

State of California



Fair Political Practices Commission

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Technical Assistance •• Administration •• Executive/Legal •• Enforcement
(916) 322-5662 322-5660 322-5901 322-6441

July 23, 1984

Steven R. Meyers
City Attorney
835 E. 14th Street
San Leandro, CA 94577

Re: Your Request for Advice,
Our Advice No. A-84-162

Dear Mr. Meyers:

Thank you for your letter requesting advice on the proper method for valuing the gift to a public official of a ticket to a charitable fundraising event. As you noted in your letter, I recently advised Judge Charles G. Rubin (Advice Letter No. A-84-015) that the value of such a gift was the value of the event itself and not the portion of the ticket price that represents a charitable contribution. You asked how this apportionment between the reportable event value of the ticket and the donation value should be made if the ticket does not spell it out.

The value of all non-monetary gifts is based on a good faith estimate of their fair market value. Thus, the reportable value of a ticket to a charitable event should be based on a good faith, reasonable estimate of the fair market value of the meals, entertainment, etc., provided at the event. Precise guidelines for making this determination are impossible. In most cases, it is likely that the sponsor of the event would be happy to provide such information especially since many people need this type of information for completing their income tax returns. In addition, it is reasonable to assume that the donation value of the ticket exceeds the reportable value.

I trust that this letter answers your concerns. If I can be of further assistance, please feel free to contact me at 916/322-5901.

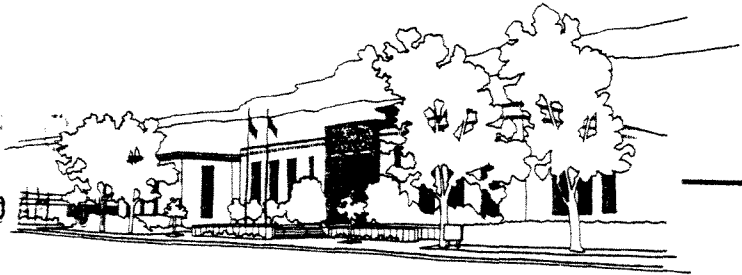
Sincerely,

A handwritten signature in cursive script, appearing to read "Diane Maura Fishburn".

Diane Maura Fishburn
Counsel, Legal Division

DMF:km
Enclosure

City of San Leandro
Civic Center, 835 E. 14th Street
San Leandro, California 94577



Office of City Attorney 415-577-3361

June 13, 1984

Diane Maura Fishburn, Staff Counsel
Fair Political Practices Commission
1100 "K" St. Building - Legal Division
Sacramento, California 95814

RE: Your File # A-84-015
(Advice Letter To Charles G. Rubin)

Dear Ms. Fishburn:

I recently had occasion to review your Advice Letter # A-84-015 to the Honorable Charles G. Rubin. I am somewhat confused by one statement which you made in that letter. You indicate that the reportable value of a ticket for a charitable event given to an official is the "value of the event itself... the portion of the ticket price that represents a charitable contribution is not included in calculating the value of the gift."

In most instances a ticket for a charitable event does not separately state the value of the meal or event (the reportable portion) and the donation value (the unreportable portion).

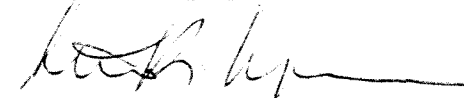
Section 81011 of the Government Code provides that value is the "...estimated fair market value at the time received or expended." Fair market value is the value that the item would command in the open market. Kaiser Co. vs. Reid 30 Cal. 2d 610, 623 (1947). Thus it would seem to me that if the ticket is sold to the general public at a listed price or carries a face value, the fair market value is that face value. (3 FPFC Opinions 107, 112 Dec. 8, 1977).



Diane M. Fishburn
RE: File # A-84=015
6/13/84
Page 2

If the face value of the ticket is not determinative, what guidelines or advice would you offer to enable the recipient to make an apportionment. Oftentimes that allocation will determine whether or not some "gifts" are reported. Please understand that I have no problem with your conclusion, in fact I endorse it as logical and practical, I'm simply unclear as to the advice I should give my clients on making an appropriate apportionment. To put it another way, one's hamburger may be another's filet mignon.

Very truly yours,



Steven R. Meyers
City Attorney

SRM: dc