

Not all hounds at bay

IRS still pushing to ensure that not-for-profits earn their tax exemptions

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That giant whooshing sound you could hear in Washington in January was the collective exhale of the not-for-profit healthcare world as the Democrats took control of Congress. It meant that Sen. Chuck Grassley and Rep. Bill Thomas, the GOP attack dogs who had been growling and snapping at tax-exempt organizations that act like for-profits, had been muzzled (or, in Thomas' case, retired). In their place would be soft, fuzzy Democratic pups named Sen. Max Baucus and Rep. Charlie Rangel, who would let the industry get back to business as usual.

To a certain extent, they were right. The congressional heat has been turned down on not-for-profits on a range of issues. In particular, the

Now if the previous two paragraphs had been written about a for-profit, nobody would blink. But not-for-profits get tens of billions of dollars in tax breaks every year to act differently. Many do, but an increasing number do not.

Baucus and Rangel might find that support for the safety net is not incompatible with ensuring that not-for-profits act like not-for-profits.