



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

RQ-2

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

DEC 11 1996

Identification Number: C00089136

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

Dear Mr. Lewis:

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:

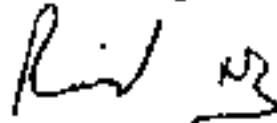
-Schedule B supporting Line 23 of your report discloses a contribution(s) to a candidate(s) for the 1996 Primary election; however, the funds were disbursed after the 1996 Primary election date. Please note that contributions may not be designated for an election which has already occurred unless the funds are to be used to reduce a candidate committee's debts incurred during that election campaign. Please clarify the contribution(s) and disclose any redesignations or refunds as necessary on the appropriate schedules.

-Schedule B of your report discloses a \$1,955.17 payment to Philip Morris Management Corp., your apparent connected organization, for an in-kind contribution to a federal candidate (pertinent portion(s) attached). 2 U.S.C. 5441b prohibits a corporation or labor organization from contributing or expending funds for the purpose of influencing any federal election; however, a connected organization may pay for the solicitation and administrative costs of its separate segregated fund.

Please amend your report to clarify whether the payment to Philip Morris Management Corp. was for expenditures which were intended to influence federal elections and provide the dates of the activity conducted by Philip Morris Management Corp. Although the Commission may take further legal action concerning this matter, your prompt action will be taken into consideration.

A written response or an amendment to your original report(s) correcting the above problem(s) should be filed with the Federal Election Commission within fifteen (15) days of the date of this letter. 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,

A handwritten signature in black ink, appearing to read 'Richard Ng' with a stylized flourish at the end.

Richard Ng
Reports Analyst
Reports Analysis Division

ANY INFORMATION COPIED FROM SUCH REPORTS OR STATEMENTS MAY NOT BE SOLD OR 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) : THE PHILIP MORRIS COMPANIES INC. POLITICAL ACTION COMMITTEE (PHIL-PAC)

A. FULL NAME MAILING ADDRESS AND ZIP CODE		PURPOSE OF DISBURSEMENT	DATE (MM/DD/YY)	DISBURSEMENT THIS PERIOD	AMOUNT OF EACH DISBURSEMENT THIS PERIOD
FRIENDS OF JIM INHOFE 3039 NW 65th B291H P.O. BOX 333 OKLAHOMA CITY OK 73116		JAMES N INHOFE CONTRIBUTION/SENATE DISBURSEMENT FOR: X PRIMARY - GENERAL - OTHER (SPECIFY):	05/03/96	\$1,808.89	\$1,808.89
B. FULL NAME MAILING ADDRESS AND ZIP CODE		PURPOSE OF DISBURSEMENT	DATE (MM/DD/YY)	DISBURSEMENT THIS PERIOD	AMOUNT OF EACH DISBURSEMENT THIS PERIOD
ISTOOK FOR CONGRESS COMMITTEE '94 8408 NW GRAND BLVD.. SUITE 504 OKLAHOMA CITY OK 73116		ERNEST ISTOOK CONTRIBUTION/HOUSE DISBURSEMENT FOR: X PRIMARY - GENERAL - OTHER (SPECIFY):	05/03/96	\$450.00	\$450.00
C. FULL NAME MAILING ADDRESS AND ZIP CODE		PURPOSE OF DISBURSEMENT	DATE (MM/DD/YY)	DISBURSEMENT THIS PERIOD	AMOUNT OF EACH DISBURSEMENT THIS PERIOD
FRIENDS OF SAM JOHNSON P.O. BOX 516246 DALLAS TX 75261		SAMUEL R JOHNSON CONTRIBUTION/HOUSE DISBURSEMENT FOR: X PRIMARY - GENERAL - OTHER (SPECIFY):	05/03/96	\$599.08	\$599.08
D. FULL NAME MAILING ADDRESS AND ZIP CODE		PURPOSE OF DISBURSEMENT	DATE (MM/DD/YY)	DISBURSEMENT THIS PERIOD	AMOUNT OF EACH DISBURSEMENT THIS PERIOD
SUE KELLY FOR CONGRESS 740 WHITE PLAINS ROAD SUITE 325 SCARSDALE NY 10583		SUE KELLY CONTRIBUTION/HOUSE DISBURSEMENT FOR: X PRIMARY - GENERAL - OTHER (SPECIFY):	05/17/96	\$800.00	\$800.00
E. FULL NAME MAILING ADDRESS AND ZIP CODE		PURPOSE OF DISBURSEMENT	DATE (MM/DD/YY)	DISBURSEMENT THIS PERIOD	AMOUNT OF EACH DISBURSEMENT THIS PERIOD
FRIENDS OF JACK KINGSTON P.O. BOX 2153 SAVANNAH GA 31402		JACK KINGSTON CONTRIBUTION/HOUSE DISBURSEMENT FOR: X PRIMARY - GENERAL - OTHER (SPECIFY):	05/03/96	\$1,088.80	\$1,088.80
F. FULL NAME MAILING ADDRESS AND ZIP CODE		PURPOSE OF DISBURSEMENT	DATE (MM/DD/YY)	DISBURSEMENT THIS PERIOD	AMOUNT OF EACH DISBURSEMENT THIS PERIOD
SCOTT CLUB FOR CONGRESS INC. POST OFFICE BOX 5419 MADISON WI 53705		SCOTT KLUG CONTRIBUTION/HOUSE DISBURSEMENT FOR: X PRIMARY - GENERAL - OTHER (SPECIFY):	03/03/96	\$500.00	\$500.00

