



Watchdog probes Clinton Foundation payments to Hillary's campaign

By SARAH WESTWOOD (@SARAHCWESTWOOD) • 10/14/15 3:32 PM

A watchdog group is asking the Internal Revenue Service to investigate whether the Clinton Foundation broke federal law by making payments to Hillary Clinton's failed 2008 presidential campaign.

Matthew Whitaker, executive director of the Foundation for Accountability and Civic Trust, pressed the IRS on whether the nearly \$350,000 the Clinton Foundation paid to rent Clinton's email list after she failed to secure the Democratic nomination was above "fair market value," which is the benchmark used to determine whether such payments constitute veiled donations rather than typical transactions.

The Clinton Foundation made a payment of \$274,297 to the campaign in Feb. 2009 and another payment of \$75,000 in March of that year, Federal Election Commission filings show.

Those payments came as Clinton's allies were reportedly struggling to pay off her crippling campaign debts while her own fundraising ability was limited by ethical restrictions given her position as secretary of state.

Clinton did not retire her more than \$20 million in campaign debts until Jan. 2013, according to FEC [filings](#).

Brokers reportedly determined the donor list's market value in part by how various groups planned to use it. The FEC has strict rules about when and how campaigns can sell their email lists in order to prevent friendly groups from padding the price they pay in an effort to skirt caps on contributions.

Whitaker noted the Clinton Foundation's hefty payments to the 2008 campaign came at an "opportune time" for Clinton as she assumed her secretary of state post under a cloud of debt she was suddenly unable to help pay.

"Given the close relationship between the Clinton Foundation and the Hillary Clinton campaign and the circumstances surrounding the transaction, all of these facts indicate the Clinton Foundation's payment to Hillary Clinton's campaign was in excess of the fair market value of the list rental," Whitaker wrote.

The watchdog group asked the IRS to look into whether the Clinton Foundation violated rules that bar tax-exempt organizations from enriching private interests close to the nonprofit.