



CITIZENS FOR
RESPONSIBILITY &
ETHICS IN WASHINGTON

December 18, 2024

The Honorable Danny Werfel
Commissioner
Internal Revenue Service
1111 Constitution Ave., N.W.
Washington, DC 20224

By electronic mail (IRS.Commissioner@IRS.gov) and First Class mail

Re: Complaint against Midwest Growth Inc. and Americans 4 Security Inc.

Dear Commissioner Werfel:

Citizens for Responsibility and Ethics in Washington (“CREW”) respectfully requests the Internal Revenue Service (“IRS”) investigate whether Midwest Growth Inc. and Americans 4 Security Inc., nonprofit organizations exempt from taxation pursuant to section 501(c)(4) of the Internal Revenue Code (“Code”), are operated primarily to influence political campaigns in violation of the Code.¹ CREW further requests the IRS investigate whether Midwest Growth Inc., Americans 4 Security Inc., and the principal officer of both organizations, Brandon Rosner, violated federal law by failing to properly disclose the organizations’ political contributions.

Though nominally established to promote social welfare, both organizations appear to have primarily operated as political organizations in disguise while avoiding the disclosure obligations of political organizations. Since their formations, Midwest Growth Inc. and Americans 4 Security Inc. have repeatedly dedicated the majority of their expenditures to political activity, giving more than \$7 million combined to political committees. Despite such extensive political activity, both organizations have consistently misrepresented their activities to the IRS, repeatedly denying that they engaged in any direct or indirect political activities.

In multiple years since its formation in 2016, Midwest Growth Inc. has dedicated the majority of its funds to political activity. During its 2016 tax year, Midwest Growth Inc. contributed \$53,500 to political organizations, which accounted for 56.7% of its total spending that year. During its 2019 tax year, Midwest Growth Inc. contributed \$80,000 to political organizations, which accounted for 56.2% of its total spending that year. During its 2022 tax year, Midwest Growth Inc. contributed \$1,135,781.47 to political organizations, which accounted for 83.8% of its total spending during that year.

Similarly, in multiple years since its formation in 2020, Americans 4 Security Inc. has dedicated the majority of its funds to political activity in multiple years. During its 2020 tax year, Americans 4 Security Inc. contributed \$156,030 to political organizations, accounting

¹ CREW submits this letter in lieu of Form 13909; a copy is being sent to the Dallas office.

for at least 79% of its total spending that year. During its 2022 tax year, Americans 4 Security Inc. contributed \$1.475 million to political organizations, accounting for 67.9% of its total spending that year. Though it has not yet filed its 2024 tax return, Americans 4 Security Inc. has already contributed \$3,793,527 to political organizations, indicating that political activity may once again account for a majority of its total spending for the year.

In addition, both Midwest Growth Inc. and Americans 4 Security Inc. repeatedly falsely represented on their tax returns that they did not engage in any political activities and failed to disclose on the IRS form used to report political expenditures the more than a million dollars each contributed to political organizations.

The Organizations and Their Political Activity

Midwest Growth Inc. is a nonprofit organization established in Wisconsin on June 9, 2016.² The organization was granted federal tax-exempt status on October 5, 2016.³ Americans 4 Security Inc. is a nonprofit organization established in Wisconsin on January 3, 2020.⁴ The organization's page on the IRS's Tax Exempt Organization Search page does not include a tax exemption determination letter, suggesting Americans 4 Security Inc. has either not sought or not yet received tax-exempt status.⁵

Brandon Rosner is the secretary and principal officer of both Midwest Growth Inc. and Americans 4 Security Inc., and has signed all of their Form 990 informational tax returns.⁶ Mr. Rosner is a "veteran Republican operative" who served as an advisor to Wisconsin gubernatorial candidate Tim Michels in 2022.⁷

Midwest Growth Inc.'s Political Activity

2016

In 2016, Midwest Growth Inc. made two contributions, totaling \$53,500, to a similarly-named political committee registered with the Federal Election Commission ("FEC"). In particular, Midwest Growth PAC, an independent expenditure-only political action

² Articles of Incorporation of Midwest Growth Inc., State of Wisconsin, Department of Financial Institutions, June 9, 2016, <https://bit.ly/3LXZBvj>.

³ Midwest Growth Inc., Tax Exemption Determination Letter from the IRS, Oct. 5, 2016, <https://bit.ly/3yhioPa>. The organization's Employer Identification Number is 81-2944346. Midwest Growth Inc., 2016 Form 990, <https://bit.ly/3WIHFLz>.

⁴ Articles of Incorporation of Americans 4 Security Inc., State of Wisconsin, Department of Financial Institutions, Jan. 3, 2020, <https://bit.ly/3VRpLWk>.

⁵ Internal Revenue Service, Tax Exempt Organization Search, Search Term, "Americans 4 Security." The organization's Employer Identification Number is 84-4185217. Americans 4 Security Inc., 2020 Form 990, <https://bit.ly/3znhe4D>.

⁶ Midwest Growth Inc., 2016 Form 990, at 1; Midwest Growth Inc., 2017 Form 990, at 1, <https://bit.ly/3WJtyvg>; Midwest Growth Inc., 2018 Form 990, at 1, <https://bit.ly/3Wuueh1>; Midwest Growth Inc., 2019 Form 990, at 1, <https://bit.ly/46v6NIO>; Midwest Growth Inc., 2020 Form 990, at 1, <https://bit.ly/4c4yKbP>; Midwest Growth Inc., 2021 Form 990, at 1, <https://bit.ly/4cc2svr>; Midwest Growth Inc., 2022 Form 990, at 1, <https://bit.ly/3LMlnST>; Americans 4 Security Inc., 2020 Form 990, at 1; Americans 4 Security Inc., 2021 Form 990, at 1, <https://bit.ly/3zdzv4r>; Americans 4 Security Inc., 2022 Form 990, at 1, <https://bit.ly/4cyThWD>.

⁷ Daniel Bice, [Bice: Waukesha County GOP boss accused of skirting campaign rules with WisRed PAC](https://www.jsonline.com/story/news/politics/elections/2023/09/25/daniel-bice-waukesha-county-gop-boss-accused-of-skirting-campaign-rules-with-wisred-pac/7048442002), *Milwaukee Journal Sentinel*, Sept. 25, 2023, <https://archive.ph/NneR7>.

committee (commonly known as a “super PAC”) registered at the time with the FEC, reported it received \$51,000 from Midwest Growth Inc. on July 21, 2016 and \$2,500 on October 26, 2016.⁸ Midwest Growth PAC used the funds it received from Midwest Growth Inc., which accounted for 75% of the super PAC’s revenue that year, to pay for independent expenditures in a Wisconsin congressional race.⁹

Midwest Growth Inc. and Midwest Growth PAC had significant ties to each other. In reporting the contributions it received from Midwest Growth Inc., Midwest Growth PAC listed Midwest Growth Inc.’s address as the same Appleton, WI post office box that it listed for its own address.¹⁰ Midwest Growth PAC’s treasurer was Bruce Barrette, who is listed on Midwest Growth Inc.’s informational returns as the organization’s president.¹¹ Midwest Growth Inc. acknowledged on its 2016 Form 990 that it shared “common officers” with Midwest Growth PAC.¹²

2018

In 2018, Midwest Growth Inc. made 10 contributions, totaling \$96,401.46, to political committees registered with the FEC and the Wisconsin Ethics Commission. Midwest Growth Inc. again contributed to Midwest Growth PAC in 2018, making five contributions, totaling \$43,750, between April 13, 2018 and October 29, 2018.¹³ Midwest Growth Inc. was the super PAC’s sole contributor during the 2018 election cycle, completely funding its independent expenditures in a Wisconsin congressional election.¹⁴

Similarly, Midwest Growth Fund, an independent expenditure committee registered with the Wisconsin Ethics Commission,¹⁵ reported receiving five contributions from Midwest Growth Inc. between April 4, 2018 and June 1, 2018, totaling \$52,651.46.¹⁶ As with Midwest Growth PAC, Midwest Growth Inc. was Midwest Growth Fund’s sole contributor during the

⁸ Midwest Growth PAC, FEC Form 1, Statement of Organization, May 19, 2016, <https://bit.ly/3WNOK5y>; Midwest Growth PAC, FEC Form 3X, 2016 October Quarterly Report, Oct. 11, 2016, <https://bit.ly/46xk7wc>; Midwest Growth PAC, FEC Form 3X, 2016 Post-General Report, Dec. 7, 2016, <https://bit.ly/46tLPKy>. Midwest Growth PAC terminated its status as a political committee with the FEC in July 2023. Letter from Andrea Chamorro, Federal Election Commission, to Bruce Barrette, July 20, 2023, <https://bit.ly/3SwV9aI>.

⁹ Midwest Growth PAC, Receipts, 2015-2016, Federal Election Commission, <https://bit.ly/3StzkZF>; Midwest Growth PAC, Independent Expenditures, 2015-2016, Federal Election Commission, <https://bit.ly/3ypO5Wy>.

¹⁰ Midwest Growth PAC, FEC Form 3X, 2016 October Quarterly Report, Oct. 11, 2016, at 1, 6.

¹¹ *Id.* at 1; Midwest Growth Inc., 2016 Form 990, Part VII.

¹² Midwest Growth Inc., 2016 Form 990, Schedule L, Part III, Line 1.

¹³ Midwest Growth PAC, FEC Form 3X, 2018 July Quarterly Report, July 17, 2018, <https://bit.ly/3ynDviG>; Midwest Growth PAC, FEC Form 3X, 2018 October Quarterly Report, Oct. 9, 2018, <https://bit.ly/3Wxi5aO>; Midwest Growth PAC, FEC Form 3X, 2018 Year-End Report, Jan. 20, 2019, <https://bit.ly/46LOPLI>.

¹⁴ Midwest Growth PAC, Receipts, 2017-2018, Federal Election Commission, <https://bit.ly/3WIUISx>; Midwest Growth PAC, Independent Expenditures, 2017-2018, Federal Election Commission, <https://bit.ly/4dsBFFi>.

