for public office” must acknowledge conducting these activities on their Form 990s and file a Schedule C describing the political activities and disclosing the amount spent on them.²⁰ “Political campaign activities” are defined as “[a]ll activities that support or oppose candidates for elective federal, state or local public office.”²¹ The WCW Project filed Form 990 tax returns for tax years 2017, 2018, 2019, and 2020. The WCW Project represented on each of those tax returns that it did not engage in any “direct or indirect political activities.”²² For tax years 2019 and 2020, the WCW Project filed a Schedule C with its Form 990 that expressly stated that “White Coat Waste Project (WCW) did not engage in political campaign activities” in those years.²³ Bellotti signed the WCW Project’s Form 990s for tax years 2017 through 2020 under penalty of perjury.²⁴

In fact, the WCW Project was deeply engaged in lobbying activities in those two years and was using the WCW PAC to support those lobbying activities. According to its 2019 and 2020 Form 990s,²⁵ its Lobbying Disclosure Act reports²⁶ and its own press releases,²⁷ one of the WCW Project’s legislative priorities in those two years was the Animals Freedom from Testing,

¹⁸ White Coat Waste PAC, FEC Form 1, Statement of Organization (February 10, 2017) *available at* <https://docquery.fec.gov/cgi-bin/forms/C00632760/1148567/>

¹⁹ White Coat Waste Project, Inc., Lobbying Registration, Form LD-1 (effective date February 20, 2017)(filed March 31, 2017)

²⁰ Form 990, Part IV, Question 3; 2019 Instructions for Form 990, at 12; 2019 Instructions for Schedule C, at 1,3 *available at* <https://www.irs.gov/pub/irs-pdf/i990.pdf>

²¹ 2019 Instructions for Form 990, at 69.

²² White Coat Waste Project, Inc., Form 990s, Part IV, Question 3 for tax years 2017, 2018, 2019, and 2020, *available at*: <https://www.documentcloud.org/documents/21166395-the-white-coat-waste-project-inc-2017-form-990>; <https://www.documentcloud.org/documents/21166394-the-white-coat-waste-project-inc-2018-form-990>; <https://www.documentcloud.org/documents/21166393-the-white-coat-waste-project-inc-2019-form-990>; <https://www.documentcloud.org/documents/21166392-the-white-coat-waste-project-inc-2020-form-990>

²³ White Coat Waste Project, Inc., Form 990s, Schedule C for tax years 2019 and 2020, *available at*: <https://www.documentcloud.org/documents/21166393-the-white-coat-waste-project-inc-2019-form-990>; <https://www.documentcloud.org/documents/21166392-the-white-coat-waste-project-inc-2020-form-990>

²⁴ White Coat Waste Project, Inc., Form 990s, Part II for tax years 2017, 2018, 2019, and 2020, *available at*: <https://www.documentcloud.org/documents/21166395-the-white-coat-waste-project-inc-2017-form-990>; <https://www.documentcloud.org/documents/21166394-the-white-coat-waste-project-inc-2018-form-990>; <https://www.documentcloud.org/documents/21166393-the-white-coat-waste-project-inc-2019-form-990>; <https://www.documentcloud.org/documents/21166392-the-white-coat-waste-project-inc-2020-form-990>

²⁵ White Coat Waste Project, Inc., Form 990s, Part III, Section 4a for tax years 2019 and 2020, *available at*: <https://www.documentcloud.org/documents/21166393-the-white-coat-waste-project-inc-2019-form-990>; <https://www.documentcloud.org/documents/21166392-the-white-coat-waste-project-inc-2020-form-990>

²⁶ *See, e.g.*, White Coat Waste Project, Inc., 2020 Fourth Quarter Lobbying Report, Form LD-2 (filed January 21, 2021).

