

Congress of the United States
Washington, DC 20515

April 8, 2026

The Honorable Scott Bessent
Secretary
U.S. Department of the Treasury
1500 Pennsylvania Avenue, NW
Washington, DC 20220

The Honorable Frank Bisignano
Chief Executive Officer
Internal Revenue Service
1111 Constitution Avenue, N.W.
Washington, D.C. 20224

Dear Secretary Bessent and Mr. Bisignano,

We are writing to express our grave concerns about how the Chinese Communist Party (CCP) is engaging in malign influence operations that interfere with our political process and democratic elections. The People's Republic of China (PRC) is utilizing United Front organizations, proxies, and intermediaries within the United States—many granted tax-exempt status under section 501(c) of the Internal Revenue Code¹—to engage in political activity that manipulates our democratic institutions and supports the interests of the CCP.

The Committee on Ways and Means has conducted extensive oversight into the exploitation of America's tax-exempt sector by foreign nationals, with particular focus on CCP-linked influence operations.² Most recently, on February 10, 2026, the Committee held a hearing on foreign influence in America's tax-exempt sector. Chairman Jason Smith simultaneously transmitted letters to The People's Forum, BreakThrough News, and Tricontinental: Institute for Social Research, organizations alleged to form part of a network of CCP-linked nonprofits funded by American tech mogul, Neville Roy Singham, demanding the production of documents and raising serious questions about their tax-exempt status.³ In November 2023, the Select

¹ *Restriction of political campaign intervention by Section 501(c)(3) tax-exempt organizations*, Internal Revenue Service, available at <https://www.irs.gov/charities-non-profits/charitable-organizations/restriction-of-political-campaign-intervention-by-section-501c3-tax-exempt-organizations>.

² Letter from Jason Smith, Chairman, House Committee On Ways and Means, to Manolo De Los Santos, Executive Director, The People's Forum (Sep. 4, 2025), <https://waysandmeans.house.gov/wp-content/uploads/2025/09/9.4.25-The-Peoples-Forum-Letter.pdf>; Asra Q. Nomani, *Far-left nonprofits in the hot seat as lawmaker exposes them for 'sowing chaos' in US*, Fox News (Feb. 10, 2026), <https://www.foxnews.com/politics/far-left-nonprofits-hot-seat-lawmaker-exposes-them-for-sowing-chaos-us>.

³ H. Comm. On Ways and Means, *Full Committee Hearing on Foreign Influence in American Non-profits: Unmasking Threats from Beijing and Beyond* (Feb. 10, 2026), <https://waysandmeans.house.gov/event/full-committee-hearing-on-foreign-influence-in-american-non-profits-unmasking-threats-from-beijing-and-beyond/>;

Committee on Strategic Competition Between the United States and the Chinese Communist Party released its *United Front 101* memo, which explains that united front work is “a unique blend of engagement, influence activities, and intelligence operations”⁴ used by the CCP to “shape its political environment, including to influence other countries’ policy toward the PRC and to gain access to advanced foreign technology.”⁵

Public reporting and cases that are being prosecuted by the Department of Justice throughout the United States provide chilling evidence of how the Chinese government and CCP United Front have utilized and coopted community associations and other types of cultural, civic, and business organizations purportedly representing the interests of diverse communities across the United States to engage in political activities.⁶

Originally intended to provide Chinese immigrants in the United States a venue to connect with others from their or their family’s provinces or cities of origin,⁷ the CCP has co-opted many “hometown” associations into its United Front strategy. The overseas hometown associations are handled by the CCP’s United Front system through the All-China Federation of Returned Chinese (ACFROC), which is overseen by the Chinese People’s Political Consultative Conference (CPPCC). The ACFROC is one of the primary organizations within the CCP’s United Front system that is tasked with conducting “overseas friendship ... to unite and mobilize the vast number of returned overseas Chinese relatives and overseas compatriots to carry out friendship and liaison work.”⁸ Even more worrisome is how the CCP uses the United Front as cover for other nefarious operations by the Ministry of Public Security and Ministry of State Security.

Asra Q. Nomani, *Far-left nonprofits in the hot seat as lawmaker exposes them for 'sowing chaos' in US*, Fox News (Feb. 10, 2026), <https://www.foxnews.com/politics/far-left-nonprofits-hot-seat-lawmaker-exposes-them-for-sowing-chaos-us>.

⁴ Memorandum: United Front 101, U.S. House Select Committee on Strategic Competition Between the United States and the Chinese Communist Party at 1 (Nov. 27, 2023), <https://selectcommitteeontheccp.house.gov/sites/evo-subsites/selectcommitteeontheccp.house.gov/files/evo-media-document/uf-101-memo-final-pdf-version.pdf>.

⁵ Id.

