



FEDERAL ELECTION COMMISSION
Washington, DC 20463

December 20, 1977

AO 1977-43

Mr. Glen W. Brown
Brown, Ware and Haynes, P.A.
Suite 300, Savings and Loan Building
505 North Main Street
Post Office Drawer 928
Waynesville, North Carolina 28786

Dear Mr. Brown:

This letter responds to your request of September 13, 1977 for an opinion concerning application of the Federal Election Campaign Act of 1971, amended ("the Act"), to a contribution received by your principal campaign committee after the filing of its termination report.

You state that you were an unsuccessful candidate for Congress in a 1976 primary and subsequent primary runoff. After filing several post-election reports, your principal campaign committee, the Glenn Brown for Congress Committee, ("the Committee"), filed a termination report on or about April 10, 1977. According to your letter, in order to enable the Committee to file its termination report you forgave the remainder of a note owed to you by the Committee in the amount of approximately \$3,000. You say that during the week of September 13, 1977, the Committee received a contribution of \$500 which was orally pledged, but unreported, during the campaign.

You ask for an opinion as to whether you are entitled to receive the \$500 from the Committee in view of the fact that you had previously forgiven a debt of \$3,000 owed to you by the Committee.

It is the opinion of the Commission that once a political committee has properly wound up its activities and filed a valid termination report its existence comes to an end. Thus, there is no longer a committee entity having capacity to receive contributions or make expenditures. This conclusion is of particular relevance where in order to satisfy one of the conditions for termination--the proper retirement of all outstanding debts and obligations, 11 CFR 102.4, 104.1, 104.8--a former candidate forgives a campaign debt owed to the candidate by his or her principal campaign committee. Therefore, the Committee may not be reactivated solely for the purpose of

accepting a contribution designated to retire a 1976 election debt once owed to you, but forgiven by you in order to permit termination of the Committee.

The Commission expresses no opinion as to the Federal tax ramifications of the described transaction since those issues are within the jurisdiction of the Internal Revenue Service.

This response constitutes an advisory opinion concerning the application of a general rule of law stated in the Act, or prescribed as a Commission regulation to the specific factual situation set forth in your request. See 2 U.S.C. 437f.

Sincerely yours,

(signed)

Thomas E. Harris
Chairman for the
Federal Election Commission