

Instructions for Form 8872



Department of the Treasury
Internal Revenue Service

(Rev. November 2002)

Political Organization Report of Contributions and Expenditures

Section references are to the Internal Revenue Code unless otherwise noted.

General Instructions

Changes To Note

- Qualified state and local political organizations are no longer required to file Form 8872. See **Who Must File** below for details.
- The date of contributions must be included on Schedule A, and the date and purpose of expenditures must be included on Schedule B.
- Beginning with Forms 8872 required to be filed on or after June 30, 2003, organizations that have, or have reason to expect, contributions or expenditures exceeding \$50,000 in the calendar year must file Form 8872 electronically. See **Where and How To File** on page 2 for details.

Purpose of Form

Unless an exception applies (see **Who Must File** below), a tax-exempt section 527 political organization must file Form 8872 to report certain contributions received and expenditures made. Generally, an organization that is required to file Form 8872 also must file **Form 8871**, Political Organization Notice of Section 527 Status, within 24 hours of the organization's formation.

Note: *The organization is not required to report contributions accepted or expenditures made after July 1, 2000, if they were received or made under a contract entered into before July 2, 2000.*

Who Must File

Every section 527 political organization that accepts a contribution or makes an expenditure for an exempt function during the calendar year must file Form 8872, **except:**

- A political organization that is not required to file Form 8871,
- A political organization that is subject to tax on its income because it did not file or amend a Form 8871, or
- A qualified state or local political organization.

A qualified state or local political organization is a political organization that meets the following requirements:

- The organization's exempt functions are solely for the purpose of influencing or attempting to influence the selection, nomination, election, or appointment of any individual to any state or local political office or office in a state or local political organization.
- The organization is subject to state law that requires it to report information that is similar to that required on Form 8872.
- The organization files the required reports with the state.
- The state makes such reports public and the organization makes them open to public inspection in the

same manner that organizations must make Form 8872 available for public inspection.

For additional information, including the prohibition of involvement in the organization of a Federal candidate or office holder, see section 527(e)(5).

When To File

Due dates for Form 8872 vary depending on whether the form is due for a reporting period that occurs during:

- A calendar year in which a **regularly scheduled** election is held **or**
- Any other calendar year.

Note: *If any due date falls on a Saturday, Sunday, or legal holiday, the organization may file on the next business day.*

Election means:

- A general, special, primary, or runoff election for a Federal office,
- A convention or caucus of a political party which has authority to nominate a candidate for Federal office,
- A primary election held for the selection of delegates to a national nominating convention of a political party, or
- A primary election held for the expression of a preference for the nomination of individuals for election to the office of President.

General election means:

- An election for a Federal office held in even numbered years on the Tuesday following the first Monday in November or
- An election held to fill a vacancy in a Federal office (i.e., a special election) that is intended to result in the final selection of a single individual to the office at stake in a general election.

Calendar Years That Include a Regularly Scheduled Election

The organization may opt to file its reports on either a **quarterly** or **monthly** basis, but it must file on the same basis for the entire calendar year.

Quarterly reports. File the first report for the first quarter of the calendar year in which the organization accepts a contribution or makes an expenditure. Quarterly reports are due by the 15th day after the last day of each calendar quarter, except the year-end report which is due by January 31 of the following year. In addition, the organization may have to file a **pre-election report**, a **post-general election report**, or both, as explained below.

Monthly reports. File the first report for the first month of the calendar year in which the organization accepts a contribution or makes an expenditure. Reports are due by the 20th day after the end of the month. This report must reflect all reportable contributions accepted and expenditures made during the month for which the report is being filed. No monthly reports are due for October and

November. Instead, the organization must file a **pre-general election report** and a **post-general election report** (see **Pre-election report** and **Post-general election report** below). In addition, a year-end report must also be filed by January 31 of the following year instead of a monthly report for December.

Pre-election report. This report must be filed before any election for which the organization made a contribution or expenditure. This report must be filed by the:

- 12th day before the election **or**
- 15th day before the election, if the organization is posting the report by certified or registered mail.

This report must reflect all reportable contributions accepted and expenditures made through the 20th day before the election.

Post-general election report. File by the 30th day after the general election. This report must reflect all reportable contributions accepted and expenditures made through the 20th day after the general election.

Other Calendar Years

The organization may opt to file its reports on either a **semiannual** or **monthly** basis, but it must file on the same basis for the entire calendar year.

Semiannual reports. File the mid-year report by July 31 for the period beginning January 1 through June 30. File the year-end report by January 31 of the following year for the period beginning July 1 and ending December 31.