⁶ Rebecca Davis O’Brien, *Chinese Officer Charged With Harassing N.Y. Congressional Candidate*, The New York Times (Mar. 16, 2022), <https://www.nytimes.com/2022/03/16/nyregion/china-target-congress-campaign.html>; *New York Resident Pleads Guilty to Operating Secret Police Station of the Chinese Government in Lower Manhattan*, U.S. Department of Justice, <https://www.justice.gov/archives/opa/pr/new-york-resident-pleads-guilty-operating-secret-police-station-chinese-government-lower>; *Former High-Ranking New York State Government Employee Charged with Acting as an Undisclosed Agent of the People’s Republic of China and the Chinese Communist Party*, U.S. Department of Justice, <https://www.justice.gov/usao-edny/pr/former-high-ranking-new-york-state-government-employee-charged-acting-undisclosed>; *Political Operative Sentenced to 4 Years in Federal Prison for Acting as Covert Agent of People’s Republic of China*, U.S. Department of Justice, <https://www.justice.gov/usao-cdca/pr/political-operative-sentenced-4-years-federal-prison-acting-covert-agent-peoples>; Michael Forsythe, Jay Root, Bianca Pallaro and David A. Fahrenthold, *How China Influences Elections in America’s Biggest City*, The New York Times (Aug. 25, 2025), <https://www.nytimes.com/2025/08/25/nyregion/china-consulate-new-york-elections.html>.

⁷ Michael Forsythe, Jay Root, Bianca Pallaro and David A. Fahrenthold, *How China Influences Elections in America’s Biggest City*, The New York Times (Aug. 25, 2025), <https://www.nytimes.com/2025/08/25/nyregion/china-consulate-new-york-elections.html>.

⁸ *2022 Budget of the All-China Federation of Returned Overseas Chinese*, Center for Security and Emerging Technology, available at <https://cset.georgetown.edu/publication/overseas-chinese-federation-budget-2022/>.

The CPPCC functions as the highest-coordinating body for the broader United Front system that includes political parties, social organizations, sectoral representatives, and other special invitees.⁹ The ACFROC supervises a network of provincial and local federations of Chinese returnees who lived or worked abroad—under a social organization that is responsible for conducting regular exchanges with leaders of overseas hometown associations either when ACFROC officials travel abroad or when Association leaders visit China (the Fujian Hometown Association would interact with the Fujian Federation of Returned Overseas Chinese) and guiding their activities and advocacy on behalf of the CCP.

Tax-exempt organizations must be organized and operated exclusively for exempt purposes set forth in section 501(c)(3) as a condition of their tax-exempt status.¹⁰ Notably, these tax-exempt organizations are strictly prohibited from participating in or intervening in any political campaign on behalf of or in opposition to any candidate for public office.¹¹ As a tax-exempt expert told the *New York Times*, the activities of these tax-exempt organizations are “a clear violation of the limits that Congress has put on their tax-exempt status.” Moreover, leaders of these organizations are prohibited from making partisan comments in official functions and publications of the organization.¹²

Despite such clear prohibitions on political campaign intervention by organizations and leaders of 501(c)(3) groups, an investigation conducted by *The New York Times* identified at least 53 of these organizations that have endorsed or raised money for political candidates, likely in violation of the rules against political campaign intervention. Moreover, at least 19 of those registered charities were in clear violation on the ban.¹³ As the aforementioned *The New York Times* article stated: “in case after case, the hometown groups made endorsements or hosted fund-raisers despite answering ‘no’ to questions from the Internal Revenue Service about political involvement.”¹⁴ Most importantly, *The New York Times* investigation found, as the Select Committee has warned, that¹⁵ these “organizations have quietly foiled the careers of

⁹ Susan V. Lawrence, Congressional Research Service, R46977, *China’s Political System in Charts: A Snapshot Before the 20th Party Congress*, 33 (Nov. 24, 2021).

¹⁰ *Exempt purposes - Internal Revenue Code Section 501(c)(3)*, Internal Revenue Service, available at <https://www.irs.gov/charities-non-profits/charitable-organizations/exempt-purposes-internal-revenue-code-section-501c3>.

¹¹ 26 U.S.C. § 501(c)(3)

¹² Internal Revenue Service, FS-2006-17, Fact Sheet 2006-17 (Feb. 2006), <https://www.irs.gov/pub/irs-news/fs-06-17.pdf>; Internal Revenue Service, Revenue Ruling 2007-41 (Jun. 2007), https://www.irs.gov/irb/2007-25_IRB#RR-2007-41

¹³ Michael Forsythe, Jay Root, Bianca Pallaro and David A. Fahrenthold, *How China Influences Elections in America’s Biggest City*, *The New York Times* (Aug. 25, 2025), available at <https://www.nytimes.com/2025/08/25/nyregion/china-consulate-new-york-elections.html>.

