



COMMISSIONER OF POLITICAL PRACTICES

STATE OF MONTANA

JEFF MANGAN
COMMISSIONER
TELEPHONE (406) 444-2942
FAX (406) 444-1643
www.politicalpractices.mt.gov

1209 EIGHTH AVENUE
P.O. BOX 202401
HELENA, MT 59620-2401

Tip #4: Reporting contributions from online donor platforms

Greetings all 2022 candidates and treasurers!

COPP Compliance Specialists have recently received a few calls questioning how to properly report contributions received through online donor platforms (PayPal, ActBlue, or Win Red, for example). COPP Compliance Specialists have also been made aware that some online donor platforms allow contributors to pay processing fees directly, with questions about how the candidate would appropriately report. COPP hopes to provide guidance on both questions.

Example 1: Candidate is responsible for paying processing fees

Reporting contributions received by a candidate through an online donor platform is a two-step process:

- **Step 1:** The candidate reports the **FULL** amount of the original contribution as a contribution received. Report the contribution under the name of the original source, not the online donor platform;
- **Step 2:** The candidate reports any processing fee/s charged by the online donor platform as an expenditure of the campaign. The online donor platform would be used as the entity when reporting this expenditure.

For example: contributor Suzy Q makes a contribution of \$400.00 to Hypothetical Candidate through an online donor platform, and the online donor platform charges Hypothetical Candidate a \$4.00 processing fee. To properly report, Hypothetical Candidate would need to report both receiving a contribution of \$400.00 from Suzy Q and making an expenditure in the amount of \$4.00 to the online donor platform for the processing fee.

If a candidate receives multiple contributions through an online donor platform during a reporting period, all processing fees may be aggregated by the candidate and reported as one expenditure. Say Hypothetical Candidate was charged \$35.00 in total for processing fees by an online donor platform for contributions received during the period of January 1, 2022 through March 15, 2022. The candidate could report making one expenditure to the online donor platform in the amount of \$35.00 described as "\$35 in vendor processing fees for \$185 in contributions received between 1/1/22-3/15/22".

Example 2: Contributor pays processing fees on behalf of the candidate

Candidates/treasurers should keep in mind that any processing fee/s paid by the contributor would be **considered part of the contribution received by the candidate and must be reported as an in-kind contribution**. Montana's campaign contribution limits apply.

For example: Lucy Example contributes \$400.00 to Jane Doe's State Senate campaign through an online donor platform. Lucy opts in to pay the processing fee of \$14.00 to the online provider. To properly report:

- Lucy Example's contribution will be reported by candidate Doe as: \$400 --- cash amount, \$14.00 --- in-kind amount (in-kind description— online processing fee). Lucy's total contribution to candidate Doe would total \$414.00, which exceeds the contribution limit of \$400.00;
- As in any case where there is an "over-contribution limit", the candidate needs to refund the contributor. So candidate Doe will need to write a check to Lucy Example for \$14.00 to refund the over-contribution limits amount received.

I hope this helps! If you have any questions, please call or email for more information. You may contact us via telephone at (406) 444-4627 or via email at cpphelp@mt.gov and cppcompliance@mt.gov.

Scott Cook
Compliance Specialist
(406) 444-2942
(406) 444-1643 (fax)
CPPCompliance@mt.gov