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April 7, 2026

Mr. Robert Malone
Exempt Organizations and Government Entities
Internal Revenue Service
TEGE Referrals Group – MC 4910 DAL
1100 Commerce Street
Dallas, TX 75242

VIA EMAIL

Re: Request for Investigation into the Activities of the AMA Foundation (EIN: 36-6080517).

Dear Mr. Malone:

Do No Harm is a nationwide membership organization dedicated to protecting healthcare from radical, divisive, and discriminatory ideologies and policies. We write to respectfully request that the Internal Revenue Service open an investigation into the AMA Foundation, EIN 36-6080517.[*]

An investigation is warranted because the AMA Foundation is engaged in invidious racial discrimination that violates established public policy and thus renders it ineligible for tax-exempt status. *See Bob Jones University v. United States*, 461 U.S. 574, 590-96 (1983). The AMA Foundation funds and oversees a prestigious and lucrative scholarship program, known as the Physicians of Tomorrow Scholarship. The Physicians of Tomorrow Scholarship is an umbrella program that covers several discrete scholarships, including the "Underrepresented in Medicine Scholarship," the "Dr. Richard Allen Williams & Genita Evangelista Johnson/Association of Black Cardiologists Scholarship," and the "Dr. Patricia L. Austin Family Physicians of Tomorrow Scholarship." Each of these scholarships prefers certain races over others, and each explicitly discriminates on the basis of race to further those preferences. Such discrimination is sufficient grounds for the IRS to revoke the AMA Foundation's tax-exempt status under 26 U.S.C. §501(c)(3). *See Bob Jones*, 461 U.S. at 595-96 ("Racially discriminatory" institutions "cannot be viewed as conferring a public benefit within the 'charitable' concept" of the common law "or within the Congressional intent underlying §170 and §501(c)(3).").

I. Factual Background

The AMA Foundation is a nonprofit that operates as the philanthropic arm of the American Medical Association and describes its mission in part as "investing in the physicians who strengthen our communities." *See* AMAFoundation, *Home*, perma.cc/K3VA-3RU3 (archived Feb. 24, 2026). It claims tax-exempt status under section 501(c)(3) of the Internal Revenue Code. *See, e.g.*, The AMA Foundation, Form 990 (2024), Sched. A, perma.cc/JQ5Z-AL8R (archived Feb. 24, 2026).

[*] In addition to submitting IRS Form 13909, *Tax-Exempt Organization Complaint (Referral)*, Do No Harm is providing the basis for the complaint "in letter format," for convenience. Internal Revenue Service, *IRS Complaint Process – Tax-Exempt Organizations*, perma.cc/7ZLT-4MJ8.

Motivated by a "deep commitment" to "health equity," the AMA Foundation provides scholarships to third-year medical students through the Physicians of Tomorrow program. *See* AMAFoundation, *History*, perma.cc/Y8SU-JGSV (archived Feb. 24, 2026). The Physicians of Tomorrow program "is one of the AMA Foundation's flagship initiatives, designed to support and elevate the next generation of physician leaders." AMAFoundation, *Physicians of Tomorrow*, perma.cc/CV9K-92EY, (archived Feb. 24, 2026).

The benefits to those selected for one of the scholarships are legion. Successful applicants receive coveted "access to resources, recognition, and support specifically designed for individuals who are making a positive impact in medicine." AMAFoundation, *Applications*, perma.cc/M7TH-Y7A9 (archived Feb. 24, 2026). Winners further receive generous monetary awards—most scholarships include prizes of $10,000. *See* AMAFoundation, *Medical School Scholarships 2026*, perma.cc/TW5P-YKJ8 (archived Feb. 24, 2026). But the "substantial tuition assistance and national recognition" that come with winning an AMA Foundation scholarship are not available to everyone. AMAFoundation, *Physicians of Tomorrow*, perma.cc/CV9K-92EY (archived Feb. 24, 2026). Many of the scholarships explicitly bar individuals of certain races from consideration.

