



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

RQ-3

January 3, 1997

George R. Lewis, Treasurer  
Philip Morris Companies Inc.  
Political Action Committee  
(AKA PHIL-PAC)  
120 Park Avenue  
New York, NY 10017

Identification Number: C00089136

Reference: June Monthly Report (5/1/96-5/31/96)

Dear Mr. Lewis:

On December 11, 1996 you were notified that a review of the above-referenced report(s) raised questions as to specific contributions and/or expenditures, and the reporting of certain information required by the Federal Election Campaign Act.

Your December 26, 1996 response is incomplete because you have not provided all the requested information. For this response to be considered adequate, the following information is still required.

-The Commission acknowledges your response concerning primary election contributions to federal candidates disbursed after the date of the primary election, and the Commission awaits further information for the Pryce for Congress, Keep McDade in Congress, and Friends of Bennie Thompson Committees.

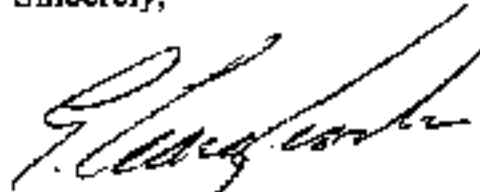
-Regarding the payment of \$1,955.17 by PHIL-PAC on May 13, 1996 to Philip Morris Management Corp. (PMMC) for an in-kind contribution to Rep. L.H. Hamilton, you state, "PHIL-PAC made this payment to PPMC to cover the cost of certain corporate resources expended in connection with (a) fundraising activity undertaken by PHIL-PAC on behalf of Rep. Hamilton." Please provide the date of the fundraising event hosted by PHIL-PAC on behalf of Representative Hamilton.

You state, "PMMC did not itself make any contribution, in-kind or otherwise, to Rep. Hamilton or to any other candidate for federal office or political committee supporting a candidate for federal office." Payments to your connected organization for the benefit of candidate support must be pre-paid prior to the event to avoid a violation of 2 U.S.C. § 441 b.

If this information is not received by the Commission within fifteen (15) days from the date of this notice, the Commission may choose to initiate audit or legal enforcement action.

If you should have any questions related to this matter, please contact Richard Ng on our toll-free number (800) 424-9530 or our local number (202) 219-3580.

Sincerely,



John D. Gibson  
Assistant Staff Director  
Reports Analysis Division