²⁷ White Coat Waste Project, Inc., *Breaking: “Violet’s Law” Will Free Animals From Federal Labs* (May 20, 2019) *available at* <https://blog.whitecoatwaste.org/2019/05/20/breaking-violets-law-will-free-animals-from-federal-labs/>

Experiments, and Research (AFTER) Act of 2019 (Violet’s Law)(H.R. 2897). The AFTER Act was introduced on May 22, 2019 by Rep. Brendan Boyle (D-PA) and Rep. Jackie Walorski (R-IN) and was cosponsored by Rep. Brian Mast (R-FL), Rep. Sanford Bishop (D-GA), Rep. Dina Titus (D-NV), Rep. Lucille Roybal-Allard (D-CA) and Rep. Matt Cartwright (D-PA).²⁸

The WCW PAC made contributions to only seven House candidates during the 2019-2020 election cycle: Rep. Brendan Boyle (D-PA)(\$1,500), Rep. Jackie Walorski (R-IN) (\$2,000), Rep. Brian Mast (R-FL)(\$2,000), Rep. Sanford Bishop (D-GA)(\$5,000), Rep. Dina Titus (D-NV)(\$2,300), Rep. Lucille Roybal-Allard (D-CA)(\$3,500), and Rep. Matt Cartwright (D-PA)(\$2,000).²⁹ In other words, the WCW PAC gave contributions *exclusively* to members of the House of Representatives who sponsored or cosponsored legislation that was the highest legislative priority of the WCW Project.

Applicable Law

Internal Revenue Code

The Internal Revenue Code strictly prohibits 501(c)(3) organizations from participating in or intervening in any political campaign on behalf of, or in opposition to, any candidate for public office.³⁰ Internal Revenue Service regulations interpret this prohibition as precluding a 501(c)(3) organization from serving as the connected organization of a separate segregated fund.³¹ The penalty for a 501(c)(3) organization that violates the prohibition on political participation is clear and stark – the loss of its tax-exempt status as well as substantial excise taxes. Flagrant violations of the prohibition on political participation result in termination as well as a termination assessment against the 501(c)(3) organization for income tax for the current tax year and the immediately preceding tax year as well as an injunction against further violations.³²

As mentioned previously, tax-exempt organizations engaged in any “direct or indirect political campaign activities on behalf of or in opposition to candidates for public office” must

²⁸ H.R.2897 - Animal Freedom from Testing, Experiments, and Research Act of 2019 or the AFTER Act of 2019, 116th Congress (introduced May 22, 2019) *available at*: <https://www.congress.gov/bill/116th-congress/house-bill/2897>

²⁹ White Coat Waste PAC, FEC Form 3X, 2019 Mid-Year Report (filed July 31, 2019) <https://docquery.fec.gov/pdf/612/201907319161256612/201907319161256612.pdf>; White Coat Waste PAC, FEC Form 3X, 2019 Year-End Report (filed January 31, 2020) <https://docquery.fec.gov/pdf/569/202001319184166569/202001319184166569.pdf>; White Coat Waste PAC, FEC Form 3X, April Quarterly Report (filed April 10, 2020) <https://docquery.fec.gov/pdf/683/202004109216638683/202004109216638683.pdf>; White Coat Waste PAC, FEC Form 3X, 2020 Pre-Runoff Report (filed July 29, 2020) <https://docquery.fec.gov/pdf/284/202007299261175284/202007299261175284.pdf>; and White Coat Waste PAC, FEC Form 3X, 2020 Post-General Report (filed November 30, 2020) <https://docquery.fec.gov/pdf/571/202011309337203571/202011309337203571.pdf>

³⁰ 26 U.S.C. § 501(c)(3)

³¹ 26 C.F.R. § 1.527-6(g). *See also* FEC Advisory Opinion 1984-12 (American College of Allergists); Internal Revenue Service Private Letter Ruling 202005020, January 31, 2020, *available at* <https://www.irs.gov/pub/irs-wd/202005020.pdf>

³² 26 U.S.C. § 6852.

acknowledge conducting these activities on their annual Form 990s and file a Schedule C describing the political activities and disclosing the amount spent on them.³³ “Political campaign activities” are defined as “[a]ll activities that support or oppose candidates for elective federal, state or local public office.”³⁴