Consider the Dr. Richard Allen Williams & Genita Evangelista Johnson/Association of Black Cardiologists Scholarship ("Black Cardiologists Scholarship"). This scholarship pays $5,000 to medical students interested in cardiology—but only if they are "African American/Black." AMAFoundation, *Medical School Scholarships 2026*, perma.cc/TW5P-YKJ8, (archived Feb. 24, 2026). Similarly, the Underrepresented in Medicine Scholarship, which pays $10,000 to winners, is only available to individuals that are "African American/Black, Latine/Hispanic or Indigenous (American Indian, Native Hawaiian, or Alaska Native)." *See* Ex. A. And the Patricia L. Austin Family Physicians of Tomorrow Scholarship ("Austin Scholarship"), which also pays $10,000 to winners, explicitly requires applicants to be "of Eastern European descent." AMAFoundation, *Medical School Scholarships 2026*, perma.cc/TW5P-YKJ8 (archived Feb. 24, 2026). Whites are excluded from the Underrepresented in Medicine Scholarship. Hispanics, Asians, whites, and all non-blacks are excluded from the Black Cardiologists Scholarship. And the Austin Scholarship is likely to exclude, at a minimum, Hispanics, Asians, and blacks. Each of these racist exclusions is repugnant to our civil rights laws and "the Congressional intent underlying … §501(c)(3)." *Bob Jones*, 461 U.S. at 595-96. The sheer breadth of the AMA Foundation's discrimination makes it an essential vehicle for the IRS to confirm that all Americans of all races are entitled to equality under the law.

II. Legal Analysis

Under Supreme Court precedent, the presence of a single unlawful policy or purpose under §501(c)(3) renders the entire organization ineligible for tax-exempt status. The law emphasizes tax-exempt organizations must be "operated *exclusively* for religious, charitable, scientific, testing for public safety, literary, or educational purposes." §501(c)(3) (emphasis added). Thus, "[t]he presence of a single substantial purpose that is not described in section 501(c)(3) precludes exemption from tax under section 501(a) regardless of the number or the importance" of the organization's other purposes. *Better Bus. Bureau v. United States*, 326 U.S. 279, 283 (1945); *see also* Treasury Regulation §1.501(c)(3)-1(d)(1)(ii).

Moreover, the IRS in 1970 publicly confirmed that an organization seeking exemption under §501(c)(3) must satisfy the common-law definition of "charitable," though it had quietly adhered to that understanding for years. *See* Statement of Randolph W. Thrower, Commissioner of Internal Revenue, before the Senate Select Committee on Equal Educational Opportunity, 91st Cong., 2d Sess., August 12, 1970; *see also* Revised Rule 71-447, 1971-2 C.B. 230 ("All charitable trusts are subject to the requirement that the purpose of the trust may not be illegal or contrary to public policy."). That "common-law concept

of 'charity'" underpins the reason why tax exemptions exist in the first place, so while section 501(c)(3) lists other tax-exempt purposes alongside "charitable purposes," the common-law doctrine of charitable trusts applies equally to all of them. *Id.* (cleaned up).

***Bob Jones University v. United States*.** In *Bob Jones*, the Supreme Court addressed whether the IRS properly denied tax-exempt status "under §501(c)(3) of the Internal Revenue Code" to a private school that refused to admit students engaged in interracial marriages. 461 U.S. at 577. Examining the text and history of section 501(c)(3), its implementing regulations, and related IRS guidance, the Court concluded the IRS acted lawfully in denying tax-exempt status because the school pursued purposes that conflicted with the fundamental objectives of the tax laws. *Id.* at 585-96. In doing so, the Court reaffirmed the IRS's longstanding view that Congress used the term "charitable" in section 501(c)(3) with its established common-law meaning. *Id.*

