

# INTRODUCTION

## Who Should Use this Manual?

Individuals and entities using their own funds to make independent expenditures on candidates or measures should use this manual. Individuals and entities, including corporations, firms, businesses, and proprietorships, making independent expenditures of \$1,000 or more in a calendar year qualify as a committee under the Act and must file reports of the independent expenditures.

Other political committees, including PACs, sponsored committees, general purpose committees, ballot measure committees, and so-called "independent expenditure only" committees also make independent expenditures using funds raised from contributors. However, this manual is not intended for those recipient committees.

## Purpose of this Manual

California's Political Reform Act (the "Act") requires receipts and expenditures in election campaigns to be disclosed fully and truthfully. In recent years, California has experienced huge growth in the amount of independent expenditures made at both the state and local levels. Typically, independent expenditures increase when contribution limits encourage campaign spending by persons who are neither candidates nor political parties. Clear and accurate disclosure is key to making voters aware of who is paying for political messages so they can evaluate the content and make informed decisions at the ballot box.

In California, the true source of an independent expenditure must be disclosed and may not be hidden. Strict rules are in place for multi-purpose organizations and nonprofits (including 501(c)(3) and 501(c)(4) organizations) that make political expenditures to ensure that accurate information is disclosed on campaign reports and in political communications such as television ads and electronic messages.

Since 1974, there have been over 200 amendments to the Act's campaign disclosure provisions. This manual has been prepared to assist persons making independent expenditures in complying with the Act's numerous and often detailed rules. This manual is written in a "user friendly" format so that committees have a resource guide. Also provided is a list of statutes and regulations at the end of each chapter. These can be accessed on the FPPC website.

In addition, federal and state tax laws and other rules may be applicable. Telephone numbers and website addresses for the Federal Election Commission, Internal Revenue Service, California Franchise Tax Board, and the Federal Communications Commission are listed in the Appendix.

## **Controlling Law**

This manual summarizes key campaign disclosure laws and regulations and draws from years of FPPC staff advice on complying with the provisions of the Act's campaign disclosure laws. Each committee's activity is different, however, and may raise issues not discussed in this manual. If there are any discrepancies between the manual and the Act or its corresponding regulations, the Act and its regulations will control.

## **Need Help?**

If you need assistance, the Fair Political Practices Commission (FPPC) provides advice by email and by a toll-free telephone advice line. The FPPC does not provide third party advice or advice on past conduct. In addition, the FPPC website ([www.fppc.ca.gov](http://www.fppc.ca.gov)) contains forms, manuals, and a wealth of other helpful information.

Email Advice	Telephone Advice
advice@fppc.ca.gov	1-866-ASK FPPC (1-866-275-3772)

### Don't forget these rules...

- Each independent expenditure of \$1,000 or more on behalf of a candidate or ballot measure triggers the filing of campaign reports: Form 462, Form 461 and Form 496. Filing deadlines and requirements are reviewed in this manual.
- Filing locations for the Form 496 are sometimes different from where the independent expenditure committee files the Form 461.