SUBTOTAL OF RECEIPTS THIS PAGE (OPTIONAL)..... \$6,008.00

SCHEDULE B
ITEMIZED DISBURSEMENTS

FORM 11 OF FOR
LINE NUMBER 28
USE SEPARATE SCHEDULE(S) FOR
EACH CATEGORY OF THE DETAILED
SUMMARY PAGE)

ANY INFORMATION COPIED FROM SUCH REPORTS OR STATEMENTS MAY NOT BE SOLD OR 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 COMMITTEES.

NAME OF COMMITTEE (ON FULL) : THE PHILIP MORRIS COMPANIES INC. POLITICAL ACTION COMMITTEE (PHIL-PAC)

A. FULL NAME MAILING ADDRESS AND ZIP CODE	PURPOSE OF DISBURSEMENT	DATE (MM/DD/YY)	AMOUNT OF EACH DISBURSEMENT THIS PERIOD
FRIENDS OF BOB LIVINGSTON BOX 6829 NEW ORLEANS LA 70174	ROBERT L LIVINGSTON CONTRIBUTION/HOUSE DISBURSEMENT FOR: X PRIMARY - GENERAL - OTHER (SPECIFY):	05/17/96	92,000.00
FULL NAME MAILING ADDRESS AND ZIP CODE	PURPOSE OF DISBURSEMENT	DATE (MM/DD/YY)	AMOUNT OF EACH DISBURSEMENT THIS PERIOD
MANTON FOR CONGRESS INC. 64-12 GREENS BOULEVARD SUITE 211 SUMMERSIDE NY 11714	THOMAS J MANTON CONTRIBUTION/HOUSE DISBURSEMENT FOR: X PRIMARY - GENERAL - OTHER (SPECIFY):	05/03/96	9500.00
FULL NAME MAILING ADDRESS AND ZIP CODE	PURPOSE OF DISBURSEMENT	DATE (MM/DD/YY)	AMOUNT OF EACH DISBURSEMENT THIS PERIOD
MARTINY FOR CONGRESS 1064 PORTION AVENUE CEDAR GROVE NJ 07809	WILLIAM J MARTINY CONTRIBUTION/HOUSE DISBURSEMENT FOR: X PRIMARY - GENERAL - OTHER (SPECIFY):	05/03/96	9500.00
FULL NAME MAILING ADDRESS AND ZIP CODE	PURPOSE OF DISBURSEMENT	DATE (MM/DD/YY)	AMOUNT OF EACH DISBURSEMENT THIS PERIOD
MASCARA FOR CONGRESS 832 LINCOLN AVENUE CHARLESTON PA 15012	FRANK MASCARA CONTRIBUTION/HOUSE DISBURSEMENT FOR: X PRIMARY - GENERAL - OTHER (SPECIFY):	05/03/96	9500.00
FULL NAME MAILING ADDRESS AND ZIP CODE	PURPOSE OF DISBURSEMENT	DATE (MM/DD/YY)	AMOUNT OF EACH DISBURSEMENT THIS PERIOD
MCCONNELL SENATE COMMITTEE '96 P.O. BOX 1496 LEWISVILLE KY 40301	KITCH MCCONNELL CONTRIBUTION/SENATE DISBURSEMENT FOR: - PRIMARY X GENERAL - OTHER (SPECIFY):	03/03/96	91,000.00
FULL NAME MAILING ADDRESS AND ZIP CODE	PURPOSE OF DISBURSEMENT	DATE (MM/DD/YY)	AMOUNT OF EACH DISBURSEMENT THIS PERIOD
MCCONNELL SENATE COMMITTEE '96 P.O. BOX 1496 LEWISVILLE KY 40301	BLITCH MCCONNELL CONTRIBUTION/SENATE DISBURSEMENT FOR: - PRIMARY X GENERAL - OTHER (SPECIFY):	05/17/96	91,000.00

