



ALL SAINTS CHURCH

PRESS RELEASE

FOR IMMEDIATE RELEASE:

SEPTEMBER 15, 2006

IRS Resumes Examination of All Saints Church

The Internal Revenue Service summoned All Saints Church of Pasadena and its rector, the Rev. Ed Bacon, on Friday to appear before an officer of the IRS, renewing its examination of All Saints Church after ten months of silence. On July 24, the agency unexpectedly sent the Pasadena church a list of 13 questions that probed deeply into its core religious practices. All Saints responded by raising both substantive and procedural concerns, and requested that the Agency clarify the intentions of the examination, because of its wide-ranging First Amendment implications. Because of All Saints' concerns regarding both the substantive nature and the procedural defects of this examination, it asked the IRS to reconsider its questions and reissue the Information Document Request in the form of an Administrative Summons, which was delivered Friday morning. It listed 17 detailed requirements for information, documents and testimony regarding All Saints' relationship with the Rev. George Regas, the guest preacher who delivered the sermon in question, and all expenditures involved in having the sermon given on Sunday, October 31, 2004. Though the IRS tailored its inquiry, now recast as an administration summons, it still delves into a constitutionally protected area: the language and practices of All Saints' worship service.

The summons also probes into the church's practices regarding its selection process for guest preachers, and what if any instructions or guidelines are given to guest preachers by the church, clearly an intrusion into the church's free exercise of religion. These latest inquiries underscore the church's concerns about IRS compliance with the procedural safeguards set forth in the Internal Revenue Code to protect churches from unnecessary and intrusive audits.

The timing of the renewed investigation also raises concerns that it may reflect an attempt to chill the Church's discussions of fundamental religious issues with policy implications before the mid-term elections, and in a way that intrudes into core religious practice.

The Rev. Bacon said, “We were quite surprised to receive this latest notice from the IRS after nearly a year without any communication from them. Despite the drain on our finances and the time we will spend defending this attack on the freedoms of religion and speech, All Saints Church will continue without interruption or fear what has distinguished its mission for 125 years. We will persist in both teaching our core principles and expressing them in our actions. Our religious tradition criticizes those public policies which cause detriment to the least of these, stopping short of supporting or opposing candidates. This is required by the beliefs at the heart of our faith, which are thus constitutionally protected. The language and practices of our worship services are also protected by the constitution. The sermon in question expressed without partisanship our values of peacemaking and of working for healing, human rights, and justice in solidarity with the poor, vulnerable and marginalized in our society. These values cannot and will not be abandoned solely because there is an election cycle.”

Issuance of the summons forces the IRS to address the church’s concerns at a higher level within the agency; moreover, enforcement of the summons will require both the consent and participation of the Department of Justice, steps that will further protect All Saints’ First Amendment rights. The summons also gives All Saints the option to challenge the examination in court.

Marcus S. Owens, lead counsel for All Saints Church, said, “These substantive and procedural problems are crucial in the All Saints case because of the sweeping First Amendment implications of the government’s examination. The recent unilateral reversal of the IRS position in the NAACP case raises a serious question as to whether the IRS has any legal basis for continuing its review of All Saints. In the interest of freedom of speech and freedom of religion, it is imperative that the IRS complies with the Congressionally-mandated protections for religious institutions. We simply cannot accept any less in this case.”

The Rev. Bacon said, “We still have grave concerns about how this investigation was initiated in the first place. All Saints leadership, with input from the congregation and our community, is prayerfully considering whether the church will comply with this summons or instead raise its concerns through the judicial process.”

The IRS originally notified All Saints Church of its examination on June 9, 2005, raising questions about a guest sermon delivered by the Rev. George Regas. The guest sermon, entitled “If Jesus Debated Senator Kerry and President Bush,” addressed the moral and religious implications of various social issues facing the country. The IRS has alleged that this sermon constituted prohibited political campaign intervention.

FOR MORE INFORMATION:

For information and copies of all correspondence relating to the IRS examination, and to schedule interviews with All Saints clergy, please contact Keith Holeman, All Saints’ Director of Communications, at 626.583.2739 or kholeman@allsaints-pas.org.