

Advisory Opinion

IECDB AO 2000-35

October 19, 2000

TO ALL INTERESTED PERSONS:

Pursuant to Iowa Code section 68B.32A(11), the Iowa Ethics and Campaign Disclosure Board takes the opportunity to issue its opinion on when political parties must escheat unused funds from the income tax checkoff fund. We note at the outset that the Board's jurisdiction is limited to the application of Iowa Code chapters 56 and 68B and rules in Iowa Administrative Code chapter 351. Whether some other statutory system, common law theory or agency rule applies to this issue is not covered by this opinion.

OPINION:

Iowa Code section 56.24 states:

"All funds on account for the campaign expenses of any designated political party which are not utilized by that political party by January 1 of the year following a general election, shall revert to the general fund of the state."

Iowa Code sections 56.18 through 56.26 provide procedures for persons voluntarily submitting \$1.50 of their tax dollars to the "Iowa Election Campaign Fund." The funds are appropriated to the taxpayer designated political party on the first day of each month. The parties annually submit a statement that the funds have been used for the proper statutory purposes.

The issue then becomes when unused funds "revert to the general fund of the state". Any funds distributed to the parties starting January 1 of the year following a general election must be used on or before December 31 of the next general election year. Thus, unused funds in a non-general election year would "carry over" through the end of the next year a general election was held.

BY DIRECTION AND VOTE OF THE BOARD

Bernard McKinley, Board Chair
1st Vice-Chair Geraldine Leinen
2nd Vice-Chair James Albert
Gwen Boeke
Mark McCormick
Phyllis Peters

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