



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

RQ-5

OCT 10 1997

James R. Irish, Treasurer
American Rental Association
Political Action Committee (ARAPAC)
1900-19th Street
Moline, IL 61265

Identification Number: C00107615

Reference: Mid-Year Report (1/1/97-6/30/97)

Dear Mr. Irish:

This letter is prompted by the Commission's preliminary review of the report(s) referenced above. The review raised questions concerning certain information contained in the report(s). An itemization follows:

-Schedule A supporting Line 11(a)(i) discloses contributions received through a payroll deduction plan. Generally, a committee's report must identify each contribution from an individual which in the aggregate exceeds \$200 during the calendar year. (2 U.S.C. §434(b)) For your information, instead of separate itemization, a committee using a payroll deduction plan may disclose the aggregate amount of contributions received from the contributor through the payroll deduction plan during the reporting period; the identification of the individual where the contribution exceeds \$200 in the aggregate during the calendar year; and a statement of the amount deducted per pay period. 11 CFR §104.8(b)

Any amendment or clarification should be filed with the Federal Election Commission. If you need assistance, please feel free to contact me on our toll-free number, (800) 424-9530. My local number is (202) 219-3580.

Sincerely,

Neil Evans
Reports Analyst
Reports Analysis Division

PAYROLL DEDUCTIONS

SCHEDULE A ITEMIZED RECEIPTS		Use separate columns to list each category of the Donor Summary Page	PAGE OF
Contributions from Individuals			FOR LINE NUMBER 11(A)(3)
Any information copied from such Reports and Statements may not be used by any person for the purpose of soliciting contributions or for commercial purposes other than using the name and address of any political committee to solicit contributions from such committee.			
NAME OF COMMITTEE (in Full) National Organization PAC 00000001			
A. Full Name, Mailing Address and ZIP Code		Name of Employer	Date Rec'd M/R/YR
Arnie Sullivan 21 10th Street City, State ZIP		National Organization, Inc.	payroll deduction
Name For Date Rec'd		Occupation	Amount of Cash Received This Period
Priority		Branch Manager	\$78.00
General		Aggregate Year-to-Date > \$	(\$12 biweekly)
B. Full Name, Mailing Address and ZIP Code		Name of Employer	Date Rec'd M/R/YR
Rodney Jones 881 Hainsbury Road City, State ZIP		National Organization, Inc.	payroll deduction
Name For Date Rec'd		Occupation	Amount of Cash Received This Period
Priority		Vice President	\$120.00
General		Aggregate Year-to-Date > \$	(\$20 biweekly)

Itemize payroll deductions only after they have exceeded \$200 per calendar year from an individual.

IN-KIND CONTRIBUTIONS

SCHEDULE A ITEMIZED RECEIPTS		Use separate columns to list each category of the Donor Summary Page	PAGE OF
Contributions from Individuals			FOR LINE NUMBER 11(A)(3)
Any information copied from such Reports and Statements may not be used by any person for the purpose of soliciting contributions or for commercial purposes other than using the name and address of any political committee to solicit contributions from such committee.			
NAME OF COMMITTEE (in Full) National Organization PAC 00000001			
A. Full Name, Mailing Address and ZIP Code		Name of Employer	Date Rec'd M/R/YR
Martin L. Kruss 4 River Road City, State ZIP		National Organization, Inc.	8/18/88
Name For Date Rec'd		Occupation	Amount of Cash Received This Period
Priority		Chairman	\$3,998.00 (IN-KIND)
General		Aggregate Year-to-Date > \$	(\$120 RAFFLE PRIZES)

SCHEDULE B ITEMIZED DEDUCTIONS		Use separate columns to list each category of the Donor Summary Page	PAGE OF
Operating Expenditures/Other Federal			FOR LINE NUMBER 21(B)
Any information copied from such Reports and Statements may not be used by any person for the purpose of soliciting contributions or for commercial purposes other than using the name and address of any political committee to solicit contributions from such committee.			
NAME OF COMMITTEE (in Full) National Organization PAC 00000001			
A. Full Name, Mailing Address and ZIP Code		Name of Donor/Grantor	Date Rec'd M/R/YR
MARTIN L. KRUSS 4 River Road City, State ZIP		Raffle prize	8/18/88
Name For Date Rec'd		Occupation	Amount of Cash Received This Period
Priority			\$3,998.00 (IN-KIND CONTRIBUTIONS)
General			

Itemize in-kind contributions on both Schedules A and B so as not to inflate the cash-on-hand amount.

Payroll Deductions

Once an individual's deductions aggregate over \$200 in a calendar year, report the total amount deducted from the donor's paychecks during the reporting period on Schedule A. In parentheses indicate the amount that was deducted each pay period. Instead of stating a specific date of receipt, write "payroll deduction" under "Date." The other itemized information, including the year-to-date total, must be completed for each donor, 104.8(b).

EXAMPLE: During an election year, a corporate manager authorizes her employer to deduct \$12 per pay period (each pay period is two weeks) for the company's SSF. The SSF, which files FEC reports on a quarterly schedule, includes the manager's contributions as "unitemized contributions" in its April and July quarterly reports. By June 30, the closing date for the July report, the manager's aggregate contributions are \$195 — still below the \$200 itemization threshold. By September 30 — the closing date for the October quarterly report — the manager's contributions reach \$228. Therefore, the committee itemizes the total contributions received from the manager during the third quarter (\$120), providing the year-to-date total in the appropriate space. (See item A in the illustration above.)

In-Kind Contributions

When determining whether to itemize an in-kind contribution, follow the same guidelines listed above under "When to Itemize Receipts." See Chapter 2 for information on how to determine the dollar value of an in-kind contribution.

In addition, add the value of the in-kind contribution to the operating expenditures total on Line 21(b) (in order to avoid inflating the cash-on-hand amount). 104.13(a)(2).

If the in-kind contribution must be itemized on Schedule A, then it must also be itemized on a Schedule B for operating expenditures. See the illustration at right.

Appreciated Goods

When a committee receives an in-kind contribution whose value may

