

THE COMMONWEALTH OF MASSACHUSETTS  
OFFICE OF CAMPAIGN & POLITICAL FINANCE

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Feb. 12, 1997

FOR IMMEDIATE RELEASE  
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**Taxpayers can "check-off" for public financing**

The office that implements the state's system of public financing of campaigns for statewide offices reminds taxpayers that they have the option to "check-off" funds for the program on state income tax returns again this year.

The Office of Campaign and Political Finance today asked taxpayers to consider designating \$1 from their total tax (\$2 for joint filers) for the State Election Campaign Fund (SECF). This action does not increase a filer's tax liability or reduce a refund.

Under the state's public financing system, qualifying statewide candidates receive funds in return for agreeing to abide by statutory spending limits. For example, the limit for gubernatorial candidates who participate in the public financing system is \$3 million: \$1.5 million in the primary and \$1.5 million in the general election.

Though public financing has been on the books for more than 20 years, it historically has been handicapped by a lack of funds. The previous "add-on" system, by which taxpayers paid an extra \$1 on top of their taxes if they wanted to give to the fund, resulted in low percentages of participation, dwindling to under 2 percent in the early 1990s. That figure rose to almost 10 percent with the switch to a check-off for the 1994 tax year. According to the latest figures, taxpayers checked off contributions to the SECF on 8.3 percent of returns for the 1995 tax year. (See chart.)

The SECF contained a total of about \$925,000 at the end of January 1997; if the participation rate remains approximately the same, it is projected to contain about \$1.8 million at the end of June 1998, just as the 1998 election season gets underway. That is well short of the \$11 million OCPF estimates it would take to

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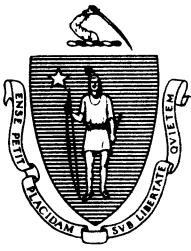
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fund a full slate of participating candidates in all six constitutional races. (Statute calls for the gubernatorial candidates to be completely funded first by the SECF, with a "spill over" of any excess funds apportioned equally to the other five races.)

OCPF especially urges taxpayers whose returns are prepared professionally to indicate to their preparers whether they wish to check-off for the SECF. Unless they ask, many paid preparers assume clients do not wish to check-off and simply check "no."

The check-off is available to those who use any three of the Department of Revenue's filing options: paper, Telefile and computer.

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**Massachusetts State Election Campaign Fund**  
Taxpayer Participation Rates

<u>Year</u>	<u>Returns</u>	<u># SECF donations</u>	<u>% donated</u>	<u>\$ collected#</u>
1993	2,920,573	42,587	1.5	\$ 56,648
1994*	2,954,414	284,630	9.6	\$ 400,407
1995	2,860,392	238,784	8.3	\$ 339,567

\* First year of \$1 taxpayer "check-off" designation that did not affect total tax or refund. In previous years "add-on" donations to SECF were in addition to tax liability.

# Amount collected exceeds number of donations due to joint returns that yielded \$2 in check-offs.

Source: Massachusetts Department of Revenue

2/12/97