¹⁵ Midwest Growth Fund, Campaign Registration Statement, State of Wisconsin, <https://bit.ly/4chKdoA>.

¹⁶ Midwest Growth Fund, Special Pre-Primary 2018 (1st Senate; 42nd Assembly), Campaign Finance Report, State of Wisconsin, <https://bit.ly/3Yq6kFN>; Midwest Growth Fund, Special Pre-Election 2018 (1st Senate; 42nd Assembly), Campaign Finance Report, State of Wisconsin, <https://bit.ly/4c9UbrI>; Midwest Growth Fund, July Continuing 2018, Campaign Finance Report, State of Wisconsin, <https://bit.ly/4c9Uho7>.

2018 cycle, completely funding its independent expenditures.¹⁷ Like Midwest Growth PAC, Midwest Growth Fund lists the same Appleton, WI post office box for Midwest Growth Inc. as for itself and also lists Bruce Barrette as its treasurer.¹⁸

2019

In 2019, Midwest Growth Inc. made seven contributions, totaling \$80,000, to political committees registered with the Wisconsin Ethics Commission. Midwest Growth Inc. again contributed to Midwest Growth Fund, making five contributions, totaling \$58,000, between February 1, 2019 and August 1, 2019, which the political committee used to pay for independent expenditures.¹⁹ Midwest Growth Inc. also contributed \$12,000 to the Republican Party of Wisconsin and \$10,000 to the Waukesha County Republican Party.²⁰

2020

In 2020, Midwest Growth Inc. did not make any contributions to organizations registered as a political committee with either the FEC or any state-level campaign finance regulator. Midwest Growth Inc. did, however, give \$142,000 to Americans 4 Security Inc., a tax-exempt organization that, as detailed below, dedicated the majority of its spending to political activity in 2020.²¹

2021

In 2021, Midwest Growth Inc. made two contributions, totaling \$30,000, to a political committee registered with the Wisconsin Ethics Commission. In particular, Midwest Growth Inc. contributed \$20,000 to Wisconsinites for Liberty Fund, an independent expenditure committee, on February 4, 2021 and \$10,000 on April 1, 2021.²² Wisconsinites for Liberty Fund used Midwest Growth Inc.'s funds to pay for independent expenditures.²³

2022

¹⁷ Midwest Growth Fund, Special Pre-Primary 2018 (1st Senate; 42nd Assembly), Campaign Finance Report, State of Wisconsin; Midwest Growth Fund, Special Pre-Election 2018 (1st Senate; 42nd Assembly), Campaign Finance Report, State of Wisconsin; Midwest Growth Fund, July Continuing 2018, Campaign Finance Report, State of Wisconsin.

¹⁸ Midwest Growth Fund, Special Pre-Primary 2018 (1st Senate; 42nd Assembly), Campaign Finance Report, State of Wisconsin.

¹⁹ Midwest Growth Fund, Spring Pre-Primary 2019, Campaign Finance Report, State of Wisconsin, <https://bit.ly/3WRyKr5>; Midwest Growth Fund, July Continuing 2019, Campaign Finance Report, State of Wisconsin, <https://bit.ly/3SC6032>; Midwest Growth Fund, January Continuing 2020, Campaign Finance Report, State of Wisconsin, <https://bit.ly/4cdn6eO>.

²⁰ Republican Party of Wisconsin, January Continuing 2020, Campaign Finance Report, State of Wisconsin, <https://bit.ly/3A6C48Q>; Waukesha County Republican Party, January Continuing 2020, Campaign Finance Report, State of Wisconsin, <https://bit.ly/3AanzBO>.

²¹ Midwest Growth Inc., 2020 Form 990, Schedule I, Part II, Line 1.

²² Wisconsinites for Liberty Fund, Campaign Registration Statement, State of Wisconsin, <https://bit.ly/3Ssm1c2>; Wisconsinites for Liberty Fund, Spring Pre-Election 2021, Campaign Finance Report, State of Wisconsin, <https://bit.ly/3A6DkJ6>; Wisconsinites for Liberty Fund, July Continuing 2021, Campaign Finance Report, State of Wisconsin, <https://bit.ly/4dcybl3>.

²³ Wisconsinites for Liberty Fund, Spring Pre-Election 2021, Campaign Finance Report, State of Wisconsin; Wisconsinites for Liberty Fund, July Continuing 2021, Campaign Finance Report, State of Wisconsin.

In 2022, Midwest Growth Inc. made 12 contributions, totaling \$1,135,781, to political committees registered with the Wisconsin Ethics Commission. Midwest Growth Inc. again contributed to Wisconsinites for Liberty Fund, making seven contributions totaling \$455,781.47 between March 1, 2022 and October 26, 2022 that funded Wisconsinites for Liberty Fund's independent expenditures.²⁴ Midwest Growth Inc. also made five contributions, totaling \$680,000, to Sunrise in America Political Fund, an independent expenditure committee, between July 13, 2022 and September 15, 2022.²⁵ Sunrise in America Political Fund used Midwest Growth Inc.'s contributions to pay for independent expenditures.²⁶

2023

In 2023, Midwest Growth Inc. made 9 contributions, totaling \$219,133.50, to three political committees registered with the Wisconsin Ethics Commission. On February 6, 2023, Midwest Growth Inc. contributed \$55,000 to Justice for Wisconsin, an independent expenditure committee that used the funds to pay for independent expenditure radio ads.²⁷ On December 29, 2023, Midwest Growth Inc. made in-kind contributions of \$100 and \$153 to Justice for Wisconsin, which paid for a filing and legal fees.²⁸ Midwest Growth Inc. also contributed a total of \$151,880.50 to Citizens for a Better Northeast Wisconsin, an independent expenditure committee, giving \$100,000 on February 15, 2023, \$50,000 on March 7, 2023, and \$1,500 on March 23, 2023 as well as in-kind contributions of \$280.50 and \$100 on December 28, 2023.²⁹ On November 30, 2023, Midwest Growth Inc. also contributed \$12,000 to the Waukesha County Republican Party.³⁰

2024

²⁴ Wisconsinites for Liberty Fund, July Continuing 2022, Campaign Finance Report, State of Wisconsin, <https://bit.ly/4cfj7OD>; Wisconsinites for Liberty Fund, Fall Pre-Primary 2022, Campaign Finance Report, State of Wisconsin, <https://bit.ly/3Yz0S3G>; Wisconsinites for Liberty Fund, Fall Pre-Election 2022, Campaign Finance Report, State of Wisconsin, <https://bit.ly/4ft2tOx>; Wisconsinites for Liberty Fund, January Continuing 2023, Campaign Finance Report, State of Wisconsin, <https://bit.ly/3yBSKEL>.

²⁵ Sunrise in America Political Fund, Campaign Registration Statement, State of Wisconsin, <https://bit.ly/4cuBMq8>; Sunrise in America Political Fund, Fall Pre-Primary 2022, Campaign Finance Report, State of Wisconsin, <https://bit.ly/4dyMLzq>; Sunrise in America Political Fund, September Report 2022, Campaign Finance Report, State of Wisconsin, <https://bit.ly/3A9D3Fg>; Sunrise in America Political Fund, Fall Pre-Election 2022, Campaign Finance Report, State of Wisconsin, <https://bit.ly/3zggjml>.

²⁶ Sunrise in America Political Fund, Fall Pre-Primary 2022, Campaign Finance Report, State of Wisconsin; Sunrise in America Political Fund, September Report 2022, Campaign Finance Report, State of Wisconsin; Sunrise in America Political Fund, Fall Pre-Election 2022, Campaign Finance Report, State of Wisconsin.

²⁷ Justice for Wisconsin, Campaign Registration Statement, State of Wisconsin, <https://bit.ly/3ysvlWv>; Justice for Wisconsin, Spring 2023 / 8th Senate Spring Pre-Election 2023, Campaign Finance Report, State of Wisconsin, <https://bit.ly/3LZ8JA6>.

²⁸ Justice for Wisconsin, January Continuing 2024, Campaign Finance Report, State of Wisconsin, <https://bit.ly/4cg2Hpf>.

²⁹ Citizens for a Better Northeast Wisconsin, Campaign Registration Statement, State of Wisconsin, <https://bit.ly/4deIeLZ>; Citizens for a Better Northeast Wisconsin, Spring 2023 / 8th Senate Spring Pre-Election 2023, Campaign Finance Statement, State of Wisconsin, <https://bit.ly/3SGnonA>; Citizens for a Better Northeast Wisconsin, 8th Senate Post Election reporting period for special elections 2023, Campaign Finance Report, State of Wisconsin, <https://bit.ly/4dCOCLN>; Citizens for a Better Northeast Wisconsin, January Continuing 2024, Campaign Finance Report, State of Wisconsin, <https://bit.ly/3SG6LrS>.

³⁰ Waukesha County Republican Party, January Continuing 2024, Campaign Finance Report, State of Wisconsin, <https://bit.ly/3YDyn4W>.

In 2024 so far, Midwest Growth Inc. has made one contribution of \$12,000 to a political committee registered with the Wisconsin Ethics Commission: the Waukesha County Republican Party.³¹

Americans 4 Security Inc.'s Political Activity

2020

Americans 4 Security Inc. began engaging in political activity even before it was officially incorporated. On January 2, 2020, one day before Americans 4 Security Inc.'s incorporation paperwork was filed in the state of Wisconsin, a federal super PAC called Seniors for Affordable Healthcare PAC reported that it received \$11,359.85 from Americans 4 Security Inc., which was used to pay for an independent expenditure supporting Jason Church in a Wisconsin congressional race.³² Americans 4 Security Inc. was the only ever contributor to Seniors for Affordable Healthcare PAC, which terminated in July 2020.³³ The now defunct super PAC's treasurer was named Luke Thompson, which is also the name of Midwest Growth Inc.'s treasurer.³⁴

In all, in 2020, Americans 4 Security Inc. made seven contributions, totaling \$167,390.30, reported by political committees registered with the FEC. Other than the contribution described above to Seniors for Affordable Healthcare PAC, all of Americans 4 Security Inc.'s contributions were made to Americans 4 Security PAC, a super PAC that registered with the FEC on January 6, 2020, just 3 days after Americans 4 Security Inc. incorporated in Wisconsin.³⁵ Americans 4 Security Inc. first contributed to Americans 4 Security PAC on January 7, 2020, giving \$20,000 to the super PAC, which was followed by \$35,000 on January 8, 2020, and \$50,000 on January 9, 2020.³⁶ Americans 4 Security PAC also reported a \$10 receipt from Americans 4 Security Inc. on January 7, 2020 that it described as an "opening cash balance."³⁷ Americans 4 Security Inc. gave an additional \$34,020.45 on January 31, 2020 and \$17,000 on February 17, 2020, bringing the organization's total contributions to Americans 4 Security PAC to \$156,030.45, all within little more than a month

³¹ Waukesha County Republican Party, July Continuing 2024, Campaign Finance Report, State of Wisconsin, <https://bit.ly/3Acnrkp>.

