Form 496 - Supplemental Instructions for Multipurpose Organizations Including Nonprofits

The following reporting rules apply to a multipurpose organization that makes independent expenditures.

**Donor Disclosure**
A multipurpose organization that qualifies as a recipient committee and identifies donors using the “last in, first out” (LIFO) accounting method must only itemize contributors of $1,000 or more instead of $100 or more as required for donors that made a payment for political purposes as outlined in Government Code Section 84222.

**Nondonor Funds Description**
A multipurpose organization that makes expenditures using nondonor funds shall describe the source of those nondonor funds on its campaign report. This description shall include the type of nondonor funds used (e.g. investment income – including from capital gains; net income from providing goods, services, or facilities; sale of assets or other receipts that are not donations including but not limited to income received from advertisements, promotions, tributes, royalties, rents or leases) and identification of the source of the nondonor funds, including, but not limited to: the name of the entity where an income producing investment is/was held; the type of goods, services, or facilities provided (including location of facilities); and identifying information for assets sold. Where there are multiple sources of income from any of the foregoing types of income, each source shall be identified separately.

**Note:** If the funds used for an independent expenditure include both funds received for political purposes and LIFO funds, the Form 496 will list donors at both the $100 and the $1,000 thresholds. See page 2 of the Form 496 instructions to determine what specific contributor information must be disclosed.

**Examples:**

- A multipurpose organization receives $10,000 from donors for a specific political campaign. The organization makes independent expenditures of $60,000, using the $10,000 received specifically for political purposes and $50,000 from the organization’s general membership dues account. The Form 496 will list the donor names that contributed $100 or more toward the initial $10,000 and will list the names of LIFO donors at $1,000 for the remaining $50,000.

- A multipurpose organization’s only payment in California was a $40,000 independent expenditure using only funds from its general membership dues account. Since the organization does not qualify as a recipient committee, it is not required to list donors in Part 3.

For additional guidance, refer to the [Multipurpose Organizations Reporting Political Spending](https://www.fppc.ca.gov) fact sheet.