



Wealthy Donors Are Hiding Political Money in Secretive Nonprofits

A recent New York Times article has shed light on how ultra-wealthy donors are increasingly using secretive nonprofits as a means of concealing money for political contributions. The questionable practice has allowed these individuals to send hundreds of millions of dollars to political action committees (PACs) without having to disclose where the money came from. Observers have noted that while using philanthropy for campaign donations is illegal, the exception given to some nonprofits has paved the way for billionaires to remain anonymous when it comes to political giving. As analysts have highlighted, troubling levels of “dark money” in politics is far from a new phenomenon, however, new election filings and fundraising documents have unveiled how prevalent the use of these types of shadowy groups to raise money on behalf of candidates has become. Over the past several presidential election cycles, the percentage of money donated to super PACs from organizations that did not disclose their donors has jumped significantly.

In the aftermath of the highly controversial 2010 *Citizens United* Supreme Court decision allowing unlimited independent expenditures in elections, many feel that it was inevitable for such a deceptive practice to take shape. While super PACs must publicly report their donors’ identities and the amounts that they contributed, in cases where money is donated first to a third party that later makes a PAC contribution, only the intermediary organization is required to be disclosed. This has created a loophole whereby these third-party entities can in many cases remain anonymous – allowing wealthy donors to hide political contributions via these types of groups. The increasingly used occurrence is of course problematic because it undermines public trust. Information regarding who donors are and where they get their money from should be available to the public so that they can make more informed decisions about which political candidates they decide to support.

The more commonplace nature of this, particularly within Democratic Party politics, can be seen through the tax records and internal fundraising documents of recent examples such as Our American Future Foundation, Future Forward USA Action, Evidence for Impact, and others. These groups supported Former President Biden and Former Vice President Harris in 2024, relying heavily on nonprofit donations to fund Democratic-aligned super PACs, which is a notable shift over the preceding years away from super PACs being largely dominated by conservatively-aligned nonprofits. The changing political climate matters because it shows that

this kind of opaque fundraising is becoming increasingly prevalent among both parties. As more groups start utilizing these same strategies, it creates a system in which growing amounts of money are being spent to try to influence elections without voters really knowing who is behind it. Even if these organizations are technically abiding by the law in the aftermath of the *Citizens United* Supreme Court decision, this practice still goes against the idea that elections should be fully transparent and fair. If voters cannot track the sources where the money is coming from, it becomes harder to trust the messages behind some campaigns.

In recent electoral cycles, super PACs have even paid for major advertising campaigns, especially online and on television, and often focus on attacking opponents or boosting certain narratives. Even though they are supposed to stay independent from the candidates themselves, the reality is that their messaging often closely lines up with campaign goals. This makes it feel like they are more connected than they are supposed to be, even if there is no direct coordination happening. The use of dubious nonprofits as a way to move money into super PACs makes the issue even more concerning. These organizations can accept donations without having to publicly name who gave the money, which makes it easier for wealthy donors or special interest groups to stay anonymous and unknown. As a result of this, large amounts of money can influence and alter the course of elections without any real form of accountability. This can lead to situations where donors may expect influence or access in return, and even if that is not always the case, it still raises serious questions about the way in which it harms fairness and transparency.

Ultimately, this is not simply an issue about the exorbitant amounts of money being spent on elections, but how it is being hidden. When the contributors of these large sums are concealed, it elicits concern about who is really influencing political outcomes. The lack of transparency is detrimental to voters and thus requiring clear disclosure of donors would be a step toward making elections more equitable and reliable.