¹⁴ *Id.*

¹⁵ Letter from Reps. Jim Banks, Carlos Gimenez, Robert Wittman and Elise Stefanik to The Honorable Antony Blinken, Secretary of State, U.S. Department of State, The Honorable Merrick Garland, Attorney General, U.S. Department of Justice (Oct. 29, 2024), https://cdn01.dailycaller.com/wp-content/uploads/2024/10/FILE_2753.pdf.

politicians who opposed China's authoritarian government while backing others who supported policies of the country's ruling Communist Party."¹⁶

The cases include a particularly egregious event involving a candidate for Congress in New York. In addition to facing threats from Chinese government agents that sought to sabotage the candidate's campaign and impugn his character for his involvement in the Tiananmen student protests, community organizations that provide a venue for local candidates were reportedly threatened, coerced, or co-opted by the PRC consulate to deny the candidate a stage to engage the community.¹⁷ Local leaders who participated in meetings with foreign leaders that the CCP opposes were censored by hometown associations.¹⁸ Tellingly, leaders of hometown associations have explicitly endorsed candidates for office in clear violation of rules against political campaign intervention.¹⁹

The conduct described above represents precisely the kind of prohibited political campaign intervention that Congress has expressly forbidden for tax-exempt organizations.²⁰ As Lloyd Hitoshi Mayer, a professor at Notre Dame who studies nonprofit law, concluded: "That's totally out of bounds. That's a clear violation of the limits that Congress has put on their tax-exempt status."²¹ The IRS declined to comment on these findings, and New York's state tax agency admitted it lacked the resources to identify such violations.²² The Committee on Ways and Means raised precisely these concerns in its August 2023 Request for Information on the Political Activities of Tax-Exempt Organizations, which specifically asked whether Congress should act to address foreign money flowing through 501(c)(3) and 501(c)(4) organizations to influence U.S. elections.²³ What was then a concern is now a documented reality playing out in America's largest city.

¹⁶ Michael Forsythe, Jay Root, Bianca Pallaro and David A. Fahrenthold, *How China Influences Elections in America's Biggest City*, The New York Times (Aug. 25, 2025), available at <https://www.nytimes.com/2025/08/25/nyregion/china-consulate-new-york-elections.html>.

¹⁷ Isabel Vincent, *Inside Chinese Communist Party's plot to stop dissident's run for US congress with prostitute, beating or 'accident'*, New York Post (Aug. 28, 2024), <https://nypost.com/2024/08/28/us-news/inside-chinese-plot-to-stop-dissidents-run-for-us-congress/>; Michael Forsythe, Jay Root, Bianca Pallaro and David A. Fahrenthold, *How China Influences Elections in America's Biggest City*, The New York Times (Aug. 25, 2025), <https://www.nytimes.com/2025/08/25/nyregion/china-consulate-new-york-elections.html>.

¹⁸ Michael Forsythe, Bianca Pallaro, Jay Root and Benjamin Weiser, *How a Criminal With Close Ties to China Became a New York Power Broker*, The New York Times (Dec. 9, 2024), <https://www.nytimes.com/2024/12/09/nyregion/chan-china-nyc-influence.html>.

¹⁹ 10/13 庆祝中華人民共和國七十五週年華誕 美國福州琅岐红光联谊会 主席 陈宜昌主持活动 [October 13, 75th Anniversary Celebration for the Founding of the People's Republic of China Hosted by Chen Yichang, Chairman of the American Fuzhou Langqi Hongguang Friendship Association], available at

²⁰ 26 U.S.C. § 501(c)(3).

²¹ Michael Forsythe, Jay Root, Bianca Pallaro and David A. Fahrenthold, *How China Influences Elections in America's Biggest City*, The New York Times (Aug. 25, 2025), <https://www.nytimes.com/2025/08/25/nyregion/china-consulate-new-york-elections.html>.

²² Id.

²³ Letter from Jason Smith et al., Chairman, House Committee 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://waysandmeans.house.gov/wp-content/uploads/2023/08/RFI-on-501c3-and-c4-Activities-FINAL.pdf>.

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We appreciate the IRS's commitment to stronger enforcement of our laws against activities by tax-exempt organizations that violate the IRC. We believe that it is critical to include in this process a thorough review of how tax-exempt organizations in the United States, which are influenced by foreign adversaries like the People's Republic of China, are violating our laws and engaging in prohibited political campaign interventions that undermine our democracy and the integrity of the tax-exempt status for other organizations that are engaging in legitimate charitable purposes.

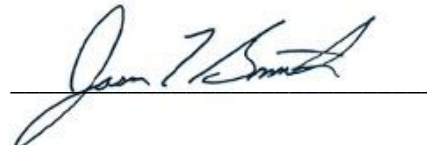
As Chairmen of the House Select Committee on China and Committee on Ways and Means, we request a briefing, not later than April 22, 2026, on the steps that the IRS is undertaking to address these threats to our political institutions.²⁴

Thank you for your attention to this important matter.

Sincerely,



John Moolenaar
Chairman
House Select Committee on the CCP



Jason Smith
Chairman
House Committee on Ways and Means

²⁴ Internal Revenue Service, Political Campaign and Lobbying Activities of IRC 501(c)(4), (c)(5), and (c)(6) Organizations, *available at* <https://www.irs.gov/pub/irs-tege/eotopic103.pdf>.