The Court extensively discussed the history of the Nation's tax-exempt system for charitable organizations and its purposes. "When the Government grants exemptions or allows deductions all taxpayers are affected; the very fact of the exemption or deduction for the donor means that other taxpayers can be said to be indirect and vicarious 'donors.'" *Id.* at 591-92. "Charitable exemptions are justified on the basis that the exempt entity confers a public benefit—a benefit which the society or the community may not itself choose or be able to provide, or which supplements and advances the work of public institutions already supported by tax revenues." *Id.* at 592. "History buttresses logic to make clear that, to warrant exemption under §501(c)(3), an institution must fall within a category specified in that section and must demonstrably serve and be in harmony with the public interest." *Id.* Thus, an organization that acts contrary to public policy cannot qualify for tax-exempt status. *Id.* Applying that governing principle, the Court turned to whether public policy prohibited racial discrimination. Drawing on federal civil-rights statutes and executive measures designed to eliminate race-based discrimination, the Court held that it did. *See id.* at 592-95.

Some commentators have suggested that *Bob Jones* confined its holding to racial discrimination in higher education. But the Court's opinion in *Bob Jones* itself refutes that claim. Because the petitioner in *Bob Jones* operated a school the Court necessarily addressed "racial discrimination in education." Yet the Court immediately explained that discrimination in education violates public policy because *all* racial discrimination violates public policy. To illustrate that principle, the Court cited Titles IV and VI of the Civil Rights Act of 1964 as evidence that Congress "clearly expressed its agreement that racial discrimination in education violates a fundamental public policy." *Id.* at 594. It then broadened the frame, pointing to "[o]ther sections of [the Civil Rights] Act, and numerous enactments since then," which "testif[ied] to the public policy against racial discrimination." *Id.* The Court did not cabin that statement to the educational context, and it cited the Voting Rights Act of 1965 and the Fair Housing Act to support its sweeping statement.

The executive-branch measures the Court cited likewise spanned a wide range of contexts, including "prohibiting racial discrimination in federal employment decisions and in classifications for the Selective Service." *Id.* (cleaned up); *see also id.* ("The Executive Branch has consistently placed its support behind eradication of racial discrimination."). The Court, for example, pointed to executive orders that created the President's Council on Equal Opportunity, required nondiscrimination in federally assisted programs, and directed "clear and consistent government-wide implementation by federal agencies of the nondiscrimination provisions" of federal law. U.S. Dep't of Justice, *Executive Order 12250 Clearance Requirements and Coordination for Nondiscrimination Regulations and Policy Guidance Documents and Related Executive Orders* (Oct. 12, 2021), perma.cc/WGR7-8YSN. The Court emphasized that these measures represented "but a few of numerous Executive Orders over the past three decades demonstrating the

commitment of the Executive Branch to the fundamental policy of eliminating racial discrimination." *Bob Jones*, 461 U.S. at 595.

It's important to stress that the Supreme Court did not announce a new rule in *Bob Jones*. Rather, the Court ratified longstanding IRS practice. The Court pointed out that the IRS had "referred consistently to principles of charitable trust law" for "more than 60 years" when interpreting §501(c)(3) and "comparable provisions." *Id.* at 597. Most relevant here, the majority in *Bob Jones* stressed that "[s]ome years before the issuance of the rulings challenged in these cases, the IRS also ruled that contributions to community recreational facilities would not be deductible and that the facilities themselves would not be entitled to tax-exempt status, unless those facilities were open to all on a racially nondiscriminatory basis." *Id.* (citing Rev. Rul. 67-325, 1967-2 Cum. Bull. 113.). In short, any claim that the rule in *Bob Jones* is limited in scope is inconsistent not only with the reasoning of the Court's opinion but also with the historical context in which the case was decided.

