



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20543

RQ-2

MAR 19 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: 30 Day Post-General Report (10/17/96-11/25/96)

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:

-The totals listed on Lines 11(a)(i) and 11(a)(ii), Column B of the Detailed Summary Page appear to be incorrect. Please be advised that you should add the "Calendar Year-to-Date" total from your previous report to the current "Total This Period" figure from Column A to derive the correct Column B totals. Please amend your report and any subsequent reports that may be affected by this correction.

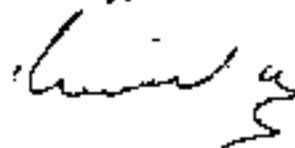
-Your previous filing, the 12 Day Pre-General Report, disclosed a \$75,000 loan(s) from Crestar Bank. This report, however, does not include a Schedule C to disclose the status of the loan(s), nor are there any loan repayments on Schedule B. Please provide a Schedule C to show the status of the loan(s) and/or a Schedule B to show loan repayments. Loans must be continuously reported until they are repaid. 11 CFR §104.3(d)

-Schedule B of your report discloses a \$444.81 payment to your connected organization for an in-kind contribution (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 your connected organization was for expenditures which were intended to influence federal elections and provide the dates of the activity conducted by your connected organization. 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,



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)	AMOUNT OF EACH DISBURSEMENT THIS PERIOD
ALAN MULLOGHAN FOR CONGRESS COMMITTEE P.O. BOX 1543 PALMBOAT IN 33558	B MULLOGHAN NY /801	CONTRIBUTION/HOUSE DISBURSEMENT FOR: PRIMARY X GENERAL - OTHER (SPECIFY):	10/24/96	92,000.00
JERRY MORAN FOR CONGRESS P.O. BOX 128 MAY 23 67602	MORAN KS /801	CONTRIBUTION/HOUSE DISBURSEMENT FOR: PRIMARY X GENERAL - OTHER (SPECIFY): CHECK RETURNED UNCOLLECTED	10/22/96	8500.00
JERRY MORAN FOR CONGRESS P.O. BOX 128 MAY 23 67601	MORAN KS /801	CONTRIBUTION/HOUSE DISBURSEMENT FOR: PRIMARY X GENERAL - OTHER (SPECIFY): CHECK RETURNED UNCOLLECTED	10/22/96	8500.00
CHARLES W MORWOOD FOR CONGRESS P.O. BOX 499 EVANS BA 30609	MORWOOD GA /918	CONTRIBUTION/HOUSE DISBURSEMENT FOR: PRIMARY X GENERAL - OTHER (SPECIFY):	10/24/96	84,800.00
4831 NORTH LINCOLN OKLAHOMA CITY OK 73106		CONTRIBUTION/OTHER DISBURSEMENT FOR: PRIMARY - GENERAL X OTHER (SPECIFY): STOP PWT ISSUED	11/19/96	9500.00
PHILIP MORRIS MANAGEMENT CORP. 128 PARK AVE NEW YORK NY 10017		CONTRIBUTION/OTHER DISBURSEMENT FOR: PRIMARY X GENERAL - OTHER (SPECIFY): '96 IN-KIND CONT. TO REP. T. MANTON (D-NY)	10/30/96	9444.81
SUBTOTAL OF RECEIPTS THIS PAGE (OPTIONAL)				95,944.81

127

