

# Nonprofit Organization Report of Funds Received and Used for Campaign Activity

**2016**

**3589**

For the period beginning (mm/dd/yyyy) \_\_\_\_\_, and ending (mm/dd/yyyy) \_\_\_\_\_.

|   |  |                               |                               |                     |  |
|---|--|-------------------------------|-------------------------------|---------------------|--|
| Corporation/Organization name                               |  |                               | California corporation number |                     |  |
| Additional information (see instructions)                   |  |                               | FEIN                          |                     |  |
| Street address (number and street, suite, room, or PMB no.) |  |                               |                               |                     |  |
| City  |  | State                         | ZIP code                      |                     |  |
| Foreign country name  |  | Foreign province/state/county |                               | Foreign postal code |  |
| Web address of organization                                 |  |                               | County                        |                     |  |

**Read instructions before completing this form.**

**Type of report (check only one box)**

- A**  Quarterly report
- B**  Biennial report

|   |          |  |    |
|---|----------|--|----|
| <b>1</b> Total amount of reported funds received to be used for campaign activity (total from attached <b>Schedule A(s)</b> ) . . . . . | <b>1</b> |  | 00 |
| <b>2</b> Total amount of reported expenditures used for campaign activity (total from attached <b>Schedule B(s)</b> ) . . . . .         | <b>2</b> |  | 00 |

|                  |  |       |      |                     |
|------------------|--|-------|------|---------------------|
| <b>Sign Here</b> | Under penalties of perjury, I declare that I have examined this report, including accompanying schedules, and to the best of my knowledge and belief, it is true, correct, and complete. |       |      |                     |
|                  | Signature of officer   | Title | Date | Telephone<br>(    ) |

**Mail form FTB 3589 to:**

**EXEMPT ORGANIZATIONS UNIT MS F120  
FRANCHISE TAX BOARD  
PO BOX 1286  
RANCHO CORDOVA CA 95741-1286**

|                               |                               |
|-------------------------------|-------------------------------|
| Corporation/Organization name | California corporation number |
|-------------------------------|-------------------------------|

**Schedule A Itemized Funds Received to be Used for Campaign Activity** Schedule A page \_\_\_\_\_ of \_\_\_\_\_

Attach additional schedules if necessary.

| Local agency's name, mailing address, and ZIP code.  | Description of funds received | Amount of funds received                               |
|--|-------------------------------|--|
|  |                               | \$ _____   00<br>Date funds were received (mm/dd/yyyy) |
|  |                               | \$ _____   00<br>Date funds were received (mm/dd/yyyy) |
|  |                               | \$ _____   00<br>Date funds were received (mm/dd/yyyy) |
|  |                               | \$ _____   00<br>Date funds were received (mm/dd/yyyy) |
| <b>Subtotal</b> of funds received to be used for campaign activity reported on this page only. Enter here and also include this amount in the total on Form 3589, line 1 . . . . . |                               | \$ _____   00  |

**Schedule B Itemized Expenditures Used for Campaign Activity** Schedule B page \_\_\_\_\_ of \_\_\_\_\_

Attach additional schedules if necessary.

| Recipient's name, mailing address, and ZIP code  | Description of campaign activity | Amount of expenditure   |                                  |
|--|----------------------------------|---|----------------------------------|
|  |                                  | \$ _____   00   | Date of expenditure (mm/dd/yyyy) |
|  |                                  | <input type="checkbox"/> Statewide election<br><input type="checkbox"/> Local election<br>Candidate _____<br>Ballot _____ |                                  |
|  |                                  | <input type="checkbox"/> Statewide election<br><input type="checkbox"/> Local election<br>Candidate _____<br>Ballot _____ |                                  |
|  |                                  | <input type="checkbox"/> Statewide election<br><input type="checkbox"/> Local election<br>Candidate _____<br>Ballot _____ |                                  |
|  |                                  | <input type="checkbox"/> Statewide election<br><input type="checkbox"/> Local election<br>Candidate _____<br>Ballot _____ |                                  |
| <b>Subtotal</b> of expenditures used for campaign activity reported on this page only. Enter here and also include this amount in the total on Form 3589, line 2 . . . . . |                                  | \$ _____   00   |                                  |

# 2016 Instructions for Form FTB 3589

## Nonprofit Organization Report of Funds Received and Used for Campaign Activity

References in these instructions are to the Internal Revenue Code (IRC) as of **January 1, 2015**, and to the California Revenue and Taxation Code (R&TC) and Government Code (GC).

### General Information

Beginning January 1, 2014, the Government Code relating to campaign activity was amended to add reporting requirements for "reporting nonprofit organizations" that engage in campaign activity.

Government Code Section 54964.6 was added to require reporting nonprofit organizations that engage in campaign activities of specified amounts to:

- Deposit into a separate bank account all "specific source or sources of funds" it receives.
- Pay for all campaign activity from that separate bank account.
- Disclose to the Franchise Tax Board (FTB) and post on the nonprofit's internet website the identity and amount of each specific source or sources of funds it receives for campaign activity.
- Provide a description of the campaign activity.
- Report the identity and amount of payments the organization makes from the required separate bank account.

**Additional information** – Use the Additional Information field for "Owner/Representative/Attention" name and other supplemental address information only.

