

Below and attached. Revised 8/26-12/29 report also attached. Advisement welcomed on financial issues raised. Happy New Year, John

Libertarian Party of New York

Annual Treasurer's Report - January 1, 2000 - December 31, 2000

Category/Item Amount Totals

Income

Convention Registrations, etc. \$4,341.00
Convention Fundraiser \$2,225.00
Unified Membership Plan \$19,426.00
LP National Special Incentives \$0.00
Direct Mail Fundraiser \$6,985.76
Gifts, Individual/Member/Chapter \$756.76
Miscellaneous Income \$130.00

TOTAL INCOME \$33,864.32

Expenses

2000 Convention Expenses \$4,751.57
2001 Convention Expenses (Deposit) \$200.00
Fundraiser Expenses (Russell) \$1,797.97
Free NY Newsletter (Doty) \$5,872.96
Petitioning Expenses (Russell) \$935.66
Petitioning Expenses (Other) \$6,803.43
State Supported Programs (Ads, PR, Web) \$2,519.00
Candidate Support (Clifton) \$1,000.00
Misc. Expenses (Merchant Acct, POB, etc.) \$1,809.02

TOTAL EXPENSES (\$25,689.61)

12/30/00 YEAR END BALANCE \$17,185.99

NOTES:

Correction to the 8/26-12/29 report: the hotel deposit check for the 2001 Convention was made to Lazar Edibles, not Richard Cooper.

Updates on ongoing concerns:

BOE Filings: I am able to begin filings beginning in January. By my reading of the relevant literature/BOE website, only a twice annual financial disclosure report (1/15 and 7/15) need be filed at this time. Both the Board of Elections handbook and Article 14 of the state election laws appear to

specifically exempt "Constituted Committees" from being required to file CF-02 (Designation of Treasury and Depository). They are defined by the guidelines as a state committee where the members are elected to their positions--e.g., our state committee. Likewise CF-03 (Authorization...Candidates) is also not required to be filed by a committee that only makes contributions to a candidate.

However, election reports are required if the committee contributed in any way to a candidate or ballot proposal (32 day pre-election, 11 day pre-election, 10 day post-election); so the question as to whether LPNY must complete these 3 filings separately for every candidate or initiative does arise. A question must also be raised as to whether local or county LP entities also have a separate obligation to file, as these rules seem to include county-level "committees" as well. Assuming LPNY is required to file, I will complete CF-01 (Financial Disclosure) for the Chair to review to begin the submission process. I have added the BOE handbook to the LPNY Treasury binder for future reference.

527 IRS filings: Based on exceeding \$25,000 for both income and expenses this year, LPNY may be subject to 527 filings. However, several recent developments with 527 Organizations (articles from IRS, Brookings, etc. also added to the binder) indicates this area may be more unclear than the BOE situation. E.g., according to IRS Ruling 2000-49 (10/30/00), 527 donor disclosure requirements DO NOT apply to campaign or party committees operating at the state or local level. This ruling indicates only form 8871 need be filed, to preserve tax-exempt status for monies raised LPNY. But is LPNY a 527 organization in the first place, and thus potentially subject to reporting requirements? Does LPNY even elect to have tax-exempt status? I am still reviewing the rules, but will file 8871 in light of 2000-49.

Merchant Account: A check on the status of the merchant account in December revealed Surf Sales had changed vendors (from Global Card Service to Payment Resources Int.) and required updated paperwork to activate the account. A new application was submitted (Clifton and Jim Harris co-signers).

John Clifton
Treasurer
December 30, 2000