

FEC, IRS, & Lobbying Disclosure Filing Dates for 2002

January 2002

The year 2002 is an election year for Federal Election Commission ("FEC" or "Commission") and Internal Revenue Service ("IRS") purposes. An outline of PAC filing dates with the Commission and with the IRS follows below. For up to date information on filing dates for 2002, please visit our Election Law Practice area at www.wrf.com.

FEC Filings

All Filers

All filers with the FEC must file a 2001 Year-End Report by January 31, 2002.

Remember, all political committees and other persons whose total contributions or total expenditures within a calendar year exceed, or are expected to exceed, \$50,000 must file their reports of campaign finance activity electronically.

Monthly Filers

For monthly filers with the FEC, reports must be filed with the Commission according to the schedule that follows below. Please note that the Pre-General Report covers activity from October 1, 2002 until 20 days before the general election, or October 16, 2002. The Post-General Report covers activity from October 17, 2002 until 20 days after the general election, or November 25, 2002.

This report is due 15 days before the general election, or October 21, 2002, if the organization is posting its report by certified or registered mail.

Quarterly Filers

Quarterly filers with the FEC should seriously consider changing to the monthly filing option in order to eliminate confusion over when reports are due—especially with primary elections. Nevertheless, quarterly filers must file their reports with the Commission according to the schedule that follows below. Please note that the Pre-General Report covers activity from October 1, 2002 until 20 days before the general election, or October 16, 2002. The Post-General Report covers activity from October 17, 2002 until 20 days after the general election, or November 25, 2002.

Note: a PAC that is a quarterly filer must file a Pre-Primary report only if it has made previously undisclosed contributions or expenditures in connection with a primary election. The report covers activity from the close of books for the last report up to 20 days before the primary election. Primary dates vary from state to state, so a PAC may have to file multiple Pre-Primary reports. Importantly, this report is due 15 days before an election if the organization is posting its report by certified or registered mail. A list of current primary dates for 2002 can be found at www.fec.gov/pages/chron02.htm.

This report is due 15 days before the general election, or October 21, 2002, if the organization is posting its report by certified or registered mail.

IRS Filings

For political, tax-exempt organizations organized under Section 527 of the Internal Revenue Code, 2002 marks the first year for which many calendar-year tax filers will have to file Form 990 and the 1120-POL tax return with the Internal Revenue Service. Political organizations not required to report to the FEC may have to file periodic reports with the IRS on Form 8872 as well. A description of the reports and returns mandated by the IRS follows below.

1120-POL: Annual Tax Return

Any political organization with taxable income (e.g. income from trade or business) in excess of \$100 is required to file an annual income tax return on Form 1120-POL by March 15, 2002 for calendar-year taxpayers. Additionally, for the first time all political organizations having \$25,000 or more in gross receipts for the taxable year are required to file Form 1120-POL.

Form 990: Annual Informational Return

Organizations required to file 1120-POL also must file Form 990, except that organizations which have gross receipts of less than \$25,000 are not required to file any version of Form 990. Committees must file Form 990 by May 15, 2002 for calendar-year taxpayers. If an organization has gross receipts of less than \$100,000 and assets of less than \$250,000, it may file Form 990-EZ. It should be noted that much of Form 990 is subject to public disclosure, including salaries of certain PAC officers or directors.

Form 8872: Political Organization Report of Contributions and Expenditures The statute also requires § 527 political organizations to file periodic reports with the IRS. There are three exemptions from this filing requirement:

- Organizations exempted from the requirement to file a Form 8871, which is a notice of 527 status and which covers:
 - (i) Persons required to file with the FEC under the Federal Election Campaign Act, as amended
 - (ii) Organizations that reasonably anticipate that their annual gross receipts will always be less than \$25,000

- (iii) Section 501(c) organizations subject to tax because they made "exempt function" expenditures
- Political committees of a state or local candidate
- State and local committees of political parties

All other 527 organizations must file the periodic reports, monthly or quarterly/semiannually, beginning with the first month or quarter in which they accept contributions or make expenditures. These reports are publicly available on the IRS web site.

The reports must contain the name, address (and occupation and employer if an individual), and amount contributed of any person who contributes more than \$200 in a calendar year. It also must contain the same information for any person to whom expenditures are made that aggregate \$500 or more during a calendar year. An organization, however, is not required to report independent expenditures.

Monthly Filers

For monthly filers with the IRS, Forms 8872 must be filed according to the schedule that follows below. Please note that the Pre-General Report covers activity from October 1, 2002 until 20 days before the general election, or October 16, 2002. The Post-General Report covers activity from October 17, 2002 until 20 days after the general election, or November 25, 2002.

Importantly, this report is due 15 days before the general election, or October 21, 2002, if the organization is posting its report by certified or registered mail.

Quarterly Filers

Quarterly filers with the IRS must file their reports with the Commission according to the schedule that follows below. Please note that the Pre-General Report covers activity from October 1, 2002 until 20 days before the general election, or October 16, 2002. The Post-General Report covers activity from October 17, 2002 until 20 days after the general election, or November 25, 2002.

Note: a political organization that is a quarterly filer must file a Pre-Primary report only if it has made previously undisclosed contributions or expenditures in connection with a primary election. The report covers activity from the close of books for the last report up to 20 days before the primary election. Primary dates vary from state to state, so a political organization may have to file multiple Pre-Election reports. This report is due 15 days before an election if the organization is posting its report by certified or registered mail. A list of current primary dates for 2002 can be found at www.fec.gov/pages/chron02.htm.

This report is due 15 days before the general election, or October 21, 2002, if the organization is posting its report by certified or registered mail.

Lobbying Disclosure Act Filings

Every lobbyist registered with the Secretary of the Senate and the Clerk of the House must file semi-annual Lobbying Disclosure Act reports on February 14, 2002 covering the period of July 1 through December 31, 2001, and on August 14, 2002 covering the period between January 1, 2002 and June 31, 2002. Remember

that for reporting purposes, you must stick with the selection made on the mid-year 2001 report regarding the reporting of expenses. Thus, if you chose to report using the Lobbying Disclosure Act reporting method, you must use that method on the year-end report. Alternatively, if you chose to report using the Internal Revenue Code reporting method, you must use that method on the year-end report.