Federal Election Campaign Act

Under the FECA and FEC regulations, corporations, including non-profit corporations, are prohibited from making contributions to federal candidates and political committees and officers and directors of corporations are prohibited from consenting to any such contributions by the corporation.³⁵ Corporations, including non-profit corporations may, however, make payments to establish, administer, or solicit contributions to a separate segregated fund to be utilized for political purposes.³⁶ A corporation that directly or indirectly establishes, administers or financially supports a political committee is the connected organization of that committee.³⁷ The corporation may only solicit contributions to the separate segregated fund from the corporation’s restricted class.³⁸ The restricted class of a corporation consists of the corporation’s executive and administrative personnel and their families.³⁹ FECA requires political committees to identify any connected organization in its Statement of Organization.⁴⁰ The official name of a separate segregated fund must include the full name of the connected organization.⁴¹

Being an officer or director of a corporation does not necessarily prohibit those individuals from forming a nonconnected committee.⁴² The FEC has permitted the formation of a nonconnected political committee that is organized by individuals associated with another entity only when two conditions are both met: (1) the political committee does not receive financial support from any other incorporated entity; and (2) the committee maintains organizational independence from any other incorporated entity.⁴³

³³ Form 990, Part IV, Question 3; 2019 Instructions for Form 990, at 12; 2019 Instructions for Schedule C, at 1,3 available at <https://www.irs.gov/pub/irs-pdf/i990.pdf>

³⁴ 2019 Instructions for Form 990, at 69.

³⁵ 52 U.S.C. § 30118(a); 11 C.F.R. § 114.2(b).

³⁶ 52 U.S.C. § 30118(b)(2)(C); 11 C.F.R. § 114.1(a)(2)(iii). *See also* FEC Advisory Opinion 2000-20 (Committee for Quality Cancer Care).

³⁷ 52 U.S.C. § 30101(7); 11 C.F.R. § 100.6.

³⁸ 52 U.S.C. § 30118(b)(4)(A); 11 C.F.R. §§ 114.5(g)(1), 114.7(a).

³⁹ 11 C.F.R. § 114.1(j). The restricted class of a corporation without capital stock is its members and executive or administrative personnel and their families.

⁴⁰ 52 U.S.C. § 30103(b).

⁴¹ 52 U.S.C. § 30102(e)(5); 11 C.F.R. § 102.14(c).

⁴² *See, e.g.,* Factual and Legal Analysis at 4, MUR 6746 (AICPAC); Factual and Legal Analysis at 3, MUR 5830 (U.S.-Cuba Democracy PAC) (“the Commission has permitted the formation of a nonconnected political committee that is organized by individuals associated with another entity under certain circumstances.”)

⁴³ *See generally* First General Counsel’s Report at 8-10, MUR 7528 (Yukon Kusko Political Action Committee Inc.); *see also* Factual and Legal Analysis at 6, MUR 6746 (Americans in Contact PAC); Factual and Legal Analysis at 3-4, MUR 5830 (Leopoldo Fernandez Pujals); FEC Advisory Opinion 2000-20 at 4-5 (Committee for Quality Cancer Care); FEC Advisory Opinion 1997-15 at 5-7 (Nickalo); and FEC Advisory Opinion 1997-37 at 3 (Democratic Election Reporting Education Fund).

Violations

Internal Revenue Code

26 U.S.C. § 501(c)(3)

The Code and Internal Revenue Service regulations strictly prohibit a 501(c)(3) organization from serving as the connected organization of a separate segregated fund.⁴⁴ The WCW Project and Bellotti, individually, flagrantly violated this prohibition by establishing, financing, maintaining and controlling the WCW PAC as a separate segregated fund of the WCW Project for more than four years and utilizing the WCW PAC to further the WCW Project's lobbying activities. Accordingly, the WCW Project should have its tax-exempt status revoked, should be required to pay excise taxes for its illegal political activities, and should be enjoined from further efforts to engage in impermissible political participation.

26 U.S.C. § 6652

Under the Code, a tax-exempt organization that, without reasonable cause, fails to include any of the information required on a Form 990 tax return or fails to provide the correct information is liable for civil penalties.⁴⁵ The WCW Project failed to disclose that it utilized the WCW PAC to engage in political campaign activities on the Form 990s it filed for tax years 2017 through 2020. By failing to report the amount it spent on direct and indirect political campaign activities on its Form 990 tax returns for 2017 through 2020 the WCW Project violated 26 U.S.C. § 6652 and should be subject to monetary penalties.

