

## LEGAL NOTICES AND DISCLOSURES REGARDING DUES BILLING STATEMENT

### **REALTOR® ACTION ASSESSMENT & FUND: Explanation and Legal Notice**

California Association of REALTORS® (C.A.R.) Political Action Committees: C.A.R. sponsors four Political Action Committees (PACs). CREPAC is used to support state and local candidates to further the goals of the real estate industry. CREIEC is an independent expenditure committee that independently advocates for or against candidates in accordance with the interests of the real estate industry. CREPAC/Federal supports candidates for the U.S. Senate and House of Representatives. IMPAC supports local and state ballot measures and other advocacy oriented issues that impact real property in California. IMPAC is funded by your dues dollars. C.A.R. also supports the Advocacy Local Fund (ALF), a non-PAC fund.

REALTOR® Action Assessment (RAA): This mandatory \$49 state political assessment may be satisfied in one of two ways: either (1) a voluntary contribution to CREPAC and/or CREIEC and/or other related political purposes or (2) a designation of the funds for political purposes in the C.A.R. general fund. You may include the entire amount on one check and if you do so, \$49 will go into CREPAC and/or CREIEC, or other related political purposes. If you have an assessment that is over \$98 due to your DR nonmember count, then any amount over \$98 contributed to the state PACs (i.e. CREPAC and CREIEC) will go into CREIEC. If you choose not to contribute to a PAC, you must do so in writing and the entire assessment of \$49 will be placed in the C.A.R. general fund and used for other political purposes. PAC contributions from the REALTOR® Action Assessment will be allocated among CREPAC and CREIEC and possibly IMPAC and ALF. The allocation formula is subject to change. Payment of the assessment is a requirement of maintaining membership.

REALTOR® Action Fund (RAF): REALTORS®, and REALTOR-ASSOCIATES® may also participate in RAF by including an additional voluntary contribution on the same check as your dues and assessment payment. Forty-nine dollars (\$49) is the suggested additional voluntary contribution but you may give more, or less, or nothing at all. No member will be favored or disfavored by reason of the amount of his/her contribution or his/her decision not to contribute. Contributions to the REALTOR® Action Fund will be allocated among C.A.R.'s political action committees (CREPAC, CREIEC, and CREPAC/Federal) according to a formula approved by C.A.R. depending on whether it is a personal or corporate contribution. The allocation formula is subject to change including re-designating a portion to IMPAC and ALF. Failure to contribute to RAF will not affect an individual's membership status in C.A.R.

CORPORATE CONTRIBUTIONS to C.A.R.'s PACs are permissible and may be used for contributions to state or local candidates or for independent expenditures to support or oppose federal, state, or local candidates. However, current C.A.R. practice is to deposit all corporate contributions into CREPAC, CREIEC or IMPAC. A corporate contribution includes any contribution drawn from a corporate account.

PERSONAL CONTRIBUTIONS to C.A.R.'s PACs may be used for both state and federal elections and therefore may be deposited into CREPAC/Federal in addition to all other C.A.R. political action committees. Up to \$200 of a REALTOR® Action Fund contribution will be divided between CREPAC/Federal and CREPAC in an allocation to be determined by C.A.R. Any amount above \$200, up to applicable legal limits, will be allocated to CREPAC/Federal.

If you are a California major donor and need specific information regarding your contributions, please contact the C.A.R. Controller's office at (213) 739-8252. Contributions in excess of the contribution limits will be reallocated to another PAC connected with C.A.R. Under the Federal Election Campaign Act, an individual may contribute up to \$5,000 in a calendar year to CREPAC/Federal.

Political contributions are not deductible as charitable contributions for federal and state income tax purposes.

### **NOTICE REGARDING DEDUCTIBILITY OF DUES, ASSESSMENTS AND CONTRIBUTIONS**

2019 ESTIMATED PORTION OF YOUR DUES USED FOR LOBBYING THAT ARE NON-DEDUCTIBLE:

NAR	38.00%	\$57.00
C.A.R.	42.24%	\$77.73
Total Non-Deductible (Lobbying) Dues Portion: \$134.73		

Dues payments and assessments for your local association, C.A.R. and NAR, and contributions to RAF are not tax deductible as charitable contributions or ordinary and necessary business expenses. However, the dues portion of your bill, excluding the portion of dues used for lobbying activities, may be deductible as ordinary and necessary business expenses. Contributions to RAF are generally not tax deductible. Contributions to C.A.R. Housing Affordability Fund are charitable and tax-deductible to the extent allowed under both federal and state law. Please consult your tax professional.

### **C.A.R. HOUSING AFFORDABILITY FUND**

REALTORS® and REALTOR-ASSOCIATES® may make a voluntary, tax-deductible, charitable contribution to the C.A.R. Housing Affordability Fund (HAF) on the same check as the dues payment. HAF is a charitable nonprofit organization whose purpose is to address the statewide housing crisis. It receives contributions from REALTORS® and other individuals as well as businesses and other organizations, and distributes funds through local associations of REALTORS® toward programs that increase homeownership and the supply of housing across the state.

HAF is exempt under Section 501(c)(3) of the IRS Code. Contributions to HAF from both individuals and businesses are charitable and tax-deductible to the extent allowed under both federal and state law.

Individual contributions are designated by 'Keys to California' Pins: Ambassador (\$25), Bronze (\$100), Silver (\$500) with an option to renew annually for \$250, Gold (\$1,000) with an option to renew annually for \$350, and Founder's Circle (\$1,500) with an option to renew annually for \$500. For information about HAF, including major non-cash gifts or corporate sponsorships, visit [www.carhaf.org](http://www.carhaf.org) or contact the HAF at 213-739-8200 or by mail at 525 S. Virgil Ave., Los Angeles, CA 90020.

YOUR SUBSCRIPTION TO CALIFORNIA REAL ESTATE MAGAZINE IS PAID FOR WITH YOUR DUES AT A RATE OF \$6.00 AND IS NON-DEDUCTIBLE THEREFROM.