³² Articles of Incorporation of Americans 4 Security Inc., State of Wisconsin, Department of Financial Institutions, Jan. 3, 2020; Seniors for Affordable Healthcare PAC, FEC Form 3X, 2020 Pre-Primary Report, Feb. 5, 2020, <https://bit.ly/3xEB4I6>.

³³ Seniors for Affordable Healthcare PAC, Financial Summary, 2019-2020, Federal Election Commission, <https://bit.ly/3KSSnZ1>; Letter from Michael Beckman, Federal Election Commission, to Luke Thompson, July 21, 2020, <https://bit.ly/3RzoWz5>.

³⁴ Seniors for Affordable Healthcare PAC, FEC Form 1, Statement of Organization, Dec. 27, 2019, <https://bit.ly/3xwNL7V>; Midwest Growth Inc, 2020 Form 990, Part VII.

³⁵ Seniors for Affordable Healthcare PAC, FEC Form 3X, 2020 Pre-Primary Report, Feb. 5, 2020; Americans 4 Security PAC, Receipts, 2019-2020, Federal Election Commission, <https://bit.ly/3xxvTK5>; Americans 4 Security PAC, FEC Form 1, Statement of Organization, Jan. 6, 2020, <https://bit.ly/3zgXfVy>.

³⁶ Americans 4 Security PAC, FEC Form 3X, 2020 Pre-Primary Report, Amended, Mar. 11, 2020, <https://bit.ly/45CUJ82>.

³⁷ *Id.*

of its incorporation.³⁸ Americans 4 Security PAC used Americans 4 Security Inc.'s contributions to pay for independent expenditures in a Wisconsin congressional race.³⁹

In addition to sharing essentially the same name, Americans 4 Security PAC listed Americans 4 Security Inc.'s address as the same Marshfield, WI address that it listed for its own address.⁴⁰ Americans 4 Security PAC's treasurer, Matthew Karas, is also named as Americans 4 Security Inc.'s treasurer, and on its 2020 Form 990 Americans 4 Security Inc. described money it provided to Americans 4 Security PAC as "grants or assistance benefiting interested persons" because the two organizations shared "common officers," an apparent reference to at least Mr. Karas.⁴¹

2021

In 2021, Americans 4 Security Inc. only made one contribution, totaling \$1,500, to a political committee registered with the state of Wisconsin. Specifically, Americans 4 Security Inc. contributed \$1,500 to the Waukesha County Republican Party on November 23, 2021.⁴² Though Americans 4 Security Inc. made minimal political contributions in 2021, the organization launched ad campaigns and public communications that promoted the interests of a particular elected official and would lay the groundwork for the group's future financial support of Americans 4 Security PAC's independent expenditures supporting the same elected official in 2024.

On March 16, 2021, the URL okconservativeaction.com was registered using GoDaddy.com.⁴³ At least as early as October 11, 2021, when the OK Conservative Action website was first captured by the Internet Archive's Wayback Machine, the website began promoting and praising Rep. Tom Cole (R-OK), who was then serving as the ranking member of the powerful House Rules Committee, as a "conservative champion" who "is a tireless advocate for Oklahoma values, taxpayers and businesses."⁴⁴ The bottom of the webpage carried, and still carries to this day, a disclaimer stating that it was "Paid for by Americans 4 Security, Inc."⁴⁵

On March 27, 2021, Americans 4 Security Inc. created its Facebook page and soon after began posting pro-Cole content.⁴⁶ Within weeks, Americans 4 Security Inc. began

³⁸ Americans 4 Security PAC, [FEC Form 3x, 2020 April Quarterly Report, Amended](https://bit.ly/4cwbLGZ), May 19, 2020, <https://bit.ly/4cwbLGZ>.

³⁹ Americans 4 Security PAC, Independent expenditures, 2019-2020, Federal Election Commission, <https://bit.ly/3WEWdKY>.

⁴⁰ Americans 4 Security PAC, [FEC Form 3X, 2020 Pre-Primary Report, Amended](https://bit.ly/3XZ3B4I), Mar. 11, 2020.

⁴¹ *Id.*; Americans 4 Security Inc., 2020 Form 990, Part VII and Schedule L, Part III, Line 2.

⁴² Waukesha County Republican Party, January Continuing 2022, Campaign Finance Report, State of Wisconsin, <https://bit.ly/3VBzVcj>.

⁴³ Whois, okconservativeaction.com, <https://bit.ly/3zq3B4I> (accessed June 25, 2024).

⁴⁴ Internet Archive Wayback Machine, okconservativeaction.com, Oct. 11, 2021, <https://bit.ly/3xAOVRz>.

⁴⁵ *Id.*; See <https://okconservativeaction.com/> (accessed June 25, 2024); Press Release, House Committee on Rules, Congressman Tom Cole Appointed House Rules Committee Chairman, Jan. 10, 2023, <https://bit.ly/3YmkxTW>; Lindsey McPherson, 'Last stop' House committee takes its turn in the limelight, *Roll Call*, Nov. 3, 2021, <https://bit.ly/4gZOP85>.

⁴⁶ Americans 4 Security Inc, Facebook, About, Page Transparency, <https://bit.ly/3xtXvzV>; Americans 4 Security Inc, Facebook, Posts, Apr. 8, 2021, <https://bit.ly/4eEgEzI>.

spending thousands of dollars on Facebook ads praising Rep. Cole.⁴⁷ Americans 4 Security Inc.'s initial ads, which cost between \$6,000 and \$7,500 to place, praised Rep. Cole's positions on border issues and encouraged viewers to "thank Tom Cole for making the safety and security of Americans and our border a top priority."⁴⁸ In total, Americans 4 Security Inc. spent between \$27,200 and \$35,599 on Facebook ads in 2021 that praised and promoted Rep. Cole.⁴⁹ The ads covered a range of issues that the organization encouraged viewers to "thank" Rep. Cole on, including border security, taxes, and policies related to China.⁵⁰

Americans 4 Security Inc. also appears to have paid for pro-Cole television ads in 2021. Americans 4 Security Inc. paid for at least three separate ad flights, together costing more than \$51,000 to air, targeting DirecTV subscribers in Oklahoma viewing a wide array of television networks.⁵¹ Advertising agreement forms signed by the nonprofit's ad buyers, as well as file names for the documents posted on the Federal Communications Commission's (FCC) website, indicate they referred to Rep. Cole and addressed issues related to border security and taxes, which may indicate that the ads were substantively similar, if not identical, to the ads that Americans 4 Security Inc. was paying to run on Facebook around the same time.⁵²

2022

In 2022, Americans 4 Security Inc. made eight contributions, totaling \$1,475,000, to political committees registered with the FEC and the Wisconsin Ethics Commission. On June 1, 2022, Americans 4 Security Inc. contributed \$50,000 to Americans 4 Security PAC, which

⁴⁷ Americans 4 Security Inc, Meta Ad Apr. 13, 2021 - May 5, 2021, ID: 280471650370697, <https://bit.ly/4c8AIV7>; Americans 4 Security Inc, Meta Ad Apr. 13, 2021 - May 5, 2021, ID: 468680121216674, <https://bit.ly/4bMBbQc>.

⁴⁸ Americans 4 Security Inc, Meta Ad Apr. 13, 2021 - May 5, 2021, ID: 280471650370697; Americans 4 Security Inc, Meta Ad Apr. 13, 2021 - May 5, 2021, ID: 468680121216674.

⁴⁹ Americans 4 Security Inc, Meta Ad Apr. 13, 2021 - May 5, 2021, ID: 280471650370697; Americans 4 Security Inc, Meta Ad Apr. 13, 2021 - May 5, 2021, ID: 468680121216674; Americans 4 Security Inc, Meta Ad, May 6, 2021 - June 3, 2021, ID: 179513430699452, <https://bit.ly/4eDOWwJ>; Americans 4 Security Inc, Meta Ad, May 6, 2021 - June 4, 2021, ID: 800127617606736, <https://bit.ly/4cSsrcF>; Americans 4 Security Inc, Meta Ad, Sept. 23, 2021 - Oct. 10, 2021, ID: 442838910482276, <https://bit.ly/3AhYkN8>; Americans 4 Security Inc, Meta Ad, Oct. 30, 2021 - Nov. 29, 2021, ID: 287968693106865, <https://bit.ly/4ceuUN7>; Americans 4 Security Inc, Meta Ad, Nov. 29, 2021 - Nov. 30, 2021, ID: 609309056958223, <https://bit.ly/4dzSepJ>; Americans 4 Security Inc, Meta Ad, Nov. 29, 2021 - Nov. 30, 2021, ID: 907180246900055, <https://bit.ly/3LYx7Sj>; Americans 4 Security Inc, Meta Ad, Dec. 1, 2021 - Dec. 14, 2021, ID: 862559561105905, <https://bit.ly/4fABikS>; Americans 4 Security Inc, Meta Ad, Dec. 1, 2021 - Dec. 14, 2021, ID: 674787033507959, <https://bit.ly/3WvEt4A>.