26 U.S.C. § 7206

Under the Code, any person who “[w]illfully makes and subscribes any return, statement, or other document, which contains or is verified by a written declaration that it is made under the penalties of perjury, and which he does not believe to be true and correct as to every material matter,” is guilty of a felony and subject to up to three years in prison and a fine of up to \$100,000.⁴⁶ The money spent on political campaign activities a tax-exempt organization reports to the IRS on its Schedule C is material for several reasons, including: (1) the amounts reported can be used by the IRS to determine whether the organization is complying with its tax-exempt status; (2) the amount an organization expended on Section 527 exempt activities in part determines exempt function taxes the organization must pay; and (3) accurate public disclosure of the amount of political activity conducted by tax-exempt organizations is critical to the objective of transparency that underlies the reporting required on Form 990.⁴⁷

The WCW Project's Form 990 tax returns for tax years 2017 through 2020 were signed by Bellotti, the organization's founder and president, under written declarations that each was

⁴⁴ 26 U.S.C. § 501(c)(3); 26 C.F.R. § 1.527-6(g).

⁴⁵ 26 U.S.C. §§ 6652(c)(1)(A)(ii), 6652(c)(4); *see also* 2019 Instructions for Form 990, at 7.

⁴⁶ 26 U.S.C. § 7206(1).

⁴⁷ IRS, Background Paper, Summary of Form 990 Redesign Process, at 1 (August 19, 2008).

made under penalty of perjury.⁴⁸ There can be no doubt that the WCW Project tax returns were false, incorrect, and incomplete as to the material matter of the amount of money the WCW Project spent on political campaign activities in those tax years. Nor can there be any doubt that Bellotti was aware that the WCW Project tax returns were false, incorrect, and incomplete when he signed them. Bellotti co-founded the WCW PAC, was one of its largest contributors, and was paid by the WCW PAC to maintain the website it used to solicit contributions from the general public. It is clear that the WCW Project and Bellotti, individually, voluntarily, and intentionally filed false, incorrect and incomplete tax returns for tax years 2017 through 2020 in violation of 26 U.S.C. § 7206.

18 U.S.C. §1001

Federal law prohibits anyone from “knowingly and willfully” making “any materially false, fictitious, or fraudulent statement or representation” in any matter within the jurisdiction of the executive, legislative, or judicial branches.⁴⁹ The prohibition also applies to anyone who “falsifies, conceals, or covers up by any trick, scheme, or device a material fact.”⁵⁰ Violations are punishable by up to five years in prison.⁵¹ As already noted, the fact that Anthony Bellotti signed multiple WCW Project tax returns that failed to disclose that the WCW Project operated the WCW PAC as a separate segregated fund indicates that the WCW Project and Bellotti, individually, knowingly and willfully concealed a material fact from the IRS in violation of 18 U.S.C. § 1001.

Federal Election Campaign Act

52 U.S.C. § 30103(b)

The FECA requires a political committee to identify any connected organization when it files its Statement of Organization with the Federal Election Commission.⁵² When Bellotti and Goodman co-founded the WCW PAC, they filed a Statement of Organization that failed to identify the WCW Project as its connected organization despite the fact that the PAC was not organizationally independent from the WCW Project.⁵³ Accordingly, the WCW Project, the WCW PAC and Bellotti and Goodman, individually, violated 52 U.S.C. § 30103(b).

⁴⁸ CITE to WCW Project tax returns, Part II.

⁴⁹ 18 U.S.C. §1001 (a)(2).

⁵⁰ 18 U.S.C. § 1001(a)(1).

⁵¹ 18 U.S.C. § 1001(a).

⁵² 52 U.S.C. § 30103(b)(2).

