
OHIO ELECTIONS COMMISSION

- Allows a nonprofit corporation that is a tax-exempt business organization to transfer contributions received as part of regular dues payments from its unincorporated member businesses to its political action committee (PAC).
- Requires the PAC to itemize those contributions and allocate them to individuals in its campaign finance filings.

Nonprofit corporation contributions to PACs

(R.C. 3599.03)

The act allows a nonprofit corporation that is tax-exempt under subsection 501(c)(6) of the Internal Revenue Code – generally, a business organization – to transfer certain funds to its political action committee (PAC).⁶⁷ Under the act, such a nonprofit corporation may transfer contributions it receives as part of regular dues payments from unincorporated member businesses to its PAC. When the PAC files its campaign finance statements, the PAC must itemize those contributions and allocate them to individuals, subject to the contribution limits that apply under continuing law.

Continuing law generally prohibits any corporation from using its money or property for or against a candidate or other political entity. Part of the law is not being enforced because the U.S. Supreme Court has ruled that corporations have a First Amendment right to make independent expenditures to influence the outcome of an election without coordinating with a candidate.⁶⁸ However, Ohio has continued to enforce the law that prohibits corporations from making campaign contributions, whether directly or indirectly. The act makes an exception to that prohibition, to the extent that a nonprofit corporation's PAC may give the contributions described above to a campaign committee or other political entity.

⁶⁷ 26 U.S.C. 501(c)(6).

⁶⁸ *Citizens United v. Federal Election Commission*, 558 U.S. 310 (2010).

