FEDERAL ELECTION COMMISSION
Washington, DC 20463

December 12, 1980

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

ADVISORY OPINION 1980-132

Ms. LouAnn Diamond
Secretary, Alaskans for Gruening
P.O. Box 1757
Anchorage, Alaska 99510

Dear Ms. Diamond:

This responds to your letter of November 3, 1980, requesting an advisory opinion on behalf of Alaskans for Gruening ("the Committee") concerning application of the Federal Election Campaign Act of 1971, as amended ("the Act"), to the receipt of a contribution from a partnership.

You state that the Committee received one contribution in the primary election and one contribution in the general election from a partnership, Multivisions, each in the amount of $1,000. Multivisions, upon your request, provided the Committee with a listing of the partners to whom the contributions were to be attributed. All partners so listed by Multivisions were individuals. Subsequently you learned that one of Multivisions' partners is a corporation. However, no amount of either contribution from Multivisions was attributed to the corporation. You ask whether it is permissible for the Committee to accept such a contribution.

Commission regulations provide that contributions from a partnership may be accepted by a political committee so long as the contribution is attributed to each partner in direct proportion to his or her share of the partnership profits. 11 CFR 110.1(e)(1). However, a partnership may agree to have such contribution attributed to certain of the partners provided that only the profits of the partners to whom the contribution is attributed are reduced (or losses increased), and these partners' profits are reduced (or losses increased) in proportion to the contribution attributed to each of them, and such contribution from an individual partner does not exceed the contribution limits. 11 CFR 110.1(e)(2). See also 2 U.S.C. 441a and Advisory Opinion 1975-104, copy enclosed.

In the situation presented here, the partnership has apparently agreed to attribute the contribution only to certain individual partners, and not to the corporate partner. Assuming that the profits of these individual partners are the only profits reduced (or losses increased) in the exact amount of the portion of the contribution attributed to them, no prohibited corporate contribution would result. The fact that one of the partners is a corporation would not change this result if the making of the contribution had no effect on the corporate partner's profits or losses. The contribution should, of course, be properly reported under 2 U.S.C. 434.

This response constitutes an advisory opinion concerning application of the Act, or regulations prescribed by the Commission, to the specific transaction or activity set forth in your request. See 2 U.S.C. 437f.

Sincerely yours,

(signed)

Max L. Friedersdorf
Chairman for the
Federal Election Commission

Enclosure (AO 1975-104)