MICHIGAN DEPARTMENT OF STATE
BUREAU OF ELECTION

GUBERNATORIAL CANDIDATE COMMITTEE
INVENTORY OF ASSETS FORM
PRIMARY ELECTION

Committee Name: ______________________________________  Committee I.D. Number:________________
Date of Transfer: __________________

<table>
<thead>
<tr>
<th>Purchase Date</th>
<th>Description of Asset</th>
<th>Price Public Funds</th>
<th>Price Private Funds</th>
<th>% Depreciation</th>
<th>Months Owned</th>
<th>Total $ amount of Depreciation</th>
<th>Current Value</th>
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* Rate found in Appendix D of Gubernatorial Manual

FILM & TAPE PRODUCTION COSTS
Total Cost, Primary Public Funds: $_________
Total Cost, Primary Private Funds: $_________
# Feet (seconds) used in Primary: ___________
# Feet (seconds) used in Primary & General: ___________
# Feet (seconds) used in General only: ___________
Total Primary Production Costs: $_________

Total Cost Allocated to General Election: $_________
Amount Reimbursed to Primary Public Funds Account: $_________
Amount Treated as In-Kind Transfer: $_________

TRANSFERRED TO GENERAL ELECTION

Reimbursed to Public Funds Account:

- Assets: $_________
- Film/Tape: $_________
- Total: $_________

In-Kind Transfer:

- Assets: $_________
- Film/Tape: $_________
- Total: $_________
Part I: Permanent Assets

In determining the “fair market value” of the committee’s permanent assets, the original cost of each asset should be depreciated by the percentage shown below for each month, or portion of month, that the committee has owned the asset.

According to IRS rules for depreciation, MACRS (Modified Accelerated Cost Recovery System) is used for most tangible depreciable property placed in service after December 1986. The assets usually involved in a political campaign and those transferable from the Primary Election to the General Election are in the following classes of property with the applicable depreciation percentage shown.

<table>
<thead>
<tr>
<th>Class</th>
<th>Type of Asset</th>
<th>1st Year Depreciation Percentage</th>
<th>Monthly Percentage</th>
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<tbody>
<tr>
<td>5-Year MACRS</td>
<td>Typewriter, calculator, adding and accounting machines, copiers and duplicating equipment, computers, automobiles and light trucks</td>
<td>20.0%</td>
<td>1.67%</td>
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<tr>
<td>7-Year MACRS</td>
<td>Office furniture, fixtures and equipment</td>
<td>14.29%</td>
<td>1.20%</td>
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</table>

Depreciation = Original cost x monthly percentage x number of months owned
Fair market value = Basis (or original cost) – depreciation

Example:

Asset cost $5,000.00 owned for 6 months before transfer
Depreciation = $5,000.00 x .0167 x 6 months = $501.00
Fair market value = $5,000.00 - $501.00 = 4,499.00
Part II: **Consumable Supplies**

The value of any on-hand consumable supplies purchased for the Primary Election and used in the General Election must be a reasonable approximation of the original cost.

Part III: **Film and Tape Production Costs**

If film or tape for radio or television is produced in the Primary Election and used in the General Election, determine the proportionate cost to be allocated to the General Election by following the steps shown below. Note that where “unit” is used, measurement can be in either feet or seconds, but not both.

**STEP 1:** Determine the following totals:

- Total costs, Primary Public Funds
- Total costs, Primary Private Funds
- Total Primary Production Costs
- # Units used in Primary
- # Units used in both Primary and General
- # Units produced in Primary, but used in General, but not used in Primary (referred to below as “used in Gen only”)

**STEP 2:** Determine the cost per unit, as follows:

\[
\text{COST PER UNIT} = \frac{\text{TOTAL PRIMARY PRODUCTION COSTS}}{\# \text{ UNITS USED IN PRIM} + \# \text{ UNITS USED IN GEN ONLY}}
\]

**STEP 3:** Determine the cost to be allocated for film and tape (F & T) that was used in both elections, as follows:

\[
\text{COST OF F & T} = \text{COST PER UNIT} \times \frac{\# \text{ UNITS USED IN BOTH ELECTIONS}}{2}
\]

**STEP 4:** Determine the cost to be allocated for film and tape that was produced in the Primary Election and used in the General Election, but not used in the Primary Election, as follows:

\[
\text{COST OF F & T} = \text{COST PER UNIT} \times \# \text{ UNITS USED IN GENERAL ONLY}
\]
STEP 5: Determine the total cost of Primary film and tape production allocated to the General Election, as follows:

TOTAL ALLOCATION = COST OF F & T USED IN BOTH ELECTIONS + COST OF F & T USED IN GENERAL ELECTION ONLY

STEP 6: Determine the amount to be reimbursed to the Primary public funds account, as follows:

AMOUNT = TOTAL x TOTAL COST PRIMARY PUBLIC FUNDS REIMBURSED ALLOCATION TOTAL PRIMARY PRODUCTION COST

STEP 7: Determine the amount to be treated as an in-kind expenditure made by the Primary campaign and as an in-kind contribution received by the General campaign (i.e., an in-kind transfer) as follows:

IN-KIND = TOTAL x TOTAL COST PRIMARY PRIVATE FUNDS TRANSFER ALLOCATION TOTAL PRIMARY PRODUCTION COST