⁵⁰ Americans 4 Security Inc, Meta Ad Apr. 13, 2021 - May 5, 2021, ID: 280471650370697 ("Thank Tom Cole for making the safety and security of Americans and our border a top priority"); Americans 4 Security Inc, Meta Ad, May 6, 2021 - June 3, 2021, ID: 179513430699452 ("Thank Congressman Cole for standing up against the liberal madness"); Americans 4 Security Inc., Meta Ad, Nov. 29, 2021 - Nov. 30, 2021, ID: 609309056958223 ("Thank Congressman Tom Cole for having the guts to take on China").

⁵¹ D2 Media Sales, Billed Political Campaign, Americans 4 Security, Inc., Deal ID: D25103, Completed, Apr. 16, 2021 - May 2, 2021, <https://bit.ly/4bENspx>; D2 Media Sales, Billed Political Campaign, Americans 4 Security, Inc., Deal ID: D25121, Completed, May 10, 2021 - June 6, 2021, <https://bit.ly/4bEwDLq>; D2 Media Sales, Billed Political Campaign, Americans 4 Security, Inc., Deal ID: 18425, Completed, Sept. 20, 2021 - Oct. 10, 2021, <https://bit.ly/3S62FsN>; see <https://www.d2mediasales.com/>.

⁵² Issue (Non-candidate) Advertisement Agreement Form with DirecTV, Apr. 12, 2021, <https://bit.ly/3y1WkaX>; Issue (Non-candidate) Advertisement Agreement Form with DirecTV, May 6, 2021, <https://bit.ly/4cAilap>; Issue (Non-candidate) Advertisement Agreement Form with DirecTV, Sept. 17, 2021, <https://bit.ly/3xKpLyq>; Americans 4 Security Inc, Meta Ad Apr. 13, 2021 - May 5, 2021, ID: 280471650370697; Americans 4 Security Inc, Meta Ad May 6, 2021 - June 4, 2021, ID: 800127617606736.

was the only money the super PAC reported raising during the 2022 election cycle and was used to pay for independent expenditure digital ads supporting political candidate Johnny Teehee in an Oklahoma congressional election.⁵³ Americans 4 Security Inc. also contributed to one of the Wisconsin independent expenditure committees that Midwest Growth Inc. supported in 2022, giving Sunrise in America Political Fund \$1.3 million in five contributions between September 29, 2022 and October 25, 2022.⁵⁴ Americans 4 Security Inc. also made two contributions to Speak Free or Die, an independent expenditure committee registered in Wisconsin, giving \$100,000 on June 1, 2022 and \$25,000 on August 31, 2022.⁵⁵ Americans 4 Security Inc.'s contributions to Speak Free or Die helped pay for the political committee's independent expenditures.⁵⁶

Americans 4 Security Inc. continued to pay for ads promoting Rep. Cole in 2022 as well. Between February 15, 2022 and March 31, 2022, Americans 4 Security Inc. spent between \$5,000 and \$6,595 on Facebook ads praising Rep. Cole and encouraging viewers to "thank" him for his positions related to China, military spending, and border security.⁵⁷ In 2022, Americans 4 Security Inc. continued to pay at least \$32,000 to place ads on DirecTV in Oklahoma that focused on Rep. Cole.⁵⁸

2023

⁵³ Americans 4 Security PAC, [FEC Form 3X, 2022 July Quarterly Report](https://bit.ly/45Eh9Ws), July 11, 2022, <https://bit.ly/45Eh9Ws>; Americans 4 Security PAC, Receipts, 2021-2022, Federal Election Commission, <https://bit.ly/3WDNRnI>.

⁵⁴ Sunrise in America Political Fund, Fall Pre-Election 2022, Campaign Finance Report, State of Wisconsin; Sunrise in America Political Fund, January Continuing 2023, Campaign Finance Report, State of Wisconsin, <https://bit.ly/3xjYhzu>. Sunrise in America Political Fund reported the contributions as coming from "Americans for Security Inc" using the same address that Americans 4 Security Inc. reports as its own on its Form 990 tax returns. Americans 4 Security Inc. also acknowledged on its 2022 Form 990 giving the same amount to "Sunrise in America" that Sunrise in America Political Fund reported receiving from "Americans for Security Inc" in 2022. Americans 4 Security Inc., 2022 Form 990, Schedule I.

⁵⁵ Speak Free or Die, Campaign Registration Statement, State of Wisconsin, <https://bit.ly/45C9Q1y>; Speak Free or Die, July Continuing 2022, Campaign Finance Report, State of Wisconsin, <https://bit.ly/3XBb2A6>; Speak Free or Die, September Report 2022, Campaign Finance Report, State of Wisconsin, <https://bit.ly/45GH53W>. Speak Free or Die reported the June 1, 2022 contribution as coming from "Americans for Security Inc." Speak Free or Die, July Continuing 2022, Campaign Finance Report, State of Wisconsin.

⁵⁶ Speak Free or Die, July Continuing 2022, Campaign Finance Report, State of Wisconsin.

⁵⁷ Americans 4 Security Inc, Meta Ad, Feb. 15, 2022 – Feb. 23, 2022, ID: 490455752713302, <https://bit.ly/4delR09> ("Thank Congressman Tom Cole for having the guts to take on China"); Americans 4 Security Inc, Meta Ad, Feb. 16, 2022 – Feb. 23, 2022, ID: 426743962581567, <https://bit.ly/3xBLW9Q> ("Thank Congressman Tom Cole for having the guts to take on China"); Americans 4 Security Inc, Meta Ad, Mar. 31, 2022 – Mar. 31, 2022, ID: 1397185787385122, <https://bit.ly/3SHZDeR> ("Thank Tom Cole for fighting to protect America"); Americans 4 Security Inc, Meta Ad, Mar. 16, 2022 – Mar. 31, 2022, ID: 1115131982655572, <https://bit.ly/3VInoUe> ("Thank Tom Cole for fighting to protect America"); Americans 4 Security Inc, Meta Ad, Mar. 1, 2022 – Mar. 15, 2022, ID: 695704401582609, <https://bit.ly/4dzOVip> ("Thank Congressman Tom Cole for fighting to protect America's security"); Americans 4 Security Inc, Meta Ad, Feb. 23, 2022 – Mar. 1, 2022, ID: 1363104904142721, <https://bit.ly/3ymo2j7> ("Thank Congressman Tom Cole for fighting to protect America's security"); Americans 4 Security Inc, Meta Ad, Mar. 1, 2022 – Mar. 15, 2022, ID: 1418924628527050, <https://bit.ly/3zs42eQ> ("Thank Congressman Tom Cole for fighting to protect America's security"); Americans 4 Security Inc, Meta Ad, Feb. 23, 2022 – Mar. 1, 2022, ID: 242117871468234, <https://bit.ly/3RKl9Pt> ("Thank Congressman Tom Cole for fighting to protect America's security").

⁵⁸ D2 Media Sales, Billed Political Campaign, Americans 4 Security, Inc., Deal ID: 19868, Completed, Feb. 11, 2022 – Apr. 3, 2022, <https://bit.ly/4bOoWCI>; Issue (Non-candidate) Advertisement Agreement Form with DirecTV, Feb. 8, 2022, <https://bit.ly/3xU5V3E>; Issue (Non-candidate) Advertisement Agreement Form with DirecTV, Feb. 23, 2022, <https://bit.ly/3xX2SHX>; Issue (Non-candidate) Advertisement Agreement Form with DirecTV, Mar. 9, 2022, <https://bit.ly/4cAWfKE>.

In 2023, Americans 4 Security Inc. only made one contribution, totaling \$12,000, to a political committee registered with the Wisconsin Ethics Commission. Americans 4 Security Inc. contributed that amount to Speak Free or Die on November 30, 2023.⁵⁹

In late 2023, Americans 4 Security Inc. began paying tens of thousands of dollars for pro-Cole radio ads.⁶⁰ On November 9, 2023, Americans 4 Security Inc. posted the audio of a radio ad on Facebook that featured 34 uninterrupted seconds of Rep. Cole, who was elevated to chairman of the House Rules Committee in January 2023, speaking about immigration and border security before encouraging listeners to call Rep. Cole and thank him “for putting America’s safety first.”⁶¹ On November 28, 2023, Americans 4 Security Inc. posted the audio of its “new radio ad about conservative Tom Cole fighting to secure the border,” which encouraged listeners to “thank Congressman Tom Cole, a trusted conservative leader, for making the safety and security of Americans his top priority.”⁶² In December 2023, Americans 4 Security Inc. also resumed paying for Facebook and Instagram ads praising and promoting Rep. Cole, ultimately paying between \$6,900 and \$8,197 for ads that ran into mid-January 2024.⁶³

2024

In 2024 so far, Americans 4 Security Inc. has made 14 contributions, totaling \$3,793,527.81, to political committees registered with the FEC and the Wisconsin Ethics Commission. In May and June, Americans 4 Security Inc. made five contributions, totaling \$1,697,500, to Americans 4 Security PAC, which spent more than \$3 million during the same time period on independent expenditures supporting Rep. Cole, who was named as chairman of the powerful House Appropriations Committee in April 2024, and opposing his primary opponent, Paul Bondar.⁶⁴ A former Cole aide turned lobbyist reportedly helped run Americans 4 Security PAC in 2024.⁶⁵ In August 2024, Americans 4 Security Inc. made an additional \$355,000 contribution to Americans 4 Security PAC, which supported the super

⁵⁹ Speak Free or Die, January Continuing 2024, Campaign Finance Report, State of Wisconsin, <https://bit.ly/3B9dUeV>.

⁶⁰ Issue (Non-candidate) Advertisement Agreement Form with KTOK-AM, Nov. 21, 2023, <https://bit.ly/3zhqLKP>; Invoice No: 5320796903, KTOK-AM, Nov. 26, 2023, <https://bit.ly/3RLWyoT>; Invoice No: 5320888543, KTOK-AM, Dec. 27, 2023, <https://bit.ly/4cCosAh>.

⁶¹ Americans 4 Security Inc, Facebook, Nov. 9, 2023, <https://bit.ly/3VKc7TI>; Press Release, House Committee on Rules, Jan. 10, 2023.

⁶² Americans 4 Security Inc, Facebook, Nov. 28, 2023, <https://bit.ly/4cyANVW>.