Monthly reports. File the first report for the first month of the calendar year in which the organization accepts a contribution or makes an expenditure. Reports are due by the 20th day after the end of the month, except for the December report, which is due on January 31 of the following year. This report must reflect all reportable contributions accepted and expenditures made during the month for which the report is being filed.

Where and How To File

Form 8872 may be filed either electronically or by mail. Beginning with forms due on or after June 30, 2003, organizations that have, or expect to have, contributions or expenditures exceeding \$50,000 will be required to file electronically.

To file by mail, send Form 8872 to the Internal Revenue Service Center, Ogden, UT 84201.

File electronically via the IRS internet web site at **www.irs.gov/polorgs**. A user ID and password are required for filing electronically. Organizations that have completed the electronic filing of Form 8871 will receive a password in the mail. Organizations that have completed the electronic filing of Form 8871, but have not received their user ID and password may request one by writing to the following address:

Internal Revenue Service
Room 4010
P.O. Box 2508
Cincinnati, OH 45201

Who Must Sign

Form 8872 must be signed by an official authorized by the organization to sign this report.

Penalty

A penalty will be imposed if the organization is required to file Form 8872 and it:

- Fails to file the form by the due date or
- Files the form but fails to report all of the information required or it reports incorrect information.

The penalty is 35% of the total amount of contributions and expenditures to which a failure relates.

Other Required Reports and Returns

An organization that files Form 8872 may also be required to file the following forms.

- **Form 990**, Return of Organization Exempt From Income Tax, or **Form 990-EZ**, Short Form Return of Organization Exempt From Income Tax (or other designated annual return).
- **Form 1120-POL**, U.S. Income Tax Return for Certain Political Organizations (annual return).

Public Inspection of Form 8872

The IRS will make Form 8872 (including Schedules A and B) open to public inspection on the IRS web site at www.irs.gov/polorgs. In addition, the organization must make available for public inspection a copy of this report during regular business hours at the organization's principal office and at each of its regional or district offices having at least 3 paid employees. A penalty of \$20 per day will be imposed on any person under a duty to comply with the public inspection requirement for each day a failure to comply continues. The maximum penalty imposed on all persons for failures relating to one report is \$10,000.

Telephone Assistance

If you have questions or need help completing Form 8872, please call **1-877-829-5500**. This toll-free telephone service is available Monday through Friday from 8:00 a.m. to 6:30 p.m. Eastern time.

Specific Instructions

Line A

Enter the beginning and ending date for the period to which this report relates. If the organization filed a prior report for the calendar year, the beginning date must be the first day following the ending date shown on the prior report.

Line B

- Check the "Initial report" box if this is the first Form 8872 filed by the organization for this period.
- Check the "Change of address" box if the organization changed its address since it last filed Form 8871, Form 8872, Form 990 (or 990-EZ), or Form 1120-POL.
- Check the "Amended report" box if the organization is filing an amended report.
- Check the "Final report" box if the organization will not be required to file Form 8872 in the future.

Employer Identification Number (EIN)

Enter the correct EIN in the space provided as shown on the Form 8871 the organization filed.

Lines 5a and 5b

Enter the name and address of the person in possession of the organization's books and records.

Lines 6a and 6b

Enter the name and address of the person whom the public may contact for more information about the organization.

Lines 8a through 8h

Check only one box. See **When To File** beginning on page 1 for details on the types of reports and the periods covered.

Line 8f. If the organization is filing on a monthly basis, enter the month for which this report is being filed. During a year in which a regularly scheduled general election is held, **do not** check this box to report October, November, or December activity. Instead, file a pre-general election report, post-general election report, a year-end report, and check the appropriate box on line 8d, 8g, or 8h.

Line 8g. If the organization is filing a pre-election report also indicate the type of election (primary, general, convention, special, or run-off) on line 8g(1), the date of the election on line 8g(2), and the state in which the election is held on line 8g(3).

Line 8h. If the organization is filing a post-general election report, indicate the date of the election on line 8h(1) and the state in which the election was held on line 8h(2).

Line 9

If the organization is required to file Schedule(s) A, enter the total of all subtotals shown on those schedules. If the organization is not required to file Schedule A, enter zero.

Line 10

If the organization is required to file Schedule(s) B, enter the total of all subtotals shown on those schedules. If the organization is not required to file Schedule B, enter zero.

