



MuslimsforJustFutures.org | Washington, DC

May 14, 2024

Re: S.4136/H.R. 6408: Proposed Legislation Seeks to End Tax-Exempt Status for Organizations and Threaten Civil Society Groups

Dear Senator,

We are writing to express our organization's strong opposition to S.4136 and H.R. 6408, a bill that authorizes the Treasury Department to unilaterally designate nonprofits as terrorist-supporting organizations and strip nonprofits of their tax-exempt status, effectively shutting them down. This proposed legislation poses a grave threat to the fundamental rights of civil society organizations and nonprofits, particularly those exercising their freedom of expression and advocating to end the genocide of Palestinians, which has resulted in the deaths of at least 34,000 individuals.¹ Such a bill would target Palestinian-American, Muslim-American, Arab-American, and other civil society groups that are actively working to raise awareness and combat the ongoing genocide of Palestinians and address broader injustices in our society. **We urge your office to take leadership by opposing S.4136 and request that the United States Senate Committee on Finance not advance this bill, and avoid its inclusion in any must-pass vehicle or any fast-track enactment by the Senate.**

There have been multiple instances where members of Congress have actively sought to isolate and discriminate against Palestinian advocacy groups and abuse material support for terrorism allegations to target, stifle, and shut down critical advocacy work. Senator Joni Ernst (R-Iowa) recently led a letter with 15 senators calling on the Internal Revenue Service (IRS) to investigate and strip organizations of their 501(c)(3) for advocating against the genocide of Palestinians.² The targeting isn't just focused on groups that work on Palestine alone. Notably, the letter singles out crucial entities such as the Tides Foundation, which offers fiscal sponsorship to numerous advocacy and social justice organizations covering a range of social justice issues. Additionally, it takes aim at the Westchester Peace Action Committee Foundation (WESPAC Foundation), a cornerstone organization driving progressive social change in Westchester County, New York, since 1974. WESPAC Foundation has actively championed causes such as economic justice, criminal justice reform, food justice, fair housing, and immigration justice. Other groups that the letter targets include National Students for Justice in Palestine (NSJP) and the AJP Educational Foundation (AJP).

Moreover this proposed bill builds upon existing harmful legislation regarding material support for terrorism (MST) outlined in 18 U.S.C. § 2339A and § 2339B, which have resulted in severe repercussions

¹ Jones, H. (2024, April 21). Israeli strikes on Rafah kill 18, as Gaza death toll tops 34,000. Attacks come hours after U.S. House passed \$26.3 billion in aid to Israel.

<https://www.politico.eu/article/israel-strike-rafah-kill-13-gaza-death-toll-surpass-34000/>

² Press Release Available:

<https://www.ernst.senate.gov/news/press-releases/ernst-demands-investigation-into-organizations-behind-antisemitic-protests>. Letter available at: https://www.ernst.senate.gov/imo/media/doc/2024_05_09_letter_to_irs.pdf

for the civil liberties and rights of Palestinian, Muslim, and Arab communities and non-profits. A community memorandum submitted to the White House and endorsed by 95 organizations names how such laws are part and parcel of the manifestation of structural Islamophobia, anti-Palestinian racism, and anti-Arab racism and offers critical recommendations on countering Islamophobia.³ Existing material support for terrorism laws have already instilled a chilling effect on numerous civil society groups with devastating consequences. Such laws have prevented humanitarian groups from offering critical aid to populations struggling from genocide, famine and war. For example, in 2017, numerous US humanitarian organizations didn't deliver vital emergency assistance to millions of people facing starvation and fatal diseases in drought-hit [Somalia](#) given material support for terrorism laws.⁴ Post 9/11, the Holy Land Foundation, the largest Muslim charity in the country at the time was targeted, and resulted in the indictment of seven individuals. The targeting of the Holy Land Foundation had a devastating impact on Muslim, Palestinian, and Arab organizations across the country, including the targeting of key leaders. Since then, numerous prominent human rights organizations such as Human Rights Watch and civil rights groups have asked for a pardon of the Holy Land Foundation.⁵

In practice, MST laws have significantly hampered the operations and infrastructure necessary to move critical work, such as providing humanitarian aid to communities experiencing collective punishment policies. NGOs targeted by such pieces of legislation experience operational, financial, legal, security, and reputational damage.⁶ Passing such legislation would further deprive our already under-resourced organizations. Numerous foundations and donors in philanthropy have told us directly for years that they are hesitant to support civil society groups in our Palestinian, Muslim, and Arab communities offering critical advocacy, community-building, and direct services work given material support for terrorism laws. This, in turn, would deepen the marginalization of our communities, hindering their access to vital assistance from Muslim, Palestinian, and Arab nonprofit organizations that would inevitably bear the brunt of such punitive measures.

