



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: August Monthly Report (7/1/96-7/31/96)

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 of your report discloses a \$737.55 payment to Philip Morris Management Corp., your apparent connected organization, for in-kind contributions to federal candidates (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; 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

SCHEDULE B

IDENTIFIED DISBURSEMENTS

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

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
PHILIP MORRIS MANAGEMENT CORP. 120 PARK AVE NEW YORK NY 10017		CONTRIBUTION/OTHER DISBURSEMENT FOR: PRIMARY GENERAL X OTHER (SPECIFY): IN-KIND CONTRIBUTION TO REP. E. BOOLEY (D-CA)	07/13/76	9349.87
PHILIP MORRIS MANAGEMENT CORP. 120 PARK AVE NEW YORK NY 10017		PURPOSE OF DISBURSEMENT CONTRIBUTION/OTHER DISBURSEMENT FOR: PRIMARY X GENERAL - OTHER (SPECIFY): IN-KIND CONTRIBUTION TO REP. P. ROBERTS (R-LA)	07/12/76	9547.66
EDWARD FURCO FOR CONGRESS 7527 WEST LINKE ROAD TRACY CA 95376		PURPOSE OF DISBURSEMENT EDWARD FURCO CONTRIBUTION/HOUSE DISBURSEMENT FOR: PRIMARY X GENERAL - OTHER (SPECIFY):	07/14/76	1500.00
EARL FOREBY FOR CONGRESS POST OFFICE BOX 744 BISHOPACK MO 64502		PURPOSE OF DISBURSEMENT EARL FOREBY CONTRIBUTION/HOUSE DISBURSEMENT FOR: PRIMARY X GENERAL - OTHER (SPECIFY):	07/02/76	91,000.00
FRIENDS OF LARRY PRESSLER P.O. BOX 77166 WASHINGTON DC 20015		PURPOSE OF DISBURSEMENT LARRY PRESSLER CONTRIBUTION/SENATE DISBURSEMENT FOR: PRIMARY X GENERAL - OTHER (SPECIFY):	07/01/76	91,000.00
DAVID PROSSER FOR CONGRESS CAMPAIGN COMMITTEE P.O. BOX 1697 TEN WEST COLLEGE AVENUE APPLETON WI 54912		PURPOSE OF DISBURSEMENT DAVID PROSSER CONTRIBUTION/HOUSE DISBURSEMENT FOR: X PRIMARY GENERAL - OTHER (SPECIFY):	07/01/76	92,000.00

SUBTOTAL OF RECEIPTS THIS PAGE (OPTIONAL)..... 94,237.55

