



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

RQ-2

Bruce Gates, Treasurer
Committee for the Preservation
of Capitalism
Post Office Box 22614
Alexandria, VA 22304

Identification Number: C00328468

JAN 10 2001

Reference: September Monthly Report (8/1/00-8/31/00)

Dear Mr. Gates:

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:

-Your report discloses a total of \$2,478 in disbursements to RJR Reynolds Tobacco Company for "reimbursement-fundraising travel" (pertinent portion(s) attached). 2 U.S.C. §441b prohibits a corporation or labor organization from contributing or expending funds for the purpose of influencing any federal election, except that a connected organization may pay for the solicitation and administrative costs of its separate segregated fund.

Please amend your report to clarify the nature of the transaction(s) in question and provide the dates of the activity conducted by RJR Reynolds Tobacco Company. Although the Commission may take further legal action concerning this matter, your prompt action will be taken into consideration.

-Your report disclosed a category of financial activity that has been reflected on the wrong line of the Detailed Summary Page. Contributions to federal candidates and committees should be properly disclosed on a separate Schedule B, supporting Line 23 of the Detailed Summary Page. Please refer to the instructions contained on the forms to determine the