In summary, we contend that this bill is both unnecessary and harmful for the following reasons:

1. **Unnecessary Legislation:** Existing federal laws such as the Antiterrorism and Effective Death Penalty Act (AEDPA), Immigration and Nationality Act (INA), and others already prohibit nonprofits from providing material support to foreign terrorist organizations, with severe criminal and civil penalties in place.
2. **Discriminatory Intent and Impact:** This legislation could be used to target organizations working with Palestinian, Arab, and Muslim communities, perpetuating divisive and racist

³ Muslims for Just Futures (April 2024). Community Memorandum: Recommendations for A Foundational White House Islamophobia Strategy | 95 Organizations Demand A White House Islamophobia Strategy that Centers Justice & Accountability. Available at bit.ly/WHCommunityMemo

⁴ Jason Burke, Anti-Terrorism Laws Have “Chilling Effect” on Vital Aid Deliveries to Somalia, GUARDIAN (Apr. 26, 2017, 2:00 AM), <https://www.theguardian.com/global-development/2017/apr/26/anti-terrorism-laws-have-chilling-effect-on-vital-aid-deliveries-to-somalia>.

⁵<https://www.hrw.org/news/2022/03/11/after-israels-designation-human-rights-groups-terrorists-biden-should-release>

⁶ Interaction: A United Voice for Global Change (2021). Detrimental Impacts: How Counter-Terrorism Measures Impede Humanitarian Action. <https://www.interaction.org/wp-content/uploads/2021/04/Detrimental-Impacts-CT-Measures-Humanitarian-Action-InterAction-April-2021.pdf>

narratives. References to such groups were made during discussions on the legislation, indicating discriminatory intent. There is a history of detrimental impacts of similar legislation on Muslim, Arab, and Palestinian civil society groups and communities.

3. **Vulnerability to Political Exploitation:** H.R. 6508 and S. 4136 could be exploited for political purposes to target nonprofits that hold positions unfavorable to the executive branch, undermining the autonomy of civil society organizations.
4. **Burden of Proof:** The legislation places the burden of proof on already vulnerable and under-resourced nonprofits, potentially leading to unjust designations and damaging consequences for their operations.
5. **Chilling Effect on Civil Society:** If enacted, this legislation could create a chilling effect, hindering the active engagement of nonprofit organizations, particularly those representing Arab, Muslim, Palestinian, and other communities, thereby undermining civil society as a whole.

As of May 13th, H.R. 6508 has passed the House of Representatives, and S. 4136 has been introduced in the Senate and referred to the Committee on Finance. Our organization urges you to stand against H.R. 6508 and S. 4136 and not further entrench institutionalized Islamophobia, anti-Palestinian racism, and anti-Arab racism. If enacted, this legislation would further marginalize, target, and cast suspicion on our communities. In the current environment, where Palestinians are facing an escalated genocide that has already resulted in 34,000 deaths, this bill is meant to target Palestinian groups and other civil society groups that are raising awareness on the direct impact of genocide and state terror on Palestinians.

Your opposition to this legislation is crucial in safeguarding the core tenets of freedom of speech, association and expression, and the existence of a robust civil society, which serves as a cornerstone of a thriving democracy.

Thank you for your attention to this letter and if you have any questions, please reach out to Darakshan Raja at Darakshan@muslimsforjustfutures.org.

Sincerely,

Muslims for Just Futures

Muslims for Just Futures (MJF) is a grassroots organization that works to build power in Muslim communities through collective care, organizing, advocacy, and movement-building. MJF is dedicated to countering the widespread divestment from Muslim communities resulting from criminalization, structural Islamophobia, and gendered Islamophobia by focusing on investing in economic justice, gender justice, and healing justice.