

E. Bob Jones University v. US (1982) – Tax Exemptions for Religion

The U. S. tax code provides tax exempt status to “corporations . . . operated exclusively for religious, charitable . . . or educational purposes.” In 1970, that policy was changed to deny tax-exempt status to private schools that practiced racial discrimination.

Bob Jones University is an institution dedicated to “fundamentalist Christian beliefs.” The university believed that interracial dating and marriage were contrary to religious teachings and banned these practices among its students. The Internal Revenue Service declared the university was ineligible for tax-exempt status due to racial discrimination. Bob Jones University claimed that this action unfairly penalized them because of their religious beliefs.

YOU BE THE JUDGE: WHAT SHOULD THE COURT DECIDE?

Your group’s spokesperson will need to convince the rest of us of WHY your decision is the best one.

- a. Be sure that your decision addresses the arguments made by both sides.
- b. Be sure that your decision addresses the First Amendment’s “establishment” AND “free exercise” clauses.

To help your group come to a decision, discuss the answers to the questions below. Each member of the group should write down the answer that the group agrees upon.

1. What was the government’s argument for denying tax exempt status to Bob Jones University?
2. Why did the University argue that the government’s action violated their freedom of religion?
3. May society deny privileges to one religious group that it grants to others?
4. How is this case similar to and different from the Smith case?