**Private mail box (PMB)** – Include PMB number in the address field. Write "PMB" first, then the box number. Example: 111 Main Street PMB 123.

**Foreign address** – If you have a foreign address, follow the country's practice for entering the city, county, province, state, country, and postal code, as applicable, in the appropriate boxes.

**Do not** abbreviate the country name.

### A Purpose

The purpose of form FTB 3589, Nonprofit Organization Report of Funds Received and Used for Campaign Activity, is to disclose the use of public resources received from local agencies for the purpose of conducting campaign activity.

### B Who Must File

File form FTB 3589 if the organization is a nonprofit organization that meets the following requirements:

- Engaged in campaign activity, either directly or through the control of another entity.
- Received public resources from one or more local agencies that account for more than 20% of the organization's annual gross revenue in the current fiscal year or either of the previous two fiscal years.

Do **not** file this form if the organization is one of the following:

- Tax-exempt under Internal Revenue Code (IRC) Section 501(c)(3).
- Tax-exempt under Revenue and Taxation Code (R&TC) Section 23701d.
- Political action committee.

### C When to File

#### Quarterly Report

Due thirty days after the end of each quarter of the calendar year.

#### Calendar quarter

Jan 1 – Mar 31

Apr 1 – Jun 30

Jul 1 – Sep 30

Oct 1 – Dec 31

#### Due date

April 30, 2016

July 30, 2016

October 30, 2016

January 30, 2017

When the due date falls on a weekend or holiday, the deadline to file and pay without penalty is extended to the next business day.

File a quarterly report if the reporting nonprofit organization meets either of the following criteria at any point during that quarter:

- Engages in campaign activity of fifty thousand dollars (\$50,000) or more related to statewide candidates or ballot measures, either directly or through the control of another entity.
- Engages in campaign activity of two thousand five hundred dollars (\$2,500) or more related to local candidates or ballot measures, either directly or through the control of another entity.

#### Biennial Report

Due thirty days after the end of each **even** calendar year.

File a biennial report if the reporting nonprofit organization meets either of the following criteria at any point during that even year or the prior odd year:

- Engages in campaign activity of one hundred thousand (\$100,000) or more related to statewide candidates or ballot measures, either directly or through the control of another entity.
- Engages in campaign activity of ten thousand dollars (\$10,000) or more related to local candidates or ballot measures, either directly or through the control of another entity.

The quarterly and biennial reports must be posted on the organization's website.

### D Definitions

**Nonprofit organization** – Any entity incorporated under the Nonprofit Corporation Law (Division 2 commencing with Section 5000 of Title 1 of the California Corporations Code) or a nonprofit organization that qualifies for exempt status under IRC Section 115 or 501(c), provided, however, that "nonprofit organization" does not include any nonprofit organization that qualifies for tax-exempt status under IRC Section 501(c)(3).

**Public resources** – Any property or asset owned by a local agency, including, but not limited to, cash, land, buildings, facilities, funds, equipment, supplies, telephones, computers, vehicles, travel, and local government compensated work time that is provided to a nonprofit organization, except funds received in exchange for consideration for goods or services. Also includes funds received by a nonprofit organization which have been generated from any activities related to conduit bond financing by those entities subject to specified conduit financing and transparency and accountability provisions.

**Local agency** – A county, city, whether general law or chartered, city and county, town, school district, municipal corporation, district, political subdivision, or any board, commission or agency thereof, or other local public agency, including entities created pursuant to the Joint Exercise of Powers Act.

**Expenditure** – A payment used for communications that expressly advocate the approval or rejection of a clearly identified ballot measure, or the election or defeat of a clearly identified candidate, by the voters or that constitutes a campaign contribution.

**Campaign activity** – A payment that is used for communications that expressly advocate for or against the qualification of a clearly identified ballot measure, the approval or rejection of a clearly identified ballot measure, or the election or defeat of a clearly identified candidate by the voters, or that constitutes a campaign contribution.

**Candidate** – An individual who has qualified to have his or her name listed on the ballot, or who has qualified to have write-in votes on his or her behalf counted by election officials, for nomination or election to an elective office at any regular or special primary or general election, and includes any officeholder who is the subject of a recall election.

**Ballot measure** – A state or local initiative, referendum, or recall measure certified to appear on a regular or special election ballot or other measure submitted to the voters by the Legislature or the governing body of a local agency at a regular or special election.

## E Specific Instructions

#### Signature Authorization

The form must be signed by an appointed officer or representative of the nonprofit organization.

#### Schedule A – Itemized Funds Received to be Used for Campaign Activity

Use Schedule A to report all funds received for campaign activity. Attach additional copies, as necessary. Include the organization's name and California corporation number at the top of each additional page.

#### Schedule B – Itemized Expenditures Used for Campaign Activity

Use Schedule B to report all expenditures used for campaign activity. Attach additional copies, as necessary. Include the organization's name and California corporation number at the top of each additional page.

## F Where to File

Mail form FTB 3589 to:

EXEMPT ORGANIZATIONS UNIT MS F120  
FRANCHISE TAX BOARD  
PO BOX 1286  
RANCHO CORDOVA CA 95741-1286

## G Telephone Assistance

If you have questions regarding form FTB 3589, call 916.845.4171 from 7 a.m. to 4:30 p.m. weekdays, except state holidays.