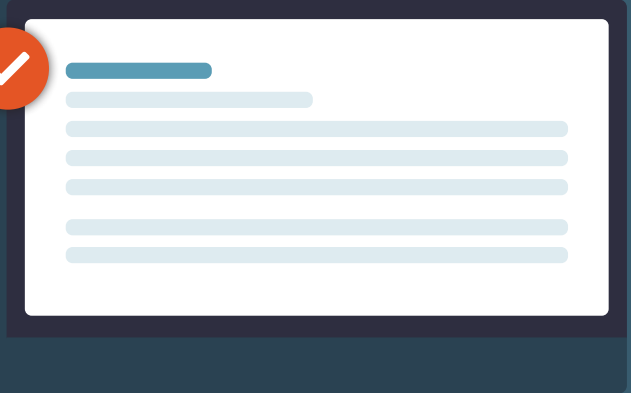


# SSF Solicitation Notices

Model language and background



## MODEL LANGUAGE

[Name of PAC] is funded by voluntary contributions. You have the right to refuse to contribute without reprisal. Contributions will be used for political purposes.

Contributions to [Name of PAC] are not deductible as charitable contributions for Federal income tax purposes.

*To be within the IRS safe harbor the tax notice, including the name of the committee, must be either in a separate paragraph or first in order.*

## OPTIONAL BUT RECOMMENDED

Federal law requires us to use our best efforts to collect and report the name, mailing address, occupation, and name of employer of individuals whose contributions exceed \$200 in a calendar year.

## IF A SUGGESTED AMOUNT IS INCLUDED ADD

The recommended contribution amount is only a suggestion. You may give more or less than the suggested amount. [Name of corporation/ organization] will not favor or disadvantage anyone by reason of the amount of their contribution or their decision not to contribute.

## COMPLETE EXAMPLE

[Name of PAC] is funded by voluntary contributions. You have the right to refuse to contribute without reprisal. Contributions will be used for political purposes. Federal law requires us to use our best efforts to collect and report the name, mailing address, occupation, and name of employer of individuals whose contributions exceed \$200 in a calendar year. The recommended contribution amount is only a suggestion. You may give more or less than the suggested amount. [Name of corporation/ organization] will not favor or disadvantage anyone by reason of the amount of their contribution or their decision not to contribute.

Contributions to [Name of PAC] are not deductible as charitable contributions for Federal income tax purposes.

*NOTE: This example and discussion apply ONLY to SSFs (Corporate, Union, Association or Membership PACs connected to a parent organization). Non-connected PACs have different notice requirements.*

## Discussion and Citations

When an SSF or connected (parent) organization solicits PAC funds it is required to inform solicited employees/stockholders/members of three things:

- **Political purpose** of the SSF (11 CFR 114.5(a)(3))
- **Right to refuse** to contribute without reprisal (voluntariness) (11 CFR 114.5(a)(4))
- **Non-deductibility** of political contributions as charitable contributions for Federal income tax purposes (26 USC 6113)

In addition, if the solicitation suggests and amount or amounts (dollar amount or percentage of pay) the solicitation must include three additional notices:

- Suggested amount is only a suggestion
- More or less than the suggested amount may be given (e.g. no minimum)
- Amount given or refusal to give will not benefit or disadvantage the person being solicited (11 CFR 114.5(a)(2) and (5))

A final requirement is not mandatory, but is recommended so that the SSF and its Treasurer can avail themselves of the “best efforts” defense for contributor information. (For corporate PACs soliciting employees only this may be unnecessary since the corporation will have this information available.)

- Requirement to **make best efforts to collect and report individual contributor information** (contributor’s full name, mailing address, occupation, and name of employer) (11 CFR 104.7(b)(1))

Unlike disclaimer notices the specific language of SSF solicitation notices is not mandated by law. Any language that communicates the political purpose, voluntariness and non-deductibility (plus the three suggestion notices if required) is acceptable.

The “voluntariness” notice (#2) and the “no benefit or disadvantage” notice are somewhat repetitive, but BOTH are required by FEC regulations when a specific contribution amount is suggested or requested.

The “best efforts” notice is not absolutely required. However, without it the “best efforts” defense for contributor information is not available.

“Disclaimer notices” (e.g. “paid for by...”) are NOT REQUIRED on SSF solicitations because the solicitations are not made to the general public. Solicitations by a non-connected PAC and communications to the general public by an SSF (connected PAC) DO require disclaimer notices that the communication was paid for by the political committee (using its full name and any abbreviated name) and that the communication was or was not authorized by any candidate or political committee. On the other hand, non-connected PACs are not required to include the “political purpose,” “voluntariness,” and “suggested amount” notices in their solicitations.

Per IRS Notice 88-120 the non-deductibility statement is mandatory only for organizations with gross receipts of \$100,000 or more per year. But it is recommended for all PACs, if for no other reason than to avoid needing to identify the amount of gross receipts.

### SCREENING DISCLAIMERS

*(optional, but if desired by client) derived from AO 1999-09 (Bradley for President)*

We may accept contributions from an individual totaling up to \$5,000. Federal law prohibits contributions to the campaign from:

- the general treasury funds of corporations, labor organizations or
- national banks (including corporate or other business entity credit cards);
- any person contributing another person’s funds;
- foreign nationals who lack permanent resident status; and
- government contractors

This contribution is made on a personal credit or debit card for which I have the legal obligation to pay, and is made neither on a corporate or business entity card nor on the card of another.

**Questions?** Contact your Aristotle Account Manager with any questions.