

## The President Election Campaign Fund (PECF) Checkoff

- Federal funds that are used to pay for the political nominating conventions come from the Presidential Election Campaign Fund (PECF). The PECF is funded by a voluntary checkoff on tax returns. Individuals may elect to send \$3 of their tax bill to the fund rather than the general treasury, and married couples filing jointly may send \$6.
- According to the Federal Election Commission, “The checkoff neither increases the amount of taxes owed nor decreases any refund due for the tax year in which the checkoff is made.”<sup>1</sup> The following is copied from the 2011 IRS Form 1040.<sup>2</sup>

<p style="text-align: center;"><b>Presidential Election Campaign</b></p> <p>Check here if you, or your spouse if filing jointly, want \$3 to go to this fund. Checking a box below will not change your tax or refund.</p> <p style="text-align: center;"><input type="checkbox"/> <b>You</b>    <input type="checkbox"/> <b>Spouse</b></p>
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- The Congressional Research Service notes the following:

“Although taxpayers may believe that how they answer the checkoff question affects the amount of tax they owe or the refund they receive, ‘[d]esignating the allowed amount does not affect the amount of an individual’s tax liability or tax refund; it simply directs the Treasury Department to allocate a specific amount from general revenues to the PECF.’...In short, participating (or not) in the checkoff designation does not affect a taxpayer’s liability or refund. Rather, it allows taxpayers to direct a small portion of the taxes they pay to the PECF instead of the Treasury’s general fund.”<sup>3</sup>

- Any expenditures from the PECF, therefore, are not funded by extra contributions from the taxpayers. They are funded by revenue that has been diverted from the general fund.

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<sup>1</sup> Public Funding of Presidential Elections, Federal Election Commission, updated February 2012, <http://www.fec.gov/pages/brochures/pubfund.shtml>

<sup>2</sup> 1040 U.S. Individual Income Tax Return, Internal Revenue Service, 2011, <http://www.irs.gov/pub/irs-pdf/f1040.pdf>

<sup>3</sup> “Public Financing of Presidential Campaigns: Overview and Analysis,” R. Sam Garret, Congressional Research Service, December 5, 2011, <http://www.crs.gov/pages/Reports.aspx?PRODCODE=RL34534&Source=search>