

Questions and Answers for Statewide Political Action Committees (PACs)

Revised 7/15

See Iowa Code chapter 68A and the Board's rules in 351-Chapter 4 for more guidance.

WHO MUST FILE DISCLOSURE REPORTS?

Any organization organized for the purpose of expressly advocating for or against candidates or a ballot issue and receives contributions, makes expenditures or incurs indebtedness in excess of \$1000 in a calendar year.

Also, any permanent organization existing for some other purpose that temporarily becomes engaged in political activity and exceeds the same \$1000 threshold to expressly advocate for or against candidates for Iowa public office or a ballot issue.

"Contributions" includes in-kind as well as monetary contributions. An in-kind contribution is a gift of goods or services to a committee.

WHEN ARE REPORTS DUE?

A PAC must register by filing the Statement of Organization (DR-1) within ten days of crossing the \$1000 threshold mentioned above. The PAC then files full disclosure reports on the following due dates until it dissolves:

ELECTION YEAR (EVEN NUMBERED YEARS)

DUE DATE	COVERED PERIOD OF REPORT
May 19	January 1 through May 14
July 19	May 15 through July 14
October 19	July 15 through October 14
January 19	October 15 through December 31

NON ELECTION YEAR (ODD NUMBERED YEARS)

DUE DATE	COVERED PERIOD OF REPORT
July 19	January 1 through June 30
Jan 19 (next calendar year)	July 1 through December 31

Reports must be filed electronically on or before 4:30 pm of the due date through the Board's Web site. If a due date falls on a weekend or holiday the report deadline is extended to the next working day.

IS A PAC REQUIRED TO HAVE A SEPARATE BANKING ACCOUNT?

Yes, if it is an ongoing PAC, organized for the purpose of expressly advocating for or against candidates or ballot issues. If the PAC is a permanent organization that engages temporarily in political activity and uses only general funds of the parent organization to make its expenditures, a separate banking account is not required. However, if the parent organization is incorporated, it cannot use its general funds to support candidates. Candidate committees and political committees are prohibited from accepting corporate funds (see Prohibited Contributions section of this brochure). Only ballot issue committees are allowed to accept corporate contributions (monetary or in-kind).

The PAC treasurer, a person of majority age, is required to deposit funds within seven days of receipt. The law requires that either the treasurer be an Iowa resident or the banking account be in an Iowa financial institution. The name on the PAC banking account and on the PAC checks MUST be the same as the official registered name of the PAC as shown on the Statement of Organization.

PROHIBITED CONTRIBUTIONS TO PACS

A PAC that supports candidates may not accept any contributions from corporations (profit or nonprofit), banks, savings and loan associations, or credit unions.

EXCEPTION: A PAC is allowed to use its corporate sponsor's funds and property for the true administrative costs of the PAC such as printing of stationery, salary for staff who administer the PAC, and postage to solicit contributions. However, a PAC must report these items as corporate in kind contributions to the PAC on Schedule E. A PAC also is prohibited from accepting anonymous contributions in excess of \$10, or contributions in the name of another person. See Board rules 351-4.44 through 4.52 for further guidance on the ability of corporations to become involved with PAC's that advocate for or against candidates.

CONTRIBUTIONS FROM NON-IOWA COMMITTEES

If the PAC receives a contribution from a committee outside Iowa, the check may be deposited if it is accompanied by a Verified Statement Registration (VSR). If you do not receive a VSR, contact the Board to be sure that the non-Iowa committee is fulfilling its filing requirements under Iowa law.

WHAT FORMS ARE USED FOR REPORTING?

The Statement of Organization (DR-1).

A full disclosure report consists of a disclosure summary page that summarizes the financial activity of the PAC, and corresponding supporting Schedules A-F:

SCHEDULE A - Itemize by date, full name, complete address and amount, each contributor to the PAC who gives in excess of \$25 in a calendar year. List as "Unitemized contributions for the period" the sum of all contributions received of \$25 or less. Miscellaneous income may also be listed on this schedule if properly identified, such as interest earned on a bank account.

SCHEDULE B - Itemize by date, complete name and address, and purpose, all expenditures and donations made by the PAC of \$5 or over. Include candidate ID number if applicable.

SCHEDULE D - Itemize unpaid debts and obligations remaining at the end of the reporting period by date, name and address, and amount. If the debt is for items or services not received or invoiced for which you are unsure of the amount owing, show "estimated" beside the figure. Provide a written purpose for each debt.

SCHEDULE E - Itemize by date, contributor name and address, and item description all in-kind contributions received. Show the fair market value of the goods or services received. Remember that you cannot accept in-kind contributions from corporate entities EXCEPT for the actual and true administration/solicitation costs of your PAC.

SCHEDULE F - If any person loans money to the PAC, list the date, name and address of the person and the amount of the loan (on the left side of the schedule), and show loan repayments similarly (on the right side of the schedule). Original loan source and endorsers must be reported.

MISCELLANEOUS INFORMATION

1. Some PACs deliver checks to candidates, rather than mailing them. Be sure that the contribution is delivered to the candidate within 15 days of the date of the check.
2. PACs cannot obtain gambling licenses. Sometimes the nonprofit sponsor of a political action committee can obtain a gambling license. But if the sponsor is incorporated, it is prohibited from transferring funds from the gambling activity to its PAC.
3. Any published political advertising to support a candidate or political committee must show the name and address of the person paying for the material. If a registered PAC is paying for the material, the attribution includes the words "paid for by" and the name of the PAC. If the PAC is not registered, then the full name, address, and the name of an officer is required.

DISCLAIMER

This brochure is intended for general guidance and is not a restatement of the law or rules and is not legal advice. Please review Iowa Code chapter 68A and the Board's rules in chapter 351 of the Iowa Administrative Code or contact the Board when questions arise.

FOR MORE INFORMATION CONTACT THE BOARD:

IOWA ETHICS & CAMPAIGN DISCLOSURE BOARD

510 E. 12th, SUITE 1A

DES MOINES, IA 50319

(515) 281-4028

(515) 281-4073 fax

www.iowa.gov/ethics