SUBTOTAL OF RECEIPTS THIS PAGE (OPTIONAL)..... 95,800.00

SCHEDULE B
ITEMIZED DISBURSEMENTS

PAGE 18 OF 40 FOR
LINE NUMBER 23
USE SEPARATE SCHEDULE(S) FOR
EACH CATEGORY OF THE DETAILED
SUMMARY PAGE)

ANY INFORMATION COPIED FROM SUCH REPORTS OR STATEMENTS MAY NOT BE SOLD OR 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 (ON FULL) : THE FURLOP ROBERTS COMPANIES INC. POLITICAL ACTION COMMITTEE (PHOL-PAC)

A. FULL NAME	MAILING ADDRESS AND ZIP CODE	PURPOSE OF DISBURSEMENT	DATE (MM/DD/YY)	AMOUNT OF EACH DISBURSEMENT THIS PERIOD
JAMES O MCCREERY, III 1980 CHB TOWER 303 TEXAS STREET SHREVEPORT LA 71161		CONTRIBUTION/HOUSE DISBURSEMENT FOR: X PRIMARY - GENERAL - OTHER (SPECIFY):	05/17/96	\$1,000.00
JOSEPH K MCRADE 1178 FLOOR BANK TOWERS SCRANTON PA 18503		CONTRIBUTION/HOUSE DISBURSEMENT FOR: X PRIMARY - GENERAL - OTHER (SPECIFY):	05/17/96	\$1,000.00
JOHN K MCELROY COMMITTEE TO ELECT MCELROY P.O. BOX 4163 WATERLOO NY 13691		CONTRIBUTION/HOUSE DISBURSEMENT FOR: X PRIMARY - GENERAL - OTHER (SPECIFY):	05/17/96	\$1,000.00
MICHAEL B MCNULTY P.O. BOX 1848 GREEN ISLAND NY 12118		CONTRIBUTION/HOUSE DISBURSEMENT FOR: X PRIMARY - GENERAL - OTHER (SPECIFY):	05/03/96	\$500.00
SARIE MEEK P.O. BOX 82-8012 MIAMI FL 33181		CONTRIBUTION/HOUSE DISBURSEMENT FOR: X PRIMARY - GENERAL - OTHER (SPECIFY):	05/13/96	\$1,000.00
JOHN NICA RUCIA FOR CONGRESS - 1996 P.O. BOX 181546 CASSSELBERRY FL 32718		CONTRIBUTION/HOUSE DISBURSEMENT FOR: X PRIMARY - GENERAL - OTHER (SPECIFY):	05/03/96	\$500.00

SUBTOTAL OF RECEIPTS THIS PAGE (OPTIONAL)..... \$5,000.00

ITEMIZED DISBURSEMENTS

SCHEDULE B

ANY INFORMATION COPIED FROM SUCH REPORTS OR STATEMENTS MAY NOT BE SOLD OR 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) : THE PHILIP MORRIS COMPANIES INC. POLITICAL ACTION COMMITTEE (PHIL-PAC)