⁶³ Americans 4 Security Inc, Meta Ad, Dec. 18, 2023 – Jan. 11, 2024, ID: 733226562045601, <https://bit.ly/3XMKr34>; Americans 4 Security Inc, Meta Ad, Dec. 18, 2023 – Jan. 11, 2024, ID: 680301967571846, <https://bit.ly/3LY5FUH>; Americans 4 Security Inc, Meta Ad, Dec. 18, 2023 – Jan. 11, 2024, ID: 1522589301618926, <https://bit.ly/3YBpSak>; Americans 4 Security Inc, Meta Ad, Dec. 18, 2023 – Jan. 12, 2024, ID: 243498805427809, <https://bit.ly/3YwHpR8>; Americans 4 Security Inc, Meta Ad, Dec. 18, 2023 – Jan. 12, 2024, ID: 1391514311786601, <https://bit.ly/4disr5K>.

⁶⁴ Americans 4 Security PAC, [FEC Form 3X, 2024 Pre-Primary Report](#), June 3, 2024, <https://bit.ly/4buyIK5>; Americans 4 Security PAC, [FEC Form 3X, 2024 July Quarterly Report](#), June 30, 2024, <https://bit.ly/4bCXHec>; Juliegrace Brufke, [Rep. Tom Cole tapped to serve as House Appropriations Committee chair](#), *Axios*, Apr. 9, 2024, <https://bit.ly/3Np3YAz>.

⁶⁵ Aidan Quigley, [Cole, taking no chances, readies for primary ‘bar fight’](#), *Roll Call*, May 31, 2024, <https://bit.ly/3VWATBs>; Caitlin Oprysko, [A brief guide to the new Approps chair’s alumni on K Street](#), *Politico*, Apr. 15, 2024, <https://bit.ly/3W0GfLO>.

PAC's independent expenditures in a California congressional race.⁶⁶ Americans 4 Security Inc. contributed an additional \$70,000 to Americans 4 Security PAC on November 1, 2024.⁶⁷

Americans 4 Security PAC is not the only federally-registered super PAC Americans 4 Security Inc. funded in 2024. Americans 4 Security Inc. also made four contributions, totaling \$940,000, to Speak Free or Die PAC, which uses nearly the same name as one of the Wisconsin state-level independent expenditure committees that Americans 4 Security Inc. funded in 2022.⁶⁸ When Speak Free or Die PAC first registered with the FEC on March 27, 2024, Speak Free or Die PAC listed Americans 4 Security Inc.'s principal officer, Mr. Rosner, as its treasurer and custodian of records.⁶⁹ Two months later, Speak Free or Die PAC amended its statement of organization, removing Mr. Rosner and replacing him with Jesse Chase as its treasurer and custodian of records.⁷⁰ Mr. Chase is also the treasurer of the Speak Free or Die independent expenditure committee registered with the state of Wisconsin that Americans 4 Security Inc. funded in 2022.⁷¹

At the same time Americans 4 Security Inc. was funding Americans 4 Security PAC's express advocacy benefiting Rep. Cole, the nonprofit organization also continued to pay for digital ads praising and promoting Rep. Cole. Between April 30, 2024 and June 19, 2024 – the day after Rep. Cole's primary election – Americans 4 Security Inc. paid more than \$2,000 to run a Facebook ad that touted "conservative Tom Cole is fighting to reinstate Trump enforcement policies" and asked viewers to thank him for "standing up to Biden's liberal madness and putting America's safety first."⁷² Including the ad that ran through Rep. Cole's primary election, Americans 4 Security Inc. spent between \$6,100 and \$7,798 on Facebook ads promoting Rep. Cole in 2024 so far.⁷³ Americans 4 Security Inc. also paid \$900 to place Google text ads targeting Oklahoma between May 15, 2024 and June 19, 2024 that promoted Rep. Cole, including by describing him as a "conservative champion."⁷⁴

In 2024 so far, Americans 4 Security Inc. has also made three contributions, totaling \$731,027.81, to political committees registered in Wisconsin. On January 22, 2024, Americans 4 Security Inc. contributed \$269,027.81 to Wisconsinites for Liberty Fund.⁷⁵ Americans 4 Security Inc. also contributed \$12,000 to the Waukesha County Republican Party on May 7,

⁶⁶ Americans 4 Security PAC, [FEC Form 3X, 2024 October Quarterly Report](https://bit.ly/4dOUtFf), Oct. 7, 2024, <https://bit.ly/4dOUtFf>.

⁶⁷ Americans 4 Security PAC, [FEC Form 3X, 2024 Post-General Report](https://bit.ly/3D4ZOU5), Nov. 25, 2024, <https://bit.ly/3D4ZOU5>.

⁶⁸ Speak Free or Die PAC, [FEC Form 3X, 2024 Pre-Primary Report](https://bit.ly/3A2mHOP), July 25, 2024, <https://bit.ly/3A2mHOP>; Speak Free or Die PAC, [FEC Form 3X, 2024 October Quarterly Report](https://bit.ly/3zTcjt2), Oct. 7, 2024, <https://bit.ly/3zTcjt2>; Speak Free or Die, July Continuing 2022, Campaign Finance Report, State of Wisconsin.

⁶⁹ Speak Free or Die PAC, [FEC Form 1, Statement of Organization](https://bit.ly/4cV7q0F), Mar. 27, 2024, <https://bit.ly/4cV7q0F>.

⁷⁰ Speak Free or Die PAC, [FEC Form 1, Statement of Organization, Amended](https://bit.ly/4dd5l0x), May 30, 2024, <https://bit.ly/4dd5l0x>.

⁷¹ Speak Free or Die, July Continuing 2022, Campaign Finance Report, State of Wisconsin.

⁷² Americans 4 Security Inc, Meta Ad, Apr. 30, 2024 – June 19, 2024, ID: 1778810535940235, <https://bit.ly/3xqIpPQ>.

⁷³ *Id.*; Americans 4 Security Inc, Meta Ad, Feb. 7, 2024 – Feb. 29, 2024, ID: 3792323337668123, <https://bit.ly/3ztL4V9>;

Americans 4 Security Inc, Meta Ad, Jan. 24, 2024 – Feb. 29, 2024, ID: 383716357677811, <https://bit.ly/3yvLryC>;

Americans 4 Security Inc, Meta Ad, Feb. 7, 2024 – Feb. 29, 2024, ID: 221564161042620, <https://bit.ly/3M00RhE>;

Americans 4 Security Inc, Meta Ad, Jan. 24, 2024 – Feb. 29, 2024, ID: 950050283376365, <https://bit.ly/4fB4EQ5>.

⁷⁴ Google Ads Transparency Center, Americans 4 Security Inc, <https://bit.ly/3VZu1Dk>.

⁷⁵ Wisconsinites for Liberty Fund, July Continuing 2024, Campaign Finance Report, State of Wisconsin, <https://bit.ly/4ddnWJu>.

2024, and contributed \$450,000 to the Stronger Wisconsin Fund, an independent expenditure committee, on July 5, 2024.⁷⁶

The Organizations' Representations to the IRS

As section 501(c)(4) tax-exempt organizations, Midwest Growth Inc. and Americans 4 Security Inc. are 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” also must file a Schedule C with their tax returns, which requires disclosure of the amount spent on “political expenditures.”⁷⁷ Among other things, Schedule C is used by the IRS to track political activity and ensure section 501(c)(4) organizations pay tax on those activities.⁷⁸ “Political expenditures” include all “political campaign activities” – defined as “[a]ll activities that support or oppose candidates for elective federal, state, or local public office.”⁷⁹ Political contributions by tax-exempt organizations to political committees and organizations should be disclosed in Schedule C forms filed by the tax-exempt organization along with its Form 990 tax returns.⁸⁰

Midwest Growth Inc.

2016

On its 2016 Form 990, Midwest Growth Inc. asserted the group did not engage in any “direct or indirect political campaign activities on behalf of or in opposition to candidates for public office.”⁸¹ It also failed to file a Schedule C reporting the amount it spent on political expenditures with its tax return, though it did disclose most of the contributions on Schedule I, which is used to disclose grants to other organizations, not political contributions. Even this misplaced reporting was flawed and apparently incorrect. Midwest Growth Inc. reported that it gave \$50,800 to Midwest Growth PAC for the purpose of “issue advocacy,” which is \$2,700 less than Midwest Growth PAC reported to the FEC that it received from Midwest Growth Inc.⁸² In addition, Midwest Growth Inc. did not identify in its Schedule I the Code section of the recipient of its contributions, which would have provided the IRS and the public with further notice that it had made transfers to a political committee.⁸³

⁷⁶ Waukesha County Republican Party, July Continuing 2024, Campaign Finance Report, State of Wisconsin, <https://bit.ly/3Acnrkp>; Stronger Wisconsin Fund, Campaign Registration Statement, State of Wisconsin, <https://bit.ly/3YuxtaP>; Stronger Wisconsin Fund, Fall Pre-Primary 2024, Campaign Finance Report, State of Wisconsin, <https://bit.ly/4dAYOUZ>.

⁷⁷ Form 990, Part IV, Question 3; 2017 Instructions for Form 990, at 12; 2017 Instructions for Schedule C, at 1, 3.

⁷⁸ See, e.g., Letter from Steven T. Miller, Deputy Commissioner for Services and Enforcement, to Sen. Carl Levin, Aug. 24, 2012, reprinted in 158 Cong. Rec. S.6431 (daily ed. Sept. 19, 2012), available at <https://www.congress.gov/112/crec/2012/09/19/CREC-2012-09-19-pt1-PgS6428.pdf> and https://www.governmentattic.org/13docs/IRSresponsesToCongress_2012-2013U.pdf (beginning at 260); 26 U.S.C. 527(f).

⁷⁹ 2018 Instructions for Schedule C (Form 990 or 990-EZ), at 1; 2018 Instructions for Form 990, at 68.

⁸⁰ 2018 Instructions for Schedule C, at 3-4.

⁸¹ Midwest Growth Inc., 2016 Form 990, Part IV, Question 3.

