Supplemental Form 496 Instructions for Multipurpose Organizations Including Nonprofits

Effective July 1, 2014, new reporting rules apply to a multipurpose organization that makes independent expenditures.

Donor Disclosure

A multipurpose organization that qualifies as a recipient committee and identifies donors using the "last in, first out" (LIFO) accounting method must only itemize contributors of *$1,000 or more* instead of $100 or more as required for donors that made a payment for political purposes as outlined in Government Code Section 84222.

Note: If the funds used for an independent expenditure include both funds received for political purposes and LIFO funds, the Form 496 will list donors at both the $100 and the $1,000 threshold. See page 2 of the Form 496 instructions to determine what specific contributor information must be disclosed.

Examples:

- A multi-purpose organization receives $10,000 from donors for a specific political campaign. The organization makes independent expenditures of $60,000, using the $10,000 received specifically for political purposes and $50,000 from the organization's general membership dues account. The Form 496 will list the donor names that contributed $100 or more toward the initial $10,000 and will list the names of LIFO donors at $1,000 for the remaining $50,000.

- A multi-purpose organization's only payment in California was a $40,000 independent expenditure using funds only from its general membership dues account. Since the organization does not qualify as a recipient committee, it is not required to list donors in Part 3.

For additional guidance, refer to the Multipurpose Organizations Reporting Political Spending fact sheet.