A. FULL NAME	MAILING ADDRESS AND ZIP CODE	PURPOSE OF DISBURSEMENT	DATE (MM/DDYY)	AMOUNT OF EACH DISBURSEMENT THIS PERIOD
MICHAEL DODLEY FOR CONGRESS P.O. BOX 1794 FINDLAY OH 45839	E OXLEY OH /084	CONTRIBUTION/HOUSE DISBURSEMENT FOR: PRIMARY X GENERAL - OTHER (SPECIFY):	05/05/96	\$1,000.00
PETERSON FOR CONGRESS 928 LAKE AVENUE DETROIT LAKE MI 48106	C PETERSON MI /087	CONTRIBUTION/HOUSE DISBURSEMENT FOR: X PRIMARY - GENERAL - OTHER (SPECIFY):	08/17/96	\$1,000.00
PHILIP MORRIS 120 PARK AVE NEW YORK NY 10017		CONTRIBUTION/OTHER DISBURSEMENT FOR: X PRIMARY - GENERAL - OTHER (SPECIFY): ZH-KIND CONTRIBUTION FOR REP. L.H. MANOLTON(D-IN)	05/15/96	\$1,988.17
PRICE FOR CONGRESS 390 EAST 94Y STREET COLUMBUS OH 43204		CONTRIBUTION/HOUSE DISBURSEMENT FOR: X PRIMARY - GENERAL - OTHER (SPECIFY):	05/05/96	\$500.00
RAMAROWICH FOR CONGRESS 618 E. SHIELDS FRESNO CA 93704	CA /019	CONTRIBUTION/HOUSE DISBURSEMENT FOR: X PRIMARY - GENERAL - OTHER (SPECIFY):	05/05/96	\$500.00
KEEP NICK RAHALL IN CONGRESS POST OFFICE BOX 64 DECATUR MI 48802	MI /688	CONTRIBUTION/HOUSE DISBURSEMENT FOR: X PRIMARY - GENERAL - OTHER (SPECIFY):	05/17/96	\$1,000.00

SUBTOTAL OF RECEIPTS THIS PAGE (OPTIONAL) \$9,968.17

SCHEDULE # ITEMIZED DISBURSEMENTS PAGE 18 OF FOR
 LINE NUMBER 23
 (USE SEPARATE SCHEDULE(S) FOR
 EACH CATEGORY OF THE DETAILED
 SUMMARY PAGE)

ANY INFORMATION COPIED FROM SUCH REPORTS OR STATEMENTS MAY NOT BE SOLD OR 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) : THE PHILIP MORRIS COMPANIES INC. POLITICAL ACTION COMMITTEE (PHIL-PAC)

