

Payments From Fund

Under the act the amount to be available for reimbursing a political party for its presidential (and vice-presidential) campaign expenditures will be determined by the number of votes cast in the immediately preceding presidential election. The votes cast in the current election will determine the amount to be available for these purposes in the next presidential election. The rules for payments from the fund differ for major parties and minor parties.

Minor Party.—A political party whose candidate for President received more than 5 million votes in the preceding presidential election but less than 15 million votes will be reimbursed from the fund an amount equal to the lesser of (a) its actual campaign expenses, or (b) \$1 times the number of votes in excess of 5 million that its candidate received in the preceding election.

Major Party.—A political party whose candidate for President received 15 million votes or more in the preceding election is to be reimbursed on a different basis. An amount equal to \$1 for each vote received by all major parties in the last election reduced by \$5 million for each such major party, is to be divided equally between (or among) them. However, payments to any one party cannot exceed the expenses it incurs in the current campaign.

Example.—The preceding rules can be illustrated by assuming that 80 million popular votes are cast for candidates for President in the 1972 elections. These votes fix the amount in the fund to be available during the 1976 presidential campaign.

The votes are divided in this manner: 40 million for the candidate of party A; 30 million for the candidate of party B; and 10 million for the candidate of party C. Under the law parties A and B are "major parties," while party C is a "minor party." In 1976, party C would be eligible to receive from the Presidential Election Campaign Fund \$5 million—\$1 per vote in excess of 5 million votes cast for its candidate in 1972. In 1976, parties A and B would each be eligible to receive \$30 million from the fund. This is calculated by dividing (a) the total votes cast for major party candidates in the 1972 presidential election (70 million) by (b) the number of major parties (2) and then subtracting \$5 million from the amount for each of the major parties.

Administrative.—The payments will be made at times to be determined by Treasury regulations, but no payment for a given presidential election campaign can be made before September 1 of the year the election is held. Nor will there be any reimbursement for expenses related to a presidential primary campaign or to seeking nomination as a presidential candidate.

The Comptroller General is charged with the responsibility for certifying to the Secretary of the Treasury the amounts payable to eligible political parties, and the Secretary will disburse these amounts. In this certification the Comptroller General will take into account information supplied him by the treasurers of each political party regarding presidential campaign expenses incurred. Reimbursement may not be made for any item related to a candidate for any office other than President or Vice President. Nor will the expenses of a joint appearance with a candidate for another office be allowed if a principal purpose of the joint appearance is to further the campaign of the other candidate. The Comptroller General is also to certify the total vote received by each party in the preceding presidential election and his decision in this respect is to be final.

If, at the time payments are made, there is an insufficient amount in the fund to reimburse the parties for their allowable expenses, payments to all entitled parties will be reduced pro rata, and the additional amounts will be paid out in later years as the fund is replenished by new assignments.

Conversely, if an amount remains in the fund after all authorized payments have been made with respect to a presidential election, or if the fund exceeds the maximum amount which may be authorized for payment, the excess amount is to be returned to the general fund of the Treasury.

Advisory Board

A Presidential Election Campaign Fund Advisory Board is established to advise and assist the Comptroller General in connection with his duties under this act. The Board is to consist of two members from each major political party, to be appointed by the Comptroller General upon recommendations submitted by the parties, and three additional members selected by a majority of the Board's political party members.

The first Board is to serve until 60 days after the 1968 presidential election. Subsequent Boards will be appointed to serve for 4-year terms ending 60 days after each succeeding presidential election. Board members will be compensated at the rate of \$75 a day for the period they are actually engaged in performing the duties and functions of the Board. They will also receive travel expenses and a per diem in lieu of subsistence (at rates authorized for persons in intermittent Government service) when engaged in work away from their homes or regular places of business.

Effective Date

The designation is to be permitted with respect to income tax liability for each taxable year beginning after December 31, 1966. For most taxpayers this means calendar year 1967. Accordingly, income tax returns which must be filed on or before April 15, 1968, will be the first to contain a space in which the taxpayer may indicate whether he chooses to have \$1 of his tax used for presidential campaign purposes.