dates in lesser elections to raise funds and will thereby make it easier for them to refuse contributions from those who might demand favors in return.

2. Designation of income tax payments to presidential election campaign fund (sec. 302 of the bill and sec. 6096 of the code)

Under your committee's bill, space is to be provided on the income tax return forms to permit each individual taxpayer (other than a nonresident alien or an estate or trust) to designate, if he so desires, that $1 be appropriated from general revenues and paid into the presidential election campaign fund. The size of the fund will thus be determined by the voluntary acts of individual taxpayers, each of whom will have the opportunity to make a financial contribution of similar size. The designation is to be permitted with respect to income tax liability for each taxable year beginning after December 31, 1966.

All taxpayers who show an income tax liability of at least $1 for the year are to be permitted to make a designation. On joint returns, both husband and wife are to be permitted to make a designation provided the tax liability shown on the return is at least $2. The designation is to be made at the time of filing the return or at such later time as may be provided in regulations (such as at the time of making a claim for refund of an overpayment of tax).

3. The presidential election campaign fund and payments therefrom (sec. 303 of the bill)

Amounts are only to be paid out of the presidential election campaign fund to reimburse certain political parties for expenses incurred in presenting candidates for President and Vice President in presidential elections. In the view of your committee, payments should be limited to expenses in presidential campaigns unless experience under the proposal proves the feasibility of extending the system to other Federal elections. To preclude any of the presidential election campaign fund from being used for other than the campaign expenses of candidates for President and Vice President, no reimbursement will be made for any item related to a candidate for any office other than President or Vice President. For example, if a Presidential or Vice Presidential candidate should make a joint political appearance with a candidate for another public office and a substantial purpose of the Presidential or Vice Presidential appearance is to further the candidacy of the other candidate, no reimbursement for such joint appearance will be allowed.

Only those political parties whose candidates for President received at least 1,500,000 votes in the preceding presidential election will be eligible to receive payments from the fund. This rule is necessary to prevent the proliferation of minor parties as a result of this bill. It insures, however, that minor parties which receive significant public backing need not become dependent on large contributors.

A political party whose candidate received more than 1,500,000 votes in the preceding presidential election but less than 10 million votes will be authorized to receive from the fund an amount equal to the lesser of its actual campaign expenses or an amount equal to $1 times the number of votes in excess of 1,500,000 that its candidate received.

A political party whose candidate for President received 10 million votes or more in the preceding presidential election is to be reimbursed