Schedule A — Itemized Contributions

Note: *Multiple Schedules A can be filed with any report. Number each schedule in the box in the top right corner of the schedule. Be sure to include both the number of the specific page and the total number of Schedules A (e.g., "Schedule A page 2 of 5").*

The organization must list on Schedule A each contributor from whom it accepted contributions during the **calendar year** if:

- The aggregate amount of the contributions accepted from that person during the calendar year as of the end of this reporting period was at least \$200 **and**
- Any of those contributions were accepted during this reporting period.

Treat contributions as accepted if the contributor has contracted or is otherwise obligated to make the contribution.

Name of Contributor's Employer

If the contributor is an individual, enter the name of the organization or person by whom the contributor is

employed (and not the name of his or her supervisor). If the individual is self-employed, enter "Self-employed." If filing electronically and the contributor is not an individual, enter "NA".

Contributor's Occupation

If the contributor is an individual, enter the principal job title or position of that contributor. If filing electronically and the contributor is not an individual, enter "NA".

Aggregate Year-to-Date Contributions

Enter the total amount of contributions accepted from the contributor during this calendar year as of the end of this reporting period.

Amount of Contribution

If a contributor made more than one contribution in a reporting period, report each contribution separately.

Non-Disclosed Amounts

As the last entry on Schedule A, list the aggregate amount of contributions that are required to be reported on this schedule for which the organization does not disclose all of the information required under section 527(j). Enter "Withheld" as the contributor's name. If filing electronically, enter the organization's address, the date of the report, and "NA" for occupation and employer. This amount is subject to the penalty for the failure to provide all the information required. See **Penalty** on page 2 for details.

Schedule B — Itemized Expenditures

Note: *Multiple Schedules B can be filed with any report. Number each schedule in the box in the top right corner of the schedule. Be sure to include both the number of the specific page and the total number of Schedules B (e.g., "Schedule B page 2 of 10").*

The organization must list on Schedule B each recipient to whom it made expenditures during the **calendar year** if:

- The aggregate amount of expenditures made to that person during the calendar year as of the end of this reporting period was at least \$500 **and**
- Any of those expenditures were made during this reporting period.

Treat expenditures as made if the organization has contracted or is otherwise obligated to make the expenditure.



Do not include any independent expenditures. An independent expenditure means an expenditure by a person for a communication expressly advocating the election or defeat of a clearly identified candidate that is not made with the cooperation or prior consent of, in consultation with, or at the request or suggestion of, a candidate or agent or authorized committee of a candidate.

Name of Recipient's Employer

If the recipient is an individual, enter the name of the organization or person by whom the recipient is employed (and not the name of his or her supervisor). If the individual is self-employed, enter "Self-employed." If filing electronically and the recipient is not an individual, enter "NA".

Recipient’s Occupation

If the recipient is an individual, enter the principal job title or position of that recipient. If filing electronically and the recipient is not an individual, enter “NA”.

Amount of Each Expenditure Reported for This Period

Report **each** separate expenditure made to any person during the **calendar year** that was **not** reported in a prior reporting period.

Purpose

Describe the purpose of each separate expenditure.

Non-Disclosed Amounts

As the last entry on Schedule B, list the aggregate amount of expenditures that are required to be reported on this schedule for which the organization does not disclose all of the information required under section 527(j). Enter “Withheld” as the recipient’s name and as the purpose. If filing electronically, enter the organization’s address, the date of the report, and “NA” for occupation and employer. This amount is subject to the penalty for the failure to provide all the information required. See **Penalty** on page 2 for details.

Paperwork Reduction Act Notice. We ask for the information on this form to carry out the Internal Revenue laws of the United States. If the organization is required

to report contributions accepted and expenditures made as required by section 527(j), you are required to give us the information. We need it to ensure that you are complying with these laws.

You are not required to provide the information requested on a form that is subject to the Paperwork Reduction Act unless the form displays a valid OMB control number. Books or records relating to a form or its instructions must be retained as long as their contents may become material in the administration of any Internal Revenue law. The rules governing the confidentiality of Form 8872 are covered in section 6104.

The time needed to complete and file the form will vary depending on individual circumstances. The estimated average time is:

Recordkeeping	19 hr., 7 min.
Learning about the law or the form	18 min.
Preparing and sending the form to the IRS	37 min.

If you have comments concerning the accuracy of these time estimates or suggestions for making this form simpler, we would be happy to hear from you. You can write to the Tax Forms Committee, Western Area Distribution Center, Rancho Cordova, CA 95743-0001.

Do not send Form 8872 to this address. Instead, see **Where To File** on page 2.
