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NCLA Now Accepts Cryptocurrencies to Enhance Charitable Giving Opportunities for Donors

Crypto holders can now donate to protect privacy, demand due process, and tame unlawful administrative power

Washington, DC (August 18, 2020) – The New Civil Liberties Alliance, a nonpartisan, nonprofit civil rights group announced today that it has begun accepting cryptocurrency donations to expand its fundraising capability and help create more awareness and further its critical mission of reining in the Administrative State.

By partnering with The Giving Block, which helps equip nonprofits with the tools and techniques to effectively raise funds with cryptocurrency, NCLA now accepts the following digital currencies through its secure website (<https://nclalegal.org/donate-crypto/>): Bitcoin (BTC), Bitcoin Cash (BCH), Ethereum (ETH), Litecoin (LTC), Zcash (ZEC), Basic Attention Token (BAT), Chainlink (LINK) and Gemini Dollar (GUSD).

Cryptocurrency allows donors to support the organization in a tax-efficient way. The Internal Revenue Service (IRS) classifies cryptocurrency donations as property, meaning they are not subject to capital gains tax and are tax-deductible on the donor's tax returns (though check with your tax advisor).

NCLA was inspired to open donations to the crypto community after learning more about digital donations through our recently launched case, *James Harper v. Charles P. Rettig, et al.*, currently before the U.S. District Court for the District of New Hampshire. The lawsuit argues that the IRS has acquired the unbridled power to demand *and* seize Americans' private financial information from third parties without *any* judicial process.

Although the digital virtual currency exchanges that facilitated his transactions had contractually promised Mr. Harper to protect his private information, the IRS somehow obtained his records without a valid subpoena, court order, or judicial warrant based on probable cause. On August 9, 2019, he received a letter from IRS informing him that the agency had obtained his financial records related to ownership of bitcoin without any particularized suspicion of wrongdoing. Mr. Harper is one of 10,000 virtual currency owners who received such a letter, according to the IRS website.

In this case, the IRS violated the Fourth Amendment by issuing an informal demand for Mr. Harper's financial records from a third party even though it lacked particularized suspicion that he had violated any law. NCLA will continue to stand up for bitcoin investors and neutralize these serious threats to constitutional freedoms.

NCLA released the following statement:

“Our case representing Mr. Harper against the IRS goes to show that administrative power respects no boundaries. We are happy to afford the crypto community another avenue to support our mission to protect privacy and keep the Administrative State from operating outside of constitutional channels.”

— **Lauren McDonald, NCLA Director of Development**

ABOUT NCLA

NCLA is a nonpartisan, nonprofit civil rights group founded by prominent legal scholar Philip Hamburger to protect constitutional freedoms from violations by the Administrative State. NCLA’s public-interest litigation and other pro bono advocacy strive to tame the unlawful power of state and federal agencies and to foster a new civil liberties movement that will help restore Americans’ fundamental rights.

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