While the IRS rules governing 501(c)(3) organizations, which includes churches (whether or not they have applied for 501(c)(3) status), prohibit endorsing or opposing candidates for elected office, this prohibition does not apply to appointed positions or retention of appointed positions.

Taking a position on an appointed position, or retention of an appointed position, falls in the category of lobbying, not political intervention. Under this provision, the 501(c)(3) organization operates under the "substantial part" test, which means a 501(c)(3) organization may engage in lobbying so long as the activity does not consume more than a "substantial part" of the organization's overall activity. This is the so-called 5 to 15 percent rule, in which 5 percent is permissible but 15 exceeds the permissible level.

No church has ever lost its tax-exemption for engaging in lobbying. Considering all the activity a church engages in over the period of a year, it is inconceivable that a church could ever come close to devoting up to 15 percent of its overall activity to lobbying. Thus, the reason why no church has ever lost is tax-exempt status due to lobbying. For that matter, no church has ever lost its tax-exempt status for political intervention.

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