A. FULL NAME MAILING ADDRESS AND ZIP CODE	PURPOSE OF DISBURSEMENT	DATE (MM/DD/YY)	AMOUNT OF EACH DISBURSEMENT THIS PERIOD
CHARLES TAYLOR FOR CONGRESS COMMITTEE 8 SOUTH MARKET STREET POST OFFICE BOX 2589 ASHEVILLE NC 28801	CHARLES H TAYLOR CONTRIBUTION/HOUSE DISBURSEMENT FOR: X PRIMARY - GENERAL - OTHER (SPECIFY):	06/03/96	\$1,000.00
B. FULL NAME MAILING ADDRESS AND ZIP CODE	PURPOSE OF DISBURSEMENT	DATE (MM/DD/YY)	AMOUNT OF EACH DISBURSEMENT THIS PERIOD
RENAYE THOMPSON FRIENDS OF RENAYE THOMPSON P.O. BOX 104 SOLTON MS 39061	RENAYE THOMPSON CONTRIBUTION/HOUSE DISBURSEMENT FOR: X PRIMARY - GENERAL - OTHER (SPECIFY):	05/17/96	\$1,000.00
C. FULL NAME MAILING ADDRESS AND ZIP CODE	PURPOSE OF DISBURSEMENT	DATE (MM/DD/YY)	AMOUNT OF EACH DISBURSEMENT THIS PERIOD
FRED THOMPSON FOR THOMPSON '96 1808 WEST BIRD AVENUE SUITE 901 NASHVILLE TN 37203	FRED THOMPSON CONTRIBUTION/SENATE DISBURSEMENT FOR: - PRIMARY X GENERAL - OTHER (SPECIFY):	05/18/96	\$1,808.00
D. FULL NAME MAILING ADDRESS AND ZIP CODE	PURPOSE OF DISBURSEMENT	DATE (MM/DD/YY)	AMOUNT OF EACH DISBURSEMENT THIS PERIOD
REELECT THOMPSON COMMITTEE P.O. BOX 11691 COLUMBIA SC 29211	STRON THOMPSON CONTRIBUTION/SENATE DISBURSEMENT FOR: X PRIMARY - GENERAL - OTHER (SPECIFY):	05/03/96	\$1,000.00
E. FULL NAME MAILING ADDRESS AND ZIP CODE	PURPOSE OF DISBURSEMENT	DATE (MM/DD/YY)	AMOUNT OF EACH DISBURSEMENT THIS PERIOD
COMMITTEE TO REELECT ED TOMS 100 MONTAGUS ST. SUITE 200 BROOKLYN NY 11201	EDMUND TOMS CONTRIBUTION/HOUSE DISBURSEMENT FOR: X PRIMARY - GENERAL - OTHER (SPECIFY):	06/17/96	\$1,000.00
F. FULL NAME MAILING ADDRESS AND ZIP CODE	PURPOSE OF DISBURSEMENT	DATE (MM/DD/YY)	AMOUNT OF EACH DISBURSEMENT THIS PERIOD
UPTON FOR ALL OF US P.O. BOX 491 ST. JOSEPH MI 49085	FRED UPTON CONTRIBUTION/HOUSE DISBURSEMENT FOR: X PRIMARY - GENERAL - OTHER (SPECIFY):	08/27/96	\$2,800.00

SUBTOTAL OF RECEIPTS THIS PAGE (OPTIONAL)..... \$6,008.00

SCHEDULE B
ITEMIZED DISBURSEMENTS

ANY INFORMATION COPIED FROM SUCH REPORTS OR STATEMENTS MAY NOT BE SOLD OR 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) | THE PHILIP MORRIS COMPANIES INC. POLITICAL ACTION COMMITTEE (PHIL-PAC)

A. FULL NAME	MAILING ADDRESS AND ZIP CODE	PURPOSE OF DISBURSEMENT	DATE (MM/DD/YY)	DISBURSEMENT THIS PERIOD	AMOUNT OF EACH DISBURSEMENT THIS PERIOD
MICHAEL G ORLEY	ORLEY FOR CONGRESS P.O. BOX 1994 FINDLAY OH 45029	CONTRIBUTION/HOUSE DISBURSEMENT FOR: PRIMARY X GENERAL - OTHER (SPECIFY):	05/03/96	\$1,000.00	\$1,000.00
COLLIN C PETERSON	PETERSON FOR CONGRESS 920 LAKE AVENUE DETROIT LAKES MI 48011	CONTRIBUTION/HOUSE DISBURSEMENT FOR: X PRIMARY - GENERAL - OTHER (SPECIFY):	05/17/96	\$1,000.00	\$1,000.00
DEBORAH PRICE	PRICE FOR CONGRESS 348 EAST BAY STREET COLUMBUS OH 43215	CONTRIBUTION/HOUSE DISBURSEMENT FOR: X PRIMARY - GENERAL - OTHER (SPECIFY):	05/23/96	\$1,955.17	\$1,955.17
GEORGE F RANNOVIC	RANNOVIC FOR CONGRESS 612 E. BRUCE FRESNO CA 93704	CONTRIBUTION/HOUSE DISBURSEMENT FOR: X PRIMARY - GENERAL - OTHER (SPECIFY):	05/05/96	\$500.00	\$500.00
MICK J RAHALL	RAHALL IN CONGRESS COMMITTEE POST OFFICE BOX 64 BECKLEY WV 26012	CONTRIBUTION/HOUSE DISBURSEMENT FOR: X PRIMARY - GENERAL - OTHER (SPECIFY):	05/17/96	\$1,000.00	\$1,000.00

SUBTOTAL OF RECEIPTS THIS PERIOD (OPTIONAL)..... \$8,955.17

