

NRA 2022 990 Report – A Few Observations

The NRA is still working to identify excess benefits that were received by Wayne LaPierre and recorded an additional \$112,150 for the years 2011-2018.

SCHEDULE L, PART I, LINE 1 - WAYNE LAPIERRE	THE NRA HAS LEARNED THAT FROM 2011 TO 2018, THE NRA PAID FOR PERSONAL TRAVEL, GIFTS OVER \$25 TO EMPLOYEES AND BUSINESS ASSOCIATES, AND CELL PHONE EQUIPMENT AND SERVICES THAT WERE PURCHASED BY MR. WAYNE LAPIERRE, A DISQUALIFIED PERSON. THE FAIR MARKET VALUE OF THE PERSONAL TRAVEL, GIFTS OVER \$25 TO EMPLOYEES AND BUSINESS ASSOCIATES, AND CELL PHONE EQUIPMENT AND SERVICES WERE \$64,081, \$24,335, AND \$1,312, RESPECTIVELY, AND MAY THUS HAVE CONSTITUTED AN EXCESS BENEFIT TO MR. LAPIERRE, WITH AN ESTIMATED EXCISE TAX OF \$22,432. MR. LAPIERRE HAS REPAID THESE EXCESS BENEFITS TO NRA, PLUS INTEREST AND THEREFORE THE EXCESS BENEFITS HAVE BEEN CORRECTED.
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The NRA began reporting excess benefits on the IRS 990 tax form beginning in 2019 when the original complaint was filed by the New York Attorney General's Office.

Excess Benefits	2019	2020	2021	2022	TOTAL
Wayn LaPierre	\$374,722	\$59,244	\$15,022	\$112,150	\$561,138

The New York AG has reported at least \$100M in misuse of NRA monies that were used to enrich Wayne LaPierre, NRA Executives and a few Board Members. The NRA has only reported a total of \$561K on the 990 Tax Form for Wayne LaPierre. I wonder what the IRS penalty might be for \$100M of unreported excess benefits?

The irony of misuse of NRA monies by Wayne LaPierre is that the NRA actually scolded Josh Powell for misusing NRA monies for personal benefit citing: "Mr. Powell knew or should have known were not appropriate...".

REF: 2019 990 Tax Form:

MR. POWELL CHARGED TO THE NRA, OR HAD REIMBURSED BY THE NRA, VARIOUS PERSONAL TRAVEL, CELLULAR AND OTHER EXPENSES WHICH MR. POWELL KNEW OR SHOULD HAVE KNOWN WERE NOT APPROPRIATE TO SUBMIT AS BUSINESS EXPENSES. PAYMENT OF THESE EXPENSES WERE NOT INTENDED BY THE NRA TO BE PART OF MR. POWELL'S COMPENSATION AND CONSTITUTE AUTOMATIC EXCESS

Craig Spray is still being paid \$468K for his severance agreement. This is really odd in that on numerous occasions Wayne LaPierre and Charles Cotton reported to the NRA Board of Directors that Craig Spray had resigned due to health reason. Craig Spray reported during the bankruptcy that he was terminated by Wayne LaPierre because he refused to sign the 990 Tax Form.

Training and Communication has declined significantly as revenues have decline.

990 Tax Forms	2014	2015	2016	2017	2018	2019	2020	2021	2022
Training & Communication	27,574,750	33,302,500	38,711,731	33,082,512	34,628,656	24,985,588	15,873,740	9,918,590	7,704,268

Only Sonya Rawlings signed the 2022 990 form. The external auditors were not listed and did not sign the tax return.

Key Executives receiving pay raises in the midst of a previous bankruptcy filing and another bankruptcy looming. The NRA is running out of cash to pay bills, but executives can still get raises.

Executive Compensation	2021	2022	\$CHG	%CHG
Wayne LaPierre-CEO	1,143,868	1,171,699	27,831	2%
Tyler Schropp-ExecDir Advancement	688,270	854,219	165,949	24%
Douglas Hamlin-Dir Publicaitons	505,161	604,388	99,227	20%
Joseph DeBergalis-DepDir Gen ops	449,958	483,083	33,125	7%
Sonya Rowlings-CFO	381,865	432,565	50,700	13%

Thomas Tedrick-ManDir Finance	383,774	397,943	14,169	4%
Todd Grable-Exec Dir Membership	542,517	389,519	-152,998	-28%
John Frazer-Sec&Gen Counsel	348,924	375,466	26,542	8%
Wade Callender-Dep Exec Dir ILA	381,146	353,002	-28,144	-7%
Andrew Arulanandam-Dir Public Affairs	317,804	332,129	14,325	5%
GRAND TOTAL	5,143,287	5,394,013	250,726	5%

Grossed Up Income:

The following statement occurs repeatedly in the 990 tax filings prior to the 2019 tax year. The “grossing up” of income is an accounting manipulation that reports a higher income for an individual that is using private aircraft for personal benefit. In order to not have a tax problem with the IRS, the NRA would simply add the expense to Wayne LaPierre’s reported income and gross up the tax affect. In other words, Wayne LaPierre did not reimburse the NRA for any personal expenses it was simply added to his income.

PART I, LINE 1A:

CHARTER TRAVEL WAS USED ON OCCASIONS WHEN TRAVEL LOGISTICS OR SECURITY CONCERNS PRECLUDED OTHER AVAILABLE OPTIONS. COMPANIONS OCCASIONALLY TRAVEL VIA PRIVATE AIRCRAFT WITH NRA OFFICIALS AND VENDORS IN CONNECTION WITH THEIR PROFESSIONAL RESPONSIBILITIES. CERTAIN COMPENSATION ELEMENTS WERE GROSSED UP FOR ONE INDIVIDUAL FOR ONE TIME RELOCATION COSTS AND THE TAX GROSS UP WAS PROPERLY INCLUDED IN TAXABLE COMPENSATION . HOUSING EXPENSES WERE PROVIDED FOR FIVE INDIVIDUALS AND WERE PROPERLY INCLUDED IN TAXABLE COMPENSATION. DUES FOR CLUBS USED FOR BUSINESS PURPOSES WERE PROPERLY EXCLUDED FROM TAXABLE COMPENSATION.

The conflict-of-interest statement is so damning because all of the corruption, embezzlement, and malfeasance was obviously a conflict of interest. Marion Hammer continues to be paid by the NRA which is the literal definition of conflict of interest.

FORM 990, PART VI, SECTION B, LINE 12C:

THE ORGANIZATION'S CONFLICT OF INTEREST POLICY APPLIES TO OFFICERS, DIRECTORS, AND KEY EMPLOYEES OF THE FILING ORGANIZATION AND ITS AFFILIATES, AS WELL AS TO THEIR RELATIVES. RELATED PARTY TRANSACTIONS AND POTENTIAL CONFLICTS ARE SELF-REPORTED ON A QUESTIONNAIRE THAT IS DISTRIBUTED AT LEAST ANNUALLY AND REVIEWED BY THE SECRETARY AND GENERAL COUNSEL. ISSUES MAY ALSO BE REPORTED THROUGH OTHER MEANS OR INDEPENDENTLY DISCOVERED BY STAFF. REGARDLESS OF HOW THEY ARE REPORTED, RELATED PARTY TRANSACTIONS AND ISSUES OF APPARENT CONFLICT ARE PRESENTED TO THE BODY DESIGNATED BY THE BOARD OF DIRECTORS (THE AUDIT COMMITTEE) FOR APPROVAL, DISAPPROVAL, OR PRECAUTIONARY MEASURES AS NEEDED.