Federal Courts' and the IRS's Application of Bob Jones. Decades of practice confirm that the public-policy requirement the Court affirmed in *Bob Jones* governs broadly and covers the AMA Foundation's discriminatory scholarship program. *See, e.g.*, *United States v. Mubayyid*, 476 F. Supp. 2d 46, 50 (D. Mass. 2007) (explaining that the IRS denied tax-exempt status because the organization's promotion of jihad and holy war "were against public policy"). The IRS has likewise enforced the public-policy principle broadly. For example, in 1987—just four years after *Bob Jones*—the Service denied tax-exempt status to a white supremacist organization known as the Nationalist Movement, concluding that its "membership policies [were] invidiously discriminatory and thus contrary to public policy." *Nationalist Movement v. Comm'r*, 102 T.C. 558, 571 (1994), *aff'd*, 37 F.3d 216 (5th Cir. 1994). The IRS also denied tax-exempt status where it determined that the "petitioner did not satisfy [section 501(c)(3)'s] public policy requirement because" the petitioner encouraged other taxpayers to refuse to pay taxes. *Church of Scientology of California v. Comm'r of Internal Revenue*, 83 T.C. 381, 503 n.4 (1984), *aff'd sub nom. Church of Scientology of California v. Comm'r*, 823 F.2d 1310 (9th Cir. 1987).

Indeed, the IRS's own guidance confirms that racially discriminatory conduct is in direct opposition to the charitable purposes §501(c)(3) exists to promote. The IRS Technical Guide for tax-exempt organizations states that "[t]he pursuit of *eliminating* [racial] prejudice and discrimination is a charitable exempt activity under section 501(c)(3)." Internal Revenue Service, *Exempt Organizations Technical Guide 3-3: Exempt Purposes – Charitable*, 41 (emphasis added). If one of the goals of the Internal Revenue Code's tax-exempt provisions is to facilitate the end of racial prejudice, then overtly discriminatory policies are surely incompatible with those goals and cannot be a "public benefit" that tax exemptions were created to promote. *Bob Jones*, 461 U.S. at 592.

***Students for Fair Admissions, Inc. v. President & Fellows of Harvard College*.** In "situations involving the [Internal Revenue] Service's determinations about particular public policies, the Service has relied almost exclusively on the Supreme Court's position regarding certain constitutional issues that relate directly to the public policy at issue." D. Brennan, *Charities and the Constitution: Evaluating the Role of Constitutional Principles in Determining the Scope of the Tax Law's Public Policy Limitation for Charities*, 5 Fla. Tax. Rev. 779, 796 (2002). For example:

> In a Technical Advice Memoranda ("TAM") regarding the Kamehameha Schools, whose admissions policy generally required that the applicant be of Hawaiian ancestry, the IRS national office opined that the policy did not run afoul of public policy. However, in a concluding message, the TAM noted that the Supreme Court had granted certiorari in *Rice v. Cayetano*, a case involving the right to vote for nine trustees of the Office of Hawaiian Affairs, which was at the time limited to voters of Hawaiian descent.

Id. at 803 (cleaned up). The IRS advised the schools that, if the Court expanded or clarified its affirmative action jurisprudence in a future case, then the agency would revisit its analysis of the schools' tax-exempt status under the Court's new approach.

Indeed, the Court *did* conclude that the racially discriminatory voter qualification in *Rice* was unconstitutional. But in any event, programs like the AMA Foundation's race-based scholarships already violated federal law and public policy well before the Supreme Court decided *SFFA v. Harvard*, 600 U.S. 181 (2023). *See, e.g.*, *Wygant v. Jackson Bd. of Ed.*, 476 U.S. 267 (1986) (plurality op.); *City of Richmond v. J.A. Croson Co.*, 488 U.S. 469 (1989); *Adarand Constructors, Inc. v. Peña*, 515 U.S. 200 (1995); *NFCAGC v. Jacksonville*, 508 U.S. 656 (1993); *Parents Involved in Community Schools v. Seattle School District No. 1*, 551 U.S. 701 (2007). But the Court has now removed any conceivable doubt. "Racial discrimination is invidious in all contexts." *SFFA*, 600 U.S. at 214 (cleaned up). The Court's rule is categorical: "race may never be used as a 'negative,'" and in zero-sum settings such as college admissions or competitive scholarships any "benefit provided to some applicants" on the basis of race "but not to others necessarily advantages the former group at the expense of the latter." *Id.* at 218-19. Put simply, the Court's sweeping decision in *Harvard* makes crystal clear that racial discrimination in *all* its forms is contrary to established public policy, to say nothing of federal law and the Constitution. After all, "[e]liminating racial discrimination means eliminating all of it." *Id.* at 206. In light of that unequivocal holding, the IRS cannot plausibly treat race-based scholarship programs as consistent with public policy. Even if prior IRS leadership may have taken a narrower view of the public-policy doctrine, the Service must now conform its enforcement position to the Court's clear command—particularly where, as here, the discrimination arises in the higher-education context itself.

