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October 20, 2010

cc: Ashley Carter

Submitted via FEC File

ATTN: Office of the General Counsel
Federal Election Commission
999 E Street NW
Washington, DC 20013

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FEC MAIL CENTER

Re: Stop This Insanity Inc. (C00478024); voiding of registration as political action committee.

To whom it may concern:

MST

Stop This Insanity Inc. (STI), through its counsel, hereby informs the Commission that it seeks to void its registration as a non-connected Political Action Committee under committee number C00478024.

STI was organized as an organization seeking recognition of tax exemption under IRC §501(c)4 (registration pending). Subsequent to its formation, STI incorrectly registered with the Commission as a political action committee. Upon review, STI has concluded that it is not a political action committee and was not founded to, nor does it now or intend to in the future, operate as a political action committee.

STI has never intended to and has in fact never made a contribution to any candidate for any public office, nor does it intend to in the future.

STI has never intended to and has in fact never made an independent expenditure, nor does it intend to in the future.

STI has never intended to and has in fact never called for the election or defeat of any individual candidate or political party, nor does it intend to in the future.

An entity seeking exemption, and organized for that purpose, under IRC §501(c)4 is not organized for profit and operated exclusively for the promotion of social welfare. Such an organization is primarily engaged in promoting in some way the common good and general welfare of the community, 26 CFR §1.501(c)(4)-1(a)(2)(i).

The purpose for which STI was organized are, pursuant to IRC §501(c)4, to better our national community through the promotion of "Conservative values" embodied in the "TEA Party" movement, and to facilitate this purpose through communication & education to and amongst members and volunteers.

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By contrast, a political committee is defined at 2 USC §431(4). Neither §431(4)(B) nor (C) describe STI §431(4)(A) defines a political committee as “any committee, club, association, or other group of persons which receives contributions aggregating in excess of \$1,000 during a calendar year or which makes expenditures aggregating in excess of \$1,000 during a calendar year;” An expenditure is further defined at §431(9)(A)(i) as “any purchase, payment, distribution, loan, advance, deposit, or gift of money or anything of value, made by any person for the purpose of influencing any election for Federal office;” STI has not made, nor does it intend to make, an expenditure within the definition of the §431(9)(A)(i). A contribution is defined at §431(8)(A)(i) as “any gift, subscription, loan, advance, or deposit of money or anything of value made by any person for the purpose of influencing any election for Federal office;” Because STI does not seek to influence any election for Federal office, donations to it cannot be contributions within the meaning of the Act.

Facially, entities organized pursuant to, and for the purpose of applying for recognition of tax-exemption under, IRC §501(c)4 would appear to be inherently exclusive of those seeking to register and operate as a political action committee. An analysis of available registration data appears to show that (a) no entity exempt from taxation under IRC §501(c)4 is also registered as a political action committee; (b) many entities exempt from taxation under IRC §501(c)4 serve as the connected organization to corresponding separate segregated funds; and (c) political action committees are recognized under IRC §527, and not §501(c)4. Because STI was organized initially to comply with IRC §501(c)4, it may not also be a political action committee.

Based on the foregoing, STI seeks to void its incorrect registration as a political action committee and shall cease reporting accordingly.

If you need additional information, please call me at 202-210-5431 or email me at dbacker@DBCapitolStrategies.com.

Sincerely,



Dan Backer, Esq.

Counsel to Stop This Insanity, Inc.

Cc: Ashley Carter, Reports Analysis Division

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Federal Election Commission
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