



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

RQ-5

Lisa B. Nelson, Treasurer
AOL Time Warner Inc. PAC (F/K/A America
Online Inc. Political Action Committee)
1101 Connecticut Avenue, N.W. Suite 400
Washington, DC 20036

FEB 15 2002

Identification Number: C00339291

Reference: Mid-Year Report (1/1/01-6/30/01)

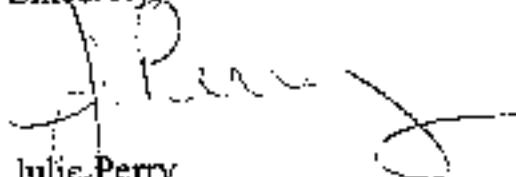
Dear Ms. Nelson:

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 A supporting Line 11(a)(i) of your report discloses contributions received through what appears to be a payroll deduction plan. Please amend your report to disclose the amount deducted per pay period. 11 CFR §104.8(b) Please refer to the enclosed sample of properly reported payroll deductions.

Any amendment or clarification should be filed with the Federal Election Commission. Electronic filers must file amendments in an electronic format and must submit an amended report in its entirety, rather than just those portions of the report that are being amended. If you need assistance, please feel free to contact me on our toll-free number, (800) 424-9530 (at the prompt press 1, then press 2 to reach the Reports Analysis Division). My local number is (202) 694-1130.

Sincerely,


Julie Perry
Reports Analyst
Reports Analysis Division

PAYROLL DEDUCTIONS

SCHEDULE A (FEC Form 3X) ITEMIZED RECEIPTS		Use separate schedule A's for each category of the detailed summary page.		PAGE 1 OF 1 (max. only one)	
<input checked="" type="checkbox"/> NAME OR COMMITTEE (or null) <input checked="" type="checkbox"/> Political Recovery Fund (PRF)				<input type="checkbox"/> 10a <input type="checkbox"/> 10b <input type="checkbox"/> 11a <input type="checkbox"/> 11b <input type="checkbox"/> 12 <input type="checkbox"/> 13 <input type="checkbox"/> 14 <input type="checkbox"/> 15 <input type="checkbox"/> 16 <input type="checkbox"/> 17 <input type="checkbox"/> 18 <input type="checkbox"/> 19 <input type="checkbox"/> 20	
Full Name Last, First, Middle Initial A. Known Employer Mailing Address City, State, Zip Code B. Contribution Details FEC ID number of contributor Other political committee		C. Payroll Deduction Date of Receipt <input type="text"/> <input type="text"/> <input type="text"/> Return of Paycheck to Employer <input type="text"/> \$90.00 (S 15 Unitemized)			
Name of Employer C. Political Organization Executive Office Receipt Period <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other Specific D. Aggregate Year-to-Date 285.00					

Adding Extra Text/Explanation: When using FECFile electronic filing software, this information can be entered using the "memo text" window. To make a "memo text" entry, select the "View" menu on the FECFile toolbar. Select "All Transactions." Single click highlighting the transaction to which the "memo text" will be attached. Then select the "Edit" menu on the toolbar and select "memo text."

When using FECFile electronic filing software, enter this information in the "description" field.

Categorizing Receipts

Before beginning to itemize the committee's receipts, separate them into the different categories listed on the Detailed Summary Page ("Contributions from Individuals," "Contributions from Political Committees," etc.; an illustration of a completed Detailed Summary Page appears on pages 54-55). The receipts in each category must be itemized on a separate Schedule A designated for that category.

Indicate the type of receipt itemized on a particular Schedule A by checking the box for the corresponding line number from the Detailed Summary Page where indicated in the upper right corner of the schedule. The appropriate category of receipt may also be written at the top of each page.

Some categories may require several pages. The total for each category should be entered on the bottom line of the last page for that category.

- The contributor's occupation (if the contributor is an individual);
 - The date of receipt;
 - The amount; and
 - The aggregate year-to-date total of all receipts (within the same category) from the same source. 104.3(a)(3).
- The space indicating the election for which an itemized contribution was made ("Receipt For") does not apply to SSFs; leave those boxes blank.

Special "Employer" Information
 If a contributor is self-employed, that should be recorded in the Employer space. If a contributor is not employed, the Employer space should be left blank, but the Occupation space should always be completed (e.g., "unemployed," "retired," "homemaker").

Best Efforts Required
 Note that committees and their treasurers must use "best efforts" to obtain and report the information listed above. See page 36 for more information.

Itemized Information

For each itemized contribution, provide:

- The full name and address (including zip code) of the contributor or other source;
- The name of the contributor's employer (if the contributor is an individual);

Payroll Deductions

Once an individual's deductions aggregate over \$200 in a calendar year, report the total amount deducted from the donor's paychecks during the reporting period on Schedule A. In parentheses indicate the amount that was deducted each pay period. Instead of stating a specific date of receipt, type "payroll deduction" under "Date." The other itemized information, including the year-to-date total, must be completed for each donor. 104.8(b).

EXAMPLE: During an election year, a corporate manager authorizes her employer to deduct \$15 per pay period (each pay period is two weeks) for the company's SSF. The SSF, which files FEC reports on a quarterly schedule, includes the manager's first-quarter contributions (\$90 for six pay periods) as "unitemized contributions" on Line 11(a)(ii) in the April quarterly report.

By June 30 (the closing date for the July quarterly report), 13 pay periods have passed, and the manager's aggregate contributions are \$195—still below the \$200 itemization threshold. The manager's second-quarter contributions again are included in "unitemized contributions" in the July report.

By September 30 (the closing date for the October quarterly report), 19 pay periods have passed, and the manager's contributions reach \$285. Now the committee itemizes the total contributions received from the manager during the third quarter (\$90), providing the year-to-date total in the appropriate space. (See Item A in the illustration above.)