⁸² Midwest Growth Inc., 2016 Form 990, Schedule I; Midwest Growth PAC, [FEC Form 3X, 2016 October Quarterly Report](#), Oct. 11, 2016; Midwest Growth PAC, [FEC Form 3X, 2016 Post-General Report](#), Dec. 7, 2016.

⁸³ Midwest Growth Inc., 2016 Form 990, Schedule I.

In its 2016 tax year, Midwest Growth Inc. reported spending a total of \$94,412.⁸⁴ Including both the \$50,800 it acknowledged giving to Midwest Growth PAC and the additional \$2,700 Midwest Growth PAC reported to the FEC receiving from it, Midwest Growth Inc. made a total of \$53,500 in political contributions. That amounts to 56.7% of the group's total spending in 2016.

2018

On its 2018 Form 990, Midwest Growth Inc. asserted that the group did not engage in any "direct or indirect political campaign activities on behalf of or in opposition to candidates for public office."⁸⁵ It also failed to file a Schedule C reporting the amount it spent on political expenditures with its tax return, though it did disclose most of the contributions on its Schedule I. Even this misplaced reporting was flawed and apparently incorrect. Midwest Growth Inc. reported giving \$53,146 to Midwest Growth Fund, without describing a purpose, which is \$494.54 more than the \$52,651.46 Midwest Growth Fund reported receiving from Midwest Growth Inc. in 2018.⁸⁶ Midwest Growth Inc. also reported giving \$43,750 to Midwest Growth PAC for "issue advocacy," which matches what Midwest Growth PAC reported to the FEC that it received from Midwest Growth Inc.⁸⁷ In addition, Midwest Growth Inc. did not identify in its Schedule I the Code section of the recipients of its contributions, which would have provided the IRS and the public with further notice that it had made transfers to political committees.⁸⁸

Midwest Growth Inc.'s political expenditures, which were misrepresented on its tax return, accounted for a significant portion of the organization's budget. In its 2018 tax year, Midwest Growth Inc. reported spending a total of \$208,029.⁸⁹ Including the \$52,561.46 Midwest Growth Fund reported receiving from Midwest Growth Inc. and the \$43,750 Midwest Growth PAC reported receiving from it, Midwest Growth Inc. made a total of \$96,311.46 in political contributions. That amounts to 46.3% of the group's total spending in 2018. Including the additional \$494.54 that Midwest Growth Inc. reported giving to Midwest Growth Fund would mean political contributions accounted for 46.6% of Midwest Growth Inc.'s total spending in 2018.

2019

On its 2019 Form 990, Midwest Growth Inc. asserted that the group did not engage in any "direct or indirect political campaign activities on behalf of or in opposition to candidates for public office."⁹⁰ It also failed to file a Schedule C reporting the amount it spent

⁸⁴ Midwest Growth Inc., 2016 Form 990, Part I, Line 18.

⁸⁵ Midwest Growth Inc., 2018 Form 990, Part IV, Question 3.

⁸⁶ Midwest Growth Inc., 2018 Form 990, Schedule I; Midwest Growth Fund, Special Pre-Primary 2018 (1st Senate; 42nd Assembly), Campaign Finance Report, State of Wisconsin; Midwest Growth Fund, Special Pre-Election 2018 (1st Senate; 42nd Assembly), Campaign Finance Report, State of Wisconsin; Midwest Growth Fund, July Continuing 2018, Campaign Finance Report, State of Wisconsin.

⁸⁷ Midwest Growth Inc., 2018 Form 990, Schedule I; Midwest Growth PAC, [FEC Form 3X, 2018 July Quarterly Report](#), July 17, 2018; Midwest Growth PAC, [FEC Form 3X, 2018 October Quarterly Report](#), Oct. 9, 2018; Midwest Growth PAC, [FEC Form 3X, 2018 Year-End Report](#), Jan. 20, 2019.

⁸⁸ Midwest Growth Inc., 2018 Form 990, Schedule I.

⁸⁹ Midwest Growth Inc., 2018 Form 990, Part I, Line 18.

⁹⁰ Midwest Growth Inc., 2019 Form 990, Part IV, Question 3.

on political expenditures with its tax return, though it did disclose most of the contributions on its Schedule I. Even this misplaced reporting was flawed and apparently incorrect. Midwest Growth Inc. reported giving \$53,000 to Midwest Growth Fund with the purpose described as “issue advocacy,” which is \$5,000 less than Midwest Growth Fund reported receiving from Midwest Growth Inc.⁹¹ Midwest Growth Inc. also reported giving \$12,000 to the Republican Party of Wisconsin and \$10,000 to “Waukesha GOP Operations,” both characterized as being for “issue advocacy,” which matches what the Republican Party of Wisconsin and the Waukesha County Republican Party reported receiving from Midwest Growth Inc.⁹² In addition, Midwest Growth Inc. did not identify in its Schedule I the Code section of the recipients of its contributions, which would have provided the IRS and the public with further notice that it had made transfers to political committees.⁹³

In its 2019 tax year, Midwest Growth Inc. reported spending a total of \$142,391.⁹⁴ Including the \$58,000 Midwest Growth Fund reported receiving from Midwest Growth Inc., the \$12,000 the Republican Party of Wisconsin reported receiving from it, and the \$10,000 the Waukesha Republican Party reported receiving from it, Midwest Growth Inc. made a total of \$80,000 in political contributions. That amounts to 56.2% of the group’s total spending in 2019.

2020

On its 2020 Form 990, Midwest Growth Inc. asserted that the group did not engage in any “direct or indirect political campaign activities on behalf of or in opposition to candidates for public office” and did not file a Schedule C reporting the amount it spent on political expenditures with its tax return.⁹⁵ Midwest Growth Inc. did report on both its Schedule I and Schedule L contributing \$142,000 to Americans 4 Security Inc. for “issue advocacy.”⁹⁶ As a result, Midwest Growth Inc. did not treat its contributions to Americans 4 Security Inc., an entity with which it acknowledges it shares “common officers,” as political contributions, despite the fact that, as described below, more than four-fifths of Americans 4 Security Inc.’s own 2020 spending was dedicated to political activity.

Midwest Growth Inc.’s contributions to Americans 4 Security Inc. accounted for a significant portion of the organization’s budget. In its 2020 tax year, Midwest Growth Inc. reported spending a total of \$342,866.⁹⁷ As a result, the \$142,000 it reported contributing to Americans 4 Security Inc., some or all of which paid for the recipient group’s political activity, accounted for 41.4% of Midwest Growth Inc.’s total spending that year. Americans 4 Security Inc. reported \$187,000 in total revenue in 2020, indicating that Midwest Growth Inc.’s \$142,000 accounted for 76% of the organization’s total revenue that year.⁹⁸

⁹¹ Midwest Growth Inc., 2019 Form 990, Schedule I; Midwest Growth Fund, Spring Pre-Primary 2019, Campaign Finance Report, State of Wisconsin; Midwest Growth Fund, July Continuing 2019, Campaign Finance Report, State of Wisconsin; Midwest Growth Fund, January Continuing 2020, Campaign Finance Report, State of Wisconsin.

⁹² Midwest Growth Inc., 2019 Form 990, Schedule I; Republican Party of Wisconsin, January Continuing 2020, Campaign Finance Report, State of Wisconsin; Waukesha County Republican Party, January Continuing 2020, Campaign Finance Report, State of Wisconsin.

⁹³ Midwest Growth Inc., 2019 Form 990, Schedule I.

⁹⁴ Midwest Growth Inc., 2019 Form 990, Part I, Line 18.

⁹⁵ Midwest Growth Inc., 2020 Form 990, Part IV, Question 3.

⁹⁶ Midwest Growth Inc., 2020 Form 990, Schedule I and Schedule L.

⁹⁷ Midwest Growth Inc., 2020 Form 990, Part I, Line 18.

⁹⁸ Americans 4 Security Inc., 2020 Form 990, Part I, Line 12.

2021

On its 2021 Form 990, Midwest Growth Inc. asserted the group did not engage in any “direct or indirect political campaign activities on behalf of or in opposition to candidates for public office.”⁹⁹ It also failed to file a Schedule C reporting the amount it spent on political expenditures with its tax return, though it did disclose most of the contributions on its Schedule I. Midwest Growth Inc. reported giving \$30,000 to Wisconsinites for Liberty Fund for “issue advocacy,” which matches what Wisconsinites for Liberty Fund reported receiving from Midwest Growth Inc.¹⁰⁰ In addition, Midwest Growth Inc. did not identify in its Schedule I the Code section of the recipient of its contributions, which would have provided the IRS and the public with further notice that it had made transfers to a political committee.¹⁰¹

Midwest Growth Inc.’s political expenditures, which were misrepresented on its tax return, accounted for a significant portion of the organization’s budget. In its 2021 tax year, Midwest Growth Inc. reported spending a total of \$158,259.¹⁰² The \$30,000 Midwest Growth Inc. disclosed giving to Wisconsinites for Liberty Fund means that political contributions accounted for 19% of Midwest Growth Inc.’s total spending in 2021.

2022

On its 2022 Form 990, Midwest Growth Inc. asserted the group did not engage in any “direct or indirect political campaign activities on behalf of or in opposition to candidates for public office.”¹⁰³ It also failed to file a Schedule C reporting the amount it spent on political expenditures with its tax return, though it did disclose most of the contributions on its Schedule I. Midwest Growth Inc. reported giving \$680,000 to “Sunrise in America Fund” – misstating the political committee’s name by removing the word “Political” from it – for “issue advocacy,” which matches what Sunrise in America Political Fund reported receiving from Midwest Growth Inc.¹⁰⁴ Midwest Growth Inc. also reported giving \$201,159 to Wisconsinites for Liberty Fund for “issue advocacy,” which is \$254,622.47 less than the \$455,781.47 Wisconsinites for Liberty Fund reported receiving from Midwest Growth Inc.¹⁰⁵ In addition, Midwest Growth Inc. did not identify in its Schedule I the Code section of the recipient of its contributions, which would have provided the IRS and the public with further notice that it had made transfers to political committees.¹⁰⁶

⁹⁹ Midwest Growth Inc., 2021 Form 990, Part IV, Question 3.

