



THE PHILIP MORRIS COMPANIES INC. POLITICAL ACTION COMMITTEE
120 Park Avenue
New York, NY 10017

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Dec 30 12 12 PM '96

Democracy is not a Spectator Sport

December 26, 1996

Mr. Richard Ng
Reports Analyst
Reports Analysis Division
Federal Elections Commission
999 E Street, NW
Washington, DC 20463

Re: Philip Morris Companies Inc. Political Action Committee
FEC Identification No. C00089136

Dear Sir:

This letter responds to your letter dated December 11, 1996, inquiring into certain items contained in the August Monthly Report (7/1/96 - 7/31/96) of the Philip Morris Companies Inc. Political Action Committee ("PHIL-PAC"). As you requested via telephone on December 23, 1996, an explanation of the items in question is provided below.

Item #1: Payment by PHIL-PAC on 7/11/96 of \$389.87 to Philip Morris Management Corp. ("PMMC") for "in-kind contribution to Rep. C. Dooley (D-CA)," as reported on Schedule B

Explanation: PHIL-PAC made this payment to PMMC to cover the cost of certain corporate resources expended in connection with a 7/16/96 fundraising event sponsored by PHIL-PAC on behalf of Rep. Dooley. PMMC did not make any contribution, in-kind or otherwise, to Rep. Dooley or to any other candidate for federal office or political-committee supporting a candidate for federal office. The term "in-kind contribution" as it appears in the Report refers solely to the contribution from PHIL-PAC to Rep. Dooley.

Item #2: Payment by PHIL-PAC on 7/12/96 of \$347.68 to Philip Morris Management Corp. ("PMMC") for "in-kind contribution to Rep. P. Roberts (R-KS)," as reported on Schedule B

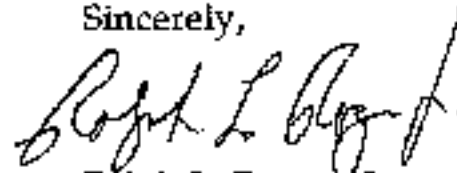
Explanation: PHIL-PAC made this payment to PMMC to cover the cost of certain corporate resources expended in connection with a 7/22/96 fundraising event sponsored by PHIL-PAC on behalf of Rep. Roberts. PMMC did not make

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any contribution, in-kind or otherwise, to Rep. Roberts or to any other candidate for federal office or political committee supporting a candidate for federal office. The term "in-kind contribution" as it appears in the Report refers solely to the contribution from PHIL-PAC to Rep. Roberts.

If you have any additional questions, or need further clarification, please contact me at (212) 878-2206.

Sincerely,

A handwritten signature in black ink, appearing to read "Ralph L. Rogers, Jr.", written in a cursive style.

Ralph L. Rogers, Jr.
Assistant Treasurer,
PHIL-PAC

Federal Election Commission
ENVELOPE REPLACEMENT PAGE
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The Commission has added this page to the end of this filing to indicate how it was received.

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G.A.Q.
PREPARER

12/31/96
DATE PREPARED