

MICHIGAN DEPARTMENT OF STATE

RICHARD H. AUSTIN

SECRETARY OF STATE

STATE TREASURY BUILDING



LANSING
MICHIGAN 48918

August 11, 1978

Honorable Warren N. Goemaere
Michigan House of Representatives
72nd District
Capitol Building
Lansing, Michigan 48909

Dear Representative Goemaere:

This is in response to your request for a declaratory ruling concerning the applicability of the Campaign Finance Act ("the Act"), P.A. 388 of 1976, as amended, to unspent funds in your candidate committee.

You state you will not be a candidate for re-election to the House of Representatives, and you would like to dissolve your candidate committee as soon as possible after June 6, 1978. The committee has a balance of \$549.56 in its account.

You ask whether you can retain this money and declare it as taxable income. You also would like to know any other means available to dispose of these funds.

Section 45 of the Act (MCLA § 169.245) provides that unexpended funds in a candidate committee which are not eligible for transfer to another candidate committee of the person shall be given to a political party committee, a tax exempt charitable institution, or returned to the contributors of the funds upon termination of the candidate committee. Since you are at the point of terminating your candidate committee, one of the statutorily prescribed means must be used in disposing of the funds in question. The moneys may not be retained and declared as taxable income.

This response constitutes a declaratory ruling concerning the applicability of the Act to the facts enumerated in your request.

Sincerely,

A handwritten signature in cursive script, appearing to read "Richard H. Austin".

Richard H. Austin
Secretary of State

RHA:pk