¹⁰⁰ Midwest Growth Inc., 2021 Form 990, Schedule I; Wisconsinites for Liberty Fund, Spring Pre-Election 2021, Campaign Finance Report, State of Wisconsin; Wisconsinites for Liberty Fund, July Continuing 2021, Campaign Finance Report, State of Wisconsin.

¹⁰¹ Midwest Growth Inc., 2021 Form 990, Schedule I.

¹⁰² Midwest Growth Inc., 2021 Form 990, Part I, Line 18.

¹⁰³ Midwest Growth Inc., 2022 Form 990, Part IV, Question 3.

¹⁰⁴ Midwest Growth Inc., 2022 Form 990, Schedule I; Sunrise in America Political Fund, Fall Pre-Primary 2022, Campaign Finance Report, State of Wisconsin; Sunrise in America Political Fund, September Report 2022, Campaign Finance Report, State of Wisconsin; Sunrise in America Political Fund, Fall Pre-Election 2022, Campaign Finance Report, State of Wisconsin.

¹⁰⁵ Midwest Growth Inc., 2022 Form 990, Schedule I; Wisconsinites for Liberty Fund, July Continuing 2022, Campaign Finance Report, State of Wisconsin; Wisconsinites for Liberty Fund, Fall Pre-Primary 2022, Campaign Finance Report, State of Wisconsin; Wisconsinites for Liberty Fund, Fall Pre-Election 2022, Campaign Finance Report, State of Wisconsin; Wisconsinites for Liberty Fund, January Continuing 2023, Campaign Finance Report, State of Wisconsin.

¹⁰⁶ Midwest Growth Inc., 2022 Form 990, Schedule I.

In its 2022 tax year, Midwest Growth Inc. reported spending a total of \$1,355,153.¹⁰⁷ Including the \$680,000 that Sunrise in America Political Fund reported receiving from Midwest Growth Inc. and the \$455,781.47 that Wisconsinites for Liberty Fund reported receiving from it, Midwest Growth Inc. made a total of \$1,135,781.47 in political contributions. That amounts to 83.8% of the group's total spending in 2022.

2023 and 2024

Midwest Growth Inc.'s 2023 Form 990 is not yet publicly available through the IRS's Tax Exempt Organization Search. Its 2024 Form 990 is not due before May 15, 2025 and can be filed as late as November 15, 2025.¹⁰⁸

Americans 4 Security Inc.

2020

On its 2020 Form 990, Americans 4 Security Inc. asserted the group did not engage in any "direct or indirect political campaign activities on behalf of or in opposition to candidates for public office."¹⁰⁹ It also failed to file a Schedule C reporting the amount it spent on political expenditures with its tax return, though it did disclose most of the contributions on its Schedule I. Even this misplaced reporting was flawed and apparently incorrect. Americans 4 Security Inc. reported giving \$122,000 to Americans 4 Security PAC for "issue advocacy," which is \$34,030.45 less than the \$156,030.45 Americans 4 Security PAC reported receiving from Americans 4 Security Inc.¹¹⁰ Americans 4 Security Inc. did not disclose at all the \$11,359.85 it gave to Seniors for Affordable Healthcare PAC.¹¹¹ The failure to report the contribution to Seniors for Affordable Healthcare PAC may be explained by the fact that Americans 4 Security Inc. claimed that its tax year started on January 4, 2020, two days after Seniors for Affordable Healthcare PAC reported it received the contribution from Americans 4 Security Inc. and one day after Americans 4 Security Inc. incorporated.¹¹² In addition, Americans 4 Security Inc. did not identify in its Schedule I the Code section of the recipient of its contributions to Americans 4 Security PAC, which would have provided the IRS and the public with further notice that it had made transfers to a political committee.¹¹³

In its 2020 tax year, Americans 4 Security Inc. reported spending a total of \$185,464.¹¹⁴ Including just the \$156,030.45 Americans 4 Security Inc. contributed to Americans 4 Security PAC amounts to political contributions accounting for 84.1%. Adding the \$11,359.85

¹⁰⁷ Midwest Growth Inc., 2022 Form 990, Part I, Line 18.

¹⁰⁸ Internal Revenue Service, Return due dates for exempt organizations: Annual return, <https://bit.ly/45L1qF8>.

¹⁰⁹ Americans 4 Security Inc., 2020 Form 990, Part IV, Question 3.

¹¹⁰ Americans 4 Security Inc., 2020 Form 990, Schedule I; Americans 4 Security PAC, [FEC Form 3X, 2020 Pre-Primary Report, Amended](#), Mar. 11, 2020; Americans 4 Security PAC, [FEC Form 3x, 2020 April Quarterly Report, Amended](#), May 19, 2020.

¹¹¹ Americans 4 Security Inc., 2020 Form 990, Schedule I; Seniors for Affordable Healthcare PAC, [FEC Form 3X, 2020 Pre-Primary Report](#), Feb. 5, 2020.

¹¹² Americans 4 Security Inc., 2020 Form 990, at 1; Articles of Incorporation of Americans 4 Security Inc., State of Wisconsin, Department of Financial Institutions, Jan. 3, 2020; Seniors for Affordable Healthcare PAC, [FEC Form 3X, 2020 Pre-Primary Report](#), Feb. 5, 2020.

¹¹³ Americans 4 Security Inc., 2020 Form 990, Schedule I.

¹¹⁴ Americans 4 Security Inc., 2020 Form 990, Part I, Line 18.

Seniors for Affordable Healthcare PAC reported receiving from Americans 4 Security Inc. would increase Americans 4 Security Inc.'s total political activity to \$167,390.30, which amounts to 90.3% of the \$185,464 Americans 4 Security Inc. reported spending in 2020.¹¹⁵

2021

On its 2021 Form 990, Americans 4 Security Inc. asserted that the group did not engage in any "direct or indirect political campaign activities on behalf of or in opposition to candidates for public office."¹¹⁶ It also failed to file a Schedule C reporting the amount it spent on political expenditures with its tax return. Americans 4 Security Inc. also did not file a Schedule I and did not disclose at all the \$1,500 it gave to the Waukesha County Republican Party. While Americans 4 Security Inc. reported spending \$762,403 on "advertising and promotion" and \$160,500 on "consulting: media affairs," the organization did not report any of its pro-Cole advertisements as political activity.¹¹⁷

Americans 4 Security Inc.'s advertising and media spending, which appear to have laid the groundwork for its future political spending to benefit Rep. Cole, accounted for most of its expenditures in 2021. In its 2021 tax year, Americans 4 Security Inc. reported spending a total of \$976,307.¹¹⁸ The \$762,403 Americans 4 Security Inc. reported spending on "advertising and promotion" combined with the \$160,500 it reported spending on "consulting: media affairs," accounted for 94.5% of Americans 4 Security Inc.'s total spending in 2021. The \$1,500 Americans 4 Security Inc. contributed to the Waukesha County Republican Party means that political contributions accounted for less than 1% of Americans 4 Security Inc.'s total spending in 2021.

2022

On its 2022 Form 990, Americans 4 Security Inc. asserted the group did not engage in any "direct or indirect political campaign activities on behalf of or in opposition to candidates for public office."¹¹⁹ It also failed to file a Schedule C reporting the amount it spent on political expenditures with its tax return, though it did disclose its political contributions on its Schedule I. Even this misplaced reporting was flawed. Americans 4 Security Inc. reported giving \$50,000 to Americans 4 Security PAC for "issue advocacy," which matches what Americans 4 Security PAC reported receiving from Americans 4 Security Inc.¹²⁰ Americans 4 Security Inc. also reported giving \$125,000 to "Speak Free or Die Fund" without describing the purpose, which matches what Speak Free or Die reported receiving from

¹¹⁵ The discrepancy between the beginning of Americans 4 Security Inc.'s tax year and the earlier date on which it made a political contribution to Seniors for Affordable Healthcare PAC makes it unclear whether Americans 4 Security Inc.'s total reported spending includes the \$11,359.85 contribution. If the \$11,359.85 also needed to be added to Americans 4 Security Inc.'s total expenses, Americans 4 Security Inc.'s contributions to Americans 4 Security PAC would amount to 79% of its total spending while its combined political contributions to both Americans 4 Security PAC and Seniors for Affordable Healthcare PAC would account for 85% of its total spending.

¹¹⁶ Americans 4 Security Inc., 2021 Form 990, Part IV, Question 3.

¹¹⁷ Americans 4 Security Inc., 2021 Form 990, Part IX, Line 12, and Schedule O.

¹¹⁸ Americans 4 Security Inc., 2021 Form 990, Part I, Line 18.

¹¹⁹ Americans 4 Security Inc., 2022 Form 990, Part IV, Question 3.

¹²⁰ Americans 4 Security Inc., 2022 Form 990, Schedule I; Americans 4 Security PAC, FEC Form 3X, 2022 July Quarterly Report, July 11, 2022.