⁵³ White Coat Waste PAC, FEC Form 1, Statement of Organization (February 10, 2017) *available at* <https://docquery.fec.gov/cgi-bin/forms/C00632760/1148567/>

52 U.S.C. § 30102(e)(5)

The FECA and FEC regulations require the name of a separate segregated fund to contain the full legal name of its connected organization.⁵⁴ When Bellotti and Goodman co-founded the White Coat Waste PAC, they filed a Statement of Organization that identified it by that name rather than the correct name: White Coat Waste Project, Inc. PAC.⁵⁵ Because Bellotti and Goodman deliberately misidentified the PAC to convey the impression that it was a nonconnected PAC rather than the separate segregated fund of the WCW Project, the WCW Project, the WCW PAC and Bellotti and Goodman, individually, violated 52 U.S.C. § 30102(e)(5) and 11 C.F.R. § 102.14(c).

52 U.S.C. § 30118(b)(4)(A)

The FECA and FEC regulations only allow a corporation to solicit contributions for its separate segregated fund from a restricted class consisting of the corporation's executive and administrative personnel.⁵⁶ The restricted class of a corporation without capital stock is its members and executive or administrative personnel and their families.⁵⁷ For nearly five years, however, the WCW PAC has used the website established, maintained and controlled by Bellotti to solicit contributions from the general public.⁵⁸ Accordingly, because the WCW Project, the WCW PAC and Bellotti, individually, solicited contributions from outside the restricted class, the WCW Project, the WCW PAC and Bellotti, individually, violated 52 U.S.C. § 30118(b)(4)(a) and applicable FEC regulations.

Conclusion

For nearly five years, senior executives of the White Coat Waste Project, Inc. established, financed, maintained, and controlled the White Coat Waste PAC as a separate segregated fund of the White Coat Waste Project, Inc. in flagrant violation of the strict prohibition on 501(c)(3) organizations engaging in political campaign activities.

The IRS should conduct a full investigation of the political campaign activities of the White Coat Waste Project, Inc., the White Coat Waste PAC and Anthony Bellotti, individually, and should revoke the tax-exempt status of the White Coat Waste Project, Inc. and impose all appropriate taxes and penalties.

The FEC should also conduct a full investigation of the White Coat Waste Project, Inc., the White Coat Waste PAC and Anthony Bellotti and Justin Goodman, individually. Bellotti and Goodman established, financed, maintained, and controlled the White Coat Waste PAC as a

⁵⁴ 52 U.S.C. § 30102(e)(5); 11 C.F.R. § 102.14(c).

⁵⁵ White Coat Waste PAC, FEC Form 1, Statement of Organization (February 10, 2017) available at <https://docquery.fec.gov/cgi-bin/forms/C00632760/1148567/>

⁵⁶ 52 U.S.C. § 30118(b)(4)(A); 11 C.F.R. § 114.5(g)(1).

⁵⁷ 52 U.S.C. § 30118(b)(4)(A); 11 C.F.R. §§ 114.1(j), 114.7(a).

⁵⁸ See <https://secure.whitecoatwastepac.org/kittens/?InitiativeKey=VVOHJZF2EXWM>

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separate segregated fund of the White Coat Waste Project, Inc. while holding it out to the FEC and the public as a nonconnected PAC. Bellotti and Goodman filed a false Statement of Organization with the FEC claiming that it was a nonconnected PAC and providing an inaccurate name for the PAC. More importantly, for nearly five years the White Coat Waste Project, Inc., the White Coat Waste PAC, and Anthony Bellotti and Justin Goodman, individually, solicited contributions for the PAC from outside the PAC's restricted class. The FEC should take all appropriate action, including imposing substantial civil penalties for these prolonged and substantial violations of the FECA and FEC regulations.

Sincerely,

A rectangular box containing a handwritten signature in black ink that reads "Michelle Koppersmith".

Michelle Koppersmith
Executive Director
Campaign for Accountability

Verification

Campaign for Accountability and Michelle Kuppersmith hereby verify that the statements made in the attached Complaint are, upon information and belief, true.

Sworn to pursuant to 18 U.S.C. § 1001.


Michelle Kuppersmith

SUBSCRIBED AND SWORN to before me on this 23rd day of February, 2022.


Notary Public

My Commission Expires:
4/5/2022

HONG LI
Notary Public - State of New York
No. 01LI0219872
Qualified in Queens County
My Commission Expires April 05, 2022