President Trump's recent executive orders also leave the Service with no discretion. The President has rescinded prior executive orders that agencies had invoked to justify race-based classifications in the name of "equity." *See* Exec. Order No. 14148, 90 Fed. Reg. 8237 (Jan. 20, 2025). He then directed all federal agencies to terminate "all discriminatory programs, including illegal DEI and 'diversity, equity, inclusion, and accessibility' (DEIA)" policies, as well as policies "allowing or encouraging" third parties "to engage in workforce balancing based on race." Exec. Order No. 14151, 90 Fed. Reg. 8337 (Jan. 20, 2025). Most significantly, he "order[ed] all agencies to enforce our longstanding civil-rights laws and to combat illegal private-sector DEI preferences, mandates, policies, programs, and activities." Exec. Order No. 14173, 90 Fed. Reg. 8633 (Jan. 21, 2025). Executive Order 14173 leaves no ambiguity: "race- and sex-based preferences" are "dangerous, demeaning, and immoral" and "violate the civil-rights laws of this Nation." *Id.* Taken together, these directives confirm that "[t]he Executive Branch has consistently placed its support behind eradication of racial discrimination" in all its forms. *Bob Jones*, 461 U.S. at 594; *see also* Memorandum Opinion for the Acting General Counsel, Department of Education, *Constitutionality of Race-Based Department of Education Programs* (Off. of Legal Counsel Dec. 2, 2025).

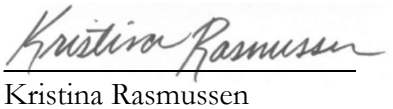
Application of the Public-Policy Principle to the AMA Foundation. Here, there is no question that the AMA Foundation's scholarships are racially discriminatory. The Foundation specifies which races and ethnicities are eligible to receive certain scholarships and, by omission, which races are ineligible for such benefits. Nor can the Foundation defend this discrimination as merely a "benefit" conferred on certain races with no penalty on other applicants. Applications for scholarships and employment—like the college admissions applications in *Harvard*—"are zero-sum." 600 U.S. at 218. The AMA Foundation's use of race as a threshold eligibility requirement necessarily treats the race of some applicants as a negative. That is textbook discrimination, and it is unlawful and contrary to public policy for the reasons explained above. And, as further explained above, *supra* at 2, the presence of even one unlawful purpose defeats an organization's entire claim to tax-exempt status. Because the AMA Foundation's scholarships are "contrary to settled public policy" against racial discrimination, the whole organization does not "qualify for a tax exemption pursuant to §501(c)(3)."

In sum, an investigation is warranted. If the AMA Foundation wishes to avoid such an investigation and maintain its tax-exempt status, it can simply open each of its scholarships and any similar programs to all races. Indeed, Bob Jones University eliminated its racially discriminatory policies to regain its tax-exempt status. Surely the AMA Foundation can do the same—at least if it wants to maintain this valuable subsidy, courtesy of the federal government and the American taxpayer. *See Bob Jones*, 461 U.S. at 591-92; Paul Fain, *Bob Jones U to Become Nonprofit Again*, Inside Higher Ed, (Feb. 16, 2017), perma.cc/UBY2-RU7F.

* * *

For these reasons, Do No Harm respectfully asks the IRS to open an investigation into the activities and tax-exempt status of the AMA Foundation.

Sincerely,



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