



# U.S. House of Representatives

COMMITTEE ON WAYS AND MEANS  
1139 LONGWORTH HOUSE OFFICE BUILDING  
Washington, DC 20515

May 6, 2024

Suzanne P. Clark  
President and CEO  
U.S. Chamber of Commerce  
1615 H Street, NW  
Washington, D.C. 20062

Carolyn Cawley  
President  
U.S. Chamber of Commerce Foundation  
1615 H Street, NW  
Washington, D.C. 20062

Dear Ms. Clark and Ms. Cawley:

Throughout the 118<sup>th</sup> Congress, the Committee on Ways and Means has been investigating the growth of the tax-exempt sector established under Section 501(c) of the Internal Revenue Code. In April 2023, the Committee held a hearing on tax-exempt hospitals and the community benefit standard.<sup>1</sup> In August 2023, the Committee published an open letter requesting information on tax-exempt organizations focused on potential violations of rules regarding political activities, inappropriate use of charitable funds, and concerns about foreign sources of funding.<sup>2</sup> In December 2023, the Committee's Oversight Subcommittee held a hearing on the growth of the tax-exempt sector and its impact on the American political system.<sup>3</sup>

These activities helped inform the Committee about the functioning of the sector and raised numerous concerns about activities of tax-exempt organizations like yours. Specifically, we are concerned about recent public reporting regarding the U.S. Chamber of Commerce Foundation (USCCF). The USCCF is tax-exempt under section 501(c)(3) and the U.S. Chamber of Commerce (USCC) is tax-exempt under section 501(c)(6). The public reports at issue indicate

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<sup>1</sup> H. Comm. on Ways and Means, *Hearing on Tax-Exempt Hospitals and the Community Benefit Standard* (Apr. 2, 2023), <https://waysandmeans.house.gov/event/hearing-on-tax-exempt-hospitals-and-the-community-benefit-standard/>.

<sup>2</sup> H. Comm. on Ways and Means, *Request for Information: Understanding and Examining the Political Activities of Tax-Exempt Organizations under Section 501 of the Internal Revenue Code* (Aug. 14, 2023), <https://gop-waysandmeans.house.gov/wp-content/uploads/2023/09/UPDATED-RFI-on-501c3-and-c4-Activities-FINAL.docx87.pdf>.

<sup>3</sup> H. Comm. On Ways and Means, *Oversight Subcommittee Hearing: The Growth of the Tax-Exempt Sector and the Impact on the American Political Landscape* (Dec. 13, 2023), <https://waysandmeans.house.gov/event/oversight-subcommittee-hearing-on-growth-of-the-tax-exempt-sector-and-the-impact-on-the-american-political-landscape/>.

that the USCCF has received over \$12 million in funding from the Tides Foundation, a left-leaning organization that partners with and sponsors groups that advocate for policies that would harm the American business community.<sup>4</sup> Contrary to the USCC's stated mission of improving lives "by advancing American business" and advocating "for policies that help businesses create jobs and grow our economy," it seems odd that the foundation would accept funding from a group like the Tides Foundation, which is so focused on activities that are counter to USCC's stated mission.<sup>5</sup> Furthermore, these reports raise concerns about how the USCC and USCCF are using their tax-exempt status.

According to the Tides Foundation's website, they work with "foundations who share our vision" and help their foundation partners "[c]ollaborate with like-minded funders to fuel social movements and transform policy."<sup>6</sup> The Tides Foundation says that their vision is "that a just and equitable future can exist only when communities who have been historically denied power have the social, political, and economic power they need to create it."<sup>7</sup>

The Tides Foundation partners with and sponsors several anti-business organizations that seem to directly contradict the USCC's stated mission. One example of an anti-business Tides Foundation supported project is the International Corporate Accountability Roundtable (ICAR).<sup>8</sup> In December 2023, ICAR published a report titled *Building a Rights-Based Economy: A Corporate Accountability Agenda*.<sup>9</sup> In this report, ICAR said "[t]ransnational corporations with intentionally complex, opaque supply chains are able to conceal systematic wage theft, forced labor, and attacks against human rights defenders" and "companies that pay little to nothing in federal income taxes go on to spend hundreds of millions of dollars on lobbying for their interests."<sup>10</sup>

Does USCC share the vision of the Tides Foundation? If not, why would USCC accept funds from a group so opposed to its mission?<sup>11</sup> Or perhaps the better question is why would the Tides Foundation think that this donation would advance its interests?

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<sup>4</sup> Matthew Boyle, Exclusive – Tax Documents: U.S. Chamber of Commerce Foundation Turns to Soros-Funded Groups and Democrats to Keep Dwindling Operations Alive, BREITBART (March 25, 2024), <https://www.breitbart.com/politics/2024/03/25/exclusive-tax-documents-chamber-commerce-foundation-turns-soros-funded-groups-democrats-keep-dwindling-operations-alive/>.

<sup>5</sup> Chamber of Commerce, (2022), Return of organization exempt from income tax [Form 990]. Retrieved from <https://projects.propublica.org/nonprofits/organizations/530045720/202333179349309013/full>.

<sup>6</sup> Tides Foundation, *Foundation Giving*, WWW.TIDES.ORG, <https://www.tides.org/partners/foundations/> (last visited Apr. 8, 2024).

<sup>7</sup> Tides Foundation, *Our Vision & Mission*, WWW.TIDES.ORG, <https://www.tides.org/partners/> (last visited Apr. 8, 2024).

<sup>8</sup> Tides Foundation, *Tides Partners*, WWW.TIDES.ORG, <https://www.tides.org/about/mission/> (last visited Apr. 8, 2024).

<sup>9</sup> Jackie Lewis, et al., *Building a Rights-Based Economy: A Corporate Accountability Agenda*, International Corporate Accountability Roundtable (Dec. 2023), [https://icar.ngo/wp-content/uploads/2023/12/ICAR\\_CorporateAccountabilityReport\\_v4.pdf](https://icar.ngo/wp-content/uploads/2023/12/ICAR_CorporateAccountabilityReport_v4.pdf).

<sup>10</sup> *Id.*

<sup>11</sup> Chamber of Commerce, (2022), Return of organization exempt from income tax [Form 990]. Retrieved from <https://projects.propublica.org/nonprofits/organizations/530045720/202333179349309013/full>.

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These reports are concerning because the Committee is evaluating whether tax-exempt organizations like USCC and USCCF are operating for the exempt purposes that allowed them to obtain tax-exempt status. Additionally, the Committee is concerned about whether donors to, and members of, organizations like yours have sufficient awareness of how their money is being spent.

Given the Committee's oversight on tax-exempt organizations throughout the 118<sup>th</sup> Congress, and concerns raised by recent public reporting, we request answers to the following questions no later than 5 p.m. on May 20, 2024.

1. As a tax-exempt organization with the stated mission of advocating “for policies that help businesses create jobs and grow our economy” that has a related foundation, what exactly are taxpayers getting in return for the U.S. Chamber of Commerce Foundation's tax-exempt status?
2. Why is the U.S. Chamber of Commerce's Foundation accepting funds from the Tides Foundation, an organization that seems to sponsor and partner with openly anti-business organizations?
3. What have the funds received from the Tides Foundation been used for?
4. Are your members and donors aware that the organization is funded, in part, by the Tides Foundation?
5. Do you share the vision of the Tides Foundation? If not, why did you accept funds from the organization? Do you know why they donated to USCC?

Thank you in advance for your time and responses. If you have any questions, please contact the Ways and Means Majority Committee staff at (202) 225-3625.

Sincerely,



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Jason Smith  
Chairman  
Committee on Ways and Means