Americans 4 Security Inc.¹²¹ Americans 4 Security Inc. also reported giving \$1.3 million to “Sunrise in America” – misstating the political committee’s name by removing the words “Political Fund” from it – without describing the purpose, which matches what Sunrise in America Political Fund reported receiving from Americans 4 Security Inc.¹²² In addition, Americans 4 Security Inc. did not identify in its Schedule I the Code section of the recipient of its contributions to Americans 4 Security PAC, which would have provided the IRS and the public with further notice that it had made transfers to a political committee.¹²³

In its 2022 tax year, Americans 4 Security Inc. reported spending a total of \$2,171,364.¹²⁴ Including the \$50,000 Americans 4 Security Inc. contributed to Americans 4 Security PAC, the \$125,000 it contributed to Speak Free or Die, and the \$1.3 million it gave to Sunrise in America Political Fund, Americans 4 Security Inc. made a total of \$1,475,000 in political contributions. That amounts to 67.9% of the group’s total spending in 2022. Americans 4 Security Inc.’s advertising and media spending, which appears to have laid the groundwork for its future political spending to benefit Rep. Cole, also accounted for a significant portion of the organization’s spending in 2022. Americans 4 Security Inc. reported spending \$25,500 on “advertising and promotion” and \$341,892 on “consulting: media,” which combined accounted for 16.9% of Americans 4 Security Inc.’s total spending in 2022.¹²⁵

2023 and 2024

Americans 4 Security Inc.’s 2023 Form 990 is not yet publicly available through the IRS’s Tax Exempt Organization Search. Its 2024 Form 990 is not due until May 15, 2025 and can be filed as late as November 15, 2025.¹²⁶

Political Activity Under Section 501(c)(4)

Section 501(c)(4) provides tax-exempt status to organizations “not organized for profit but operated exclusively for the promotion of social welfare.”¹²⁷ IRS regulations interpret the statute to mean a section 501(c)(4) organization must be “primarily engaged in promoting in some way the common good and general welfare of the people of the community.”¹²⁸ The regulations further provide that “direct or indirect participation or

¹²¹ Americans 4 Security Inc., 2022 Form 990, Schedule I; Speak Free or Die, July Continuing 2022, Campaign Finance Report, State of Wisconsin; Speak Free or Die, September Report 2022, Campaign Finance Report, State of Wisconsin.

¹²² Americans 4 Security Inc., 2022 Form 990, Schedule I; Sunrise in America Political Fund, Fall Pre-Election 2022, Campaign Finance Report, State of Wisconsin; Sunrise in America Political Fund, January Continuing 2023, Campaign Finance Report, State of Wisconsin.

¹²³ Americans 4 Security Inc., 2022 Form 990, Schedule I.

¹²⁴ Americans 4 Security Inc., 2022 Form 990, Part I, Line 18.

¹²⁵ Americans 4 Security Inc., 2022 Form 990, Part IX, Line 12, and Schedule O.

¹²⁶ Internal Revenue Service, Return due dates for exempt organizations: Annual return.

¹²⁷ 26 U.S.C. § 501(c)(4).

¹²⁸ Treas. Reg. § 1.501(c)(4)-1(a)(2)(i). By allowing section 501(c)(4) organizations to be only “primarily” engaged in social welfare, the regulation misinterprets the plain meaning of the word “exclusively” in the statute. This complaint analyzes Midwest Growth Inc. and Americans 4 Security Inc.’s conduct using the “primarily” standard. Under a correct interpretation of the statute, Midwest Growth Inc. and Americans 4 Security Inc.’s political spending unquestionably would violate their tax-exempt statuses.

intervention in political campaigns on behalf of or in opposition to any candidate for public office” does not promote social welfare.¹²⁹

The IRS has not further defined the “primary activity” standard, and provides only that all the facts and circumstances are to be taken into account in determining the “primary activity” of a section 501(c)(4) organization.¹³⁰ Internal IRS training materials, however, assert that section 501(c) organizations (other than section 501(c)(3) charities) “may generally make expenditures for political activities as long as such activities, in conjunction with any other non-qualifying activities, do not constitute the organization’s *primary activity* (51%).”¹³¹

Contributions to political organizations are direct or indirect participation or intervention in political campaigns. “Contributions to political campaign funds . . . clearly violate the prohibition on political campaign intervention” for section 501(c)(3) organizations,¹³² and prohibited political intervention for section 501(c)(3) organizations constitutes political activity for section 501(c)(4) groups like Midwest Growth Inc. and Americans 4 Security Inc.’s.¹³³

As explained above, political contributions accounted for 56.7% of Midwest Growth Inc.’s expenditures in 2016, 56.2% in 2019, and 83.8% in 2022. Likewise, political contributions accounted for at least 79% and as much as 90.3% of Americans 4 Security Inc.’s expenditures in 2020, and 67.9% of the group’s expenditures in 2022.

Violations

26 U.S.C. § 501(c)(4)

Even under the IRS’s misinterpretation of section 501(c)(4), and certainly under the plain language of the statute, Midwest Growth Inc.’s political activity in its 2016, 2019, and 2022 tax years exceeded the amount permitted. Midwest Growth Inc. spent 56.7% of its total expenditures on political activity in 2016, 56.2% in 2019, and 83.8% in 2022, all clearly violating the organization’s tax-exempt status. Similarly, Americans 4 Security Inc. violated its tax-exempt status by spending at least 79% and as much as 90.3% of its expenditures on political activity in 2020 as well as 67.9% of its total expenditures on political activity in 2022.

¹²⁹ Treas. Reg. § 1.501(c)(4)-1(a)(2)(ii).

¹³⁰ Rev. Rul. 68-45, 1968-1 C.B. 259.

¹³¹ Exempt Organizations Determinations Unit 2, Student Guide, Training 29450-002 (Rev. 9-2009), at 7-19 (emphasis added), <https://bit.ly/4f2qhHw>.

¹³² IRS, Election Year Activities and the Prohibition on Political Campaign Intervention for Section 501(c)(3) Organizations, FS-2006-17, February 2006, <https://bit.ly/4fxuH9K>; see also, e.g., IRS Website, Restriction of political campaign intervention by Section 501(c)(3) tax-exempt organizations, Aug. 20, 2024, <https://bit.ly/41jYzTe>.

¹³³ See, e.g., Notice of Proposed Rulemaking. Guidance for Tax-Exempt Social Welfare Organizations on Candidate-Related Political Activities, 78 Fed. Reg. 71535, 71536 (proposed Nov. 29, 2013) (“the IRS generally applies the same facts and circumstances analysis under section 501(c)(4)” as it does under section 501(c)(3)); Rev. Rul. 81-95 (citing examples of political intervention prohibited under section 501(c)(3) in determining political activity for section 501(c)(4) organizations); Priv. Ltr. Rul. 9652026 (Oct. 1, 1996) (“[A]ny activities constituting prohibited political intervention by a section 501(c)(3) organization are activities that must be less than the primary activities of a section 501(c)(4) organization.”).

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.¹³⁴ By falsely representing on its 2016, 2018, 2019, 2021, and 2022 Form 990s that it did not engage in any political campaign activity, failing to report those activities on its Schedule C, Midwest Growth Inc. appears to have violated 26 U.S.C. § 6652 and should be subject to monetary penalties. Midwest Growth Inc. further appears to have violated 26 U.S.C. § 6652 by failing to report the additional \$2,700 the group contributed to Midwest Growth PAC in 2016, the additional \$5,000 the group gave to Midwest Growth Fund in 2019, and the additional \$254,622.47 it gave to Wisconsinites for Liberty Fund in 2022.

Americans 4 Security Inc. similarly appears to have violated 26 U.S.C. § 6652, and should also be subject to monetary penalties, by falsely representing on its 2020, 2021, and 2022 Form 990s that it did not engage in any political campaign activity, failing to report those activities on its Schedule C. Americans 4 Security Inc. further appears to have violated 26 U.S.C. § 6652 by failing to report the additional \$34,030.45 it gave to Americans 4 Security PAC in 2020, the \$11,359.85 it gave to Seniors for Affordable Healthcare PAC in 2020, and the \$1,500 it gave to the Waukesha County Republican Party in 2021.¹³⁵

¹³⁴ 26 U.S.C. §§ 6652(c)(1)(A)(ii), 6652(c)(4); *see also* 2018 Instructions for Form 990, at 6.

¹³⁵ Midwest Growth Inc. and Americans 4 Security Inc. may have also violated federal criminal law by making false statements on their Form 990 tax returns. 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. 26 U.S.C. § 7206(1). In addition, 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 branch. 18 U.S.C. § 1001(a)(2). The prohibition also includes anyone who “falsifies, conceals, or covers up by any trick, scheme, or device a material fact.” 18 U.S.C. § 1001(a)(1).

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, 26 U.S.C. § 527(f)(1); 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. IRS, [Background Paper, Summary of Form 990 Redesign Process](#), Aug. 19, 2008, at 1.

All of Midwest Growth Inc. and Americans 4 Security Inc.’s Form 990s were signed by Mr. Rosner under written declarations that they was made under penalty of perjury, and that Mr. Rosner had examined the returns and they were true, correct, and complete to the best of his knowledge. The tax returns, however, appear to be false and incorrect as to the material matters of the amount Midwest Growth Inc. and Americans 4 Security Inc. spent on political campaign activities in fiscal years 2016, 2018, 2019, 2021, and 2022 for Midwest Growth Inc., and 2020, 2021, and 2022 for Americans 4 Security Inc.

The importance to Midwest Growth Inc. and Americans 4 Security Inc. of treating their contributions to political organizations as not being political activity suggests both organizations and Mr. Rosner’s representations may have been willful. Classifying those contributions as political spending means political expenditures accounted for more than 50% of both Midwest Growth Inc.’s overall spending in 2016, 2019, and 2022 and Americans 4 Security Inc.’s overall spending in 2020 and 2022, a violation of their tax-exempt status. As a result, the amount Midwest Growth Inc. and Americans 4 Security Inc. reported spending on political activity may have been willfully false.

Conclusion

Based on the publicly available information, Midwest Growth Inc. and Americans 4 Security Inc.'s activities do not comport with each organization's claimed status as a section 501(c)(4) tax-exempt organization. Therefore, the IRS should investigate Midwest Growth Inc. and Americans 4 Security Inc., and should it find that the groups have violated their tax-exempt status, take appropriate action, which may include revoking their section 501(c)(4) status, imposing any applicable excise taxes under section 4958 for excess benefit transactions, and treating them as taxable corporations or section 527 political organizations. Further, it appears that Midwest Growth Inc. and Americans 4 Security Inc. falsely represented that they did not engage in any political activity in multiple tax years and that each group omitted more than a million dollars in spending on political activity from their tax returns. The IRS should investigate Midwest Growth Inc. and Americans 4 Security Inc., and should it find they made false or incomplete statements on their tax returns, take appropriate action, particularly as each group has continued to dedicate significant funds to political activity and appears likely to repeat its misrepresentations on future tax returns.

Thank you for your prompt attention to this matter.

Sincerely,



Adam Rappaport
General Counsel



Matthew Corley
Chief Investigator

cc: IRS-EO Classification