

(5) It is described in 26 U.S.C. 501(c)(4).

(d) *Permitted corporate independent expenditures.*

(1) A qualified nonprofit corporation may make independent expenditures, as defined in 11 CFR part 109, without violating the prohibitions against corporate expenditures contained in 11 CFR part 114.

(2) Except as provided in paragraph (d)(1) of this section, qualified nonprofit corporations remain subject to the requirements and limitations of 11 CFR part 114, including those provisions prohibiting corporate contributions, whether monetary or in-kind.

(e) *Qualified nonprofit corporations; reporting requirements.*

(1) *Procedures for demonstrating qualified nonprofit corporation status.* If a corporation makes independent expenditures under paragraph (d)(1) of this section that aggregate in excess of \$250 in a calendar year, the corporation shall certify, in accordance with

paragraph (e)(1)(ii) of this section, that it is eligible for an exemption from the prohibitions against corporate expenditures contained in 11 CFR part 114.

(i) This certification is due no later than the due date of the first independent expenditure report required under paragraph (e)(2). However, the corporation is not required to submit this certification prior to making independent expenditures.

(ii) This certification may be made either as part of filing FEC Form 5 (independent expenditure form) or by submitting a letter in lieu of the form. The letter shall contain the name and address of the corporation and the signature and printed name of the individual filing the qualifying statement. The letter shall also certify that the corporation has the characteristics set forth in paragraphs (c)(1) through (c)(5) of this section.

(2) *Reporting independent expenditures.* Qualified nonprofit corporations that make independent expenditures aggregating in excess of \$250 in a calendar year shall file reports as required by 11 CFR 109.2.

(f) *Solicitation; disclosure of use of contributions for political purposes.* Whenever a qualified nonprofit corporation solicits donations, the solicitation shall inform potential donors that their donations may be used for political purposes, such as supporting or opposing candidates.

(g) *Non-authorization notice.* Qualified nonprofit corporations making independent expenditures under this section shall comply with the requirements of 11 CFR 110.11.

Dated: June 30, 1995.

Danny L. McDonald,
Chairman.

[FR Doc. 95-16502 Filed 7-5-95; 8:45 am]

BILLING CODE 6715-01-M