

For Wayne Hoffman, charity begins at home

Marty Trillhaase/Lewiston Tribune

Idaho Freedom Foundation President Wayne Hoffman is a stalwart defender of the private enterprise system.

Government, he says, should not pick "which companies to help and force the rest of us to pay the bill. The government should leave the marketplace alone, and let companies prosper or fail on their own merits."

Except, of course, when it comes to the Idaho Freedom Foundation.

As the Spokesman-Review's Betsy Russell reported, IFF is organized under Internal Revenue Code section 501(c)(3) - the same section utilized by charities. Anyone who contributes to a 501(c)(3) can deduct the donation from his income taxes.

In exchange, a 501(c)(3) operates under restrictions. A big one in Hoffman's case involves lobbying. He's not supposed to do much of it. That's why Idaho's major lobbies settle for nonprofit status but don't offer their donors a tax deduction.

Obviously, Hoffman is a lobbyist. He is registered as one with Idaho Secretary of State Ben Ysursa's office. He runs IdahoReporter.com and ranks lawmakers for their fealty to his priorities through the Idaho Freedom Index. Hoffman was the vanguard of opposition to Gov. C.L. (Butch) Otter's pitch to establish a state-based health insurance exchange and urban renewal, among other things.

IFF isn't the only 501(c)(3) to lobby. But it may well be the only 501(c)(3) set up to fight government - while using all the breaks that government allows in a quest to line up donors.

If you're determined to stamp out world hunger, your tax liability hardly matters when you write out a donation. But let's just say you're interested in contributing money to a political cause. One offers you a tax deduction. The other doesn't. What are you going to do?

In 2010, IFF reported revenues of \$494,134. The next year, it took in \$355,673.

For the sake of argument, assume all of that money came from heavy rollers - individuals making more than \$400,000 who today are taxed at 39.6 percent. At that rate, IFF's donors save close to \$336,525 in taxes to the federal government. If they live in Idaho, they're spared another \$62,886.

How is that not a government subsidy for Hoffman's organization? How is that not government picking and choosing winners and losers?

And if his donors are paying less tax than they otherwise should, isn't he contributing to the federal deficit - an issue Hoffman finds so worrisome that he's urging Idaho employers to forego health insurance tax credits?

"Understand that our country is trillions of dollars in debt," IFF tells them. "If you accept tax credits to pay for your health insurance, that bill will have to [be] paid by this nation's children and grandchildren."

Hypocrisy has never been much of a headache for Hoffman. The apostle of transparency in the public sector refuses to disclose where his money comes from. Aside from reporting his salary to the IRS - Russell says he earned \$99,645 last year - Hoffman hasn't revealed how he allocated IFF's payroll.

So here's an educated guess: Hoffman is going to label these revelations more left-wing propaganda from the lamestream media. He'll continue talking one way while acting another.

He certainly won't lose any sleep about forcing the government to borrow more money from the Chinese. - M.T.