

108TH CONGRESS
2D SESSION

H. R. 5013

To amend the Internal Revenue Code of 1986 to increase the frequency of disclosure of information by political organizations and to improve the linkage between databases for public disclosure of election-related information maintained by the Department of the Treasury and the Federal Election Commission.

IN THE HOUSE OF REPRESENTATIVES

SEPTEMBER 7, 2004

Mr. LARSON of Connecticut introduced the following bill; which was referred to the Committee on Ways and Means, and in addition to the Committee on House Administration, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To amend the Internal Revenue Code of 1986 to increase the frequency of disclosure of information by political organizations and to improve the linkage between databases for public disclosure of election-related information maintained by the Department of the Treasury and the Federal Election Commission.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

1 **SECTION 1. INCREASED FREQUENCY OF DISCLOSURE BY**
2 **POLITICAL ORGANIZATIONS.**

3 (a) IN GENERAL.—Paragraph (2) of section 527(j)
4 of the Internal Revenue Code of 1986 (relating to required
5 disclosure) is amended to read as follows:

6 “(2) REQUIRED DISCLOSURES.—

7 “(A) IN GENERAL.—A political organiza-
8 tion which accepts a contribution, or makes an
9 expenditure, for an exempt function during any
10 calendar year shall file with the Secretary the
11 reports required by subparagraphs (B) and (C).

12 “(B) ELECTION YEARS.—

13 “(i) MONTHLY DISCLOSURES FOR OR-
14 GANIZATIONS RECEIVING OR EXPENDING
15 \$25,000 OR MORE IN ELECTION YEAR.—In
16 the case of an organization that has, or
17 has reason to expect to have, contributions
18 which equal or exceed \$25,000, or expendi-
19 tures which equal or exceed \$25,000, for
20 an exempt function in a calendar year in
21 which a regularly scheduled election is
22 held, the reports required by this clause
23 are monthly reports, beginning with the
24 first month of the calendar year in which
25 a contribution is accepted or expenditure is
26 made. Such reports shall be filed not later

1 than the 20th day after the last day of the
2 month and shall be complete as of the last
3 day of the month.

4 “(ii) QUARTERLY DISCLOSURES FOR
5 ORGANIZATIONS RECEIVING OR EXPENDING
6 LESS THAN \$25,000.—Except as provided
7 by clause (i), in the case of contributions
8 accepted or expenditures made during a
9 calendar year in which a regularly sched-
10 uled election is held, the reports required
11 by this clause are quarterly reports, begin-
12 ning with the first quarter of the calendar
13 year in which a contribution is accepted or
14 expenditure is made. Such reports shall be
15 complete as of the last day of the quarter
16 and shall be filed—

17 “(I) for each of the first three
18 calendar quarters not later than the
19 15th day after the last day of the cal-
20 endar quarter, and

21 “(II) for the calendar quarter
22 ending on December 31 not later than
23 January 31 of the following calendar
24 year.

1 “(iii) CHANGE TO MONTHLY REPORT-
2 ING WHEN CONTRIBUTIONS OR EXPENDI-
3 TURES IN EXCESS OF \$25,000.—An organi-
4 zation which, at any time during the elec-
5 tion year, is required to report under
6 clause (ii), and receives contributions in ex-
7 cess of \$25,000 or makes expenditures in
8 excess of \$25,000, shall be subject to
9 clause (i) beginning with the next report-
10 ing period in which such excess first oc-
11 curs. The first report required in a cal-
12 endar year under clause (i) by reason of
13 this clause shall include a monthly report
14 for each of the preceding months of such
15 calendar year in which the organization
16 would have been required to report under
17 clause (i) if such clause applied without re-
18 gard to this clause.

19 “(iv) PRE- AND POST- ELECTION RE-
20 PORTS.—With respect to a regularly sched-
21 uled election, the reports required by this
22 clause are—

23 “(I) a pre-election report, which
24 shall be filed not later than the 12th
25 day before (or posted by registered or

1 certified mail not later than the 15th
2 day before) any election with respect
3 to which the organization makes a
4 contribution or expenditure and which
5 shall be complete as of the 20th day
6 before the election, and

7 “(II) a post-general election re-
8 port, which shall be filed not later
9 than the 30th day after the general
10 election and which shall be complete
11 as of the 20th day after such general
12 election.

13 “(C) NONELECTION YEAR.—In the case of
14 a calendar year other than a calendar year in
15 which a regularly scheduled election is held, the
16 reports required by this subparagraph are a re-
17 port covering the period beginning January 1
18 and ending June 30, which shall be filed no
19 later than July 31 and a report covering the pe-
20 riod beginning July 1 and ending December 31,
21 which shall be filed no later than January 31
22 of the following calendar year,

23 “(D) ELECTION TO FILE MONTHLY RE-
24 PORTS.—An organization may elect to file
25 monthly reports for the calendar year, begin-

1 ning with the first month of the calendar year
 2 in which a contribution is accepted or expendi-
 3 ture is made. Each such report for a month
 4 shall be filed not later than the 20th day after
 5 the last day of the month and shall be complete
 6 as of the last day of the month. In lieu of filing
 7 reports otherwise due under this subparagraph
 8 in November and December of any year in
 9 which a regularly scheduled general election is
 10 held, a pre-general election report shall be filed
 11 in accordance with subparagraph (B)(iv)(I), a
 12 post-general election report shall be filed in ac-
 13 cordance with subparagraph (B)(iv)(II), and a
 14 year end report shall be filed not later than
 15 January 31 of the following calendar year.”.

16 (b) EFFECTIVE DATE.—The amendment made by
 17 this section shall apply to years beginning after December
 18 31, 2004.

19 **SEC. 2. IMPROVED ELECTRONIC DISCLOSURE AND LINK-**
 20 **AGE WITH FEDERAL ELECTION COMMISSION.**

21 (a) IN GENERAL.—The Secretary of the Treasury, in
 22 consultation with the Federal Election Commission, shall
 23 take such actions as may be necessary to increase disclo-
 24 sure to the public by improving the database and disclo-
 25 sure system for reports required to be filed by political

1 organizations under section 527 of the Internal Revenue
2 Code of 1986.

3 (b) IMPROVED LINKAGE WITH FEDERAL ELECTION
4 COMMISSION.—The Secretary of the Treasury and the
5 Federal Election Commission shall take such actions as
6 may be necessary to improve the linkage between the data-
7 bases for public disclosure of election-related information
8 maintained by the Department of the Treasury and the
9 Federal Election Commission.

10 (c) REPORT TO CONGRESS.—The Secretary of the
11 Treasury and the Federal Election Commission shall each
12 submit reports to the Congress on the actions taken under
13 subsections (a) and (b). The first report shall be an in-
14 terim report submitted not later than July 15, 2004, and
15 the second report shall be a final report submitted not
16 later than January 15, 2005.

17 (d) AUTHORIZATION OF APPROPRIATIONS.—There is
18 authorized to be appropriated such sums as may be nec-
19 essary to carry out this section.

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