

TRANSFERS

A transfer is an exchange of funds between two committees authorized by the same candidate. Transfer in refers to the receipt of funds by one committee and transfer out refers to the disbursement of funds by the other (known as the transferring committee).

The most common transfer is between committees supporting the same candidate in different elections, known as a **type 2b** transfer.

There is no limit to the amount that you can transfer; however, transferred contributions cannot be matched with public funds.

For all transfers, you must transfer the funds by check, wire, or ACH. Be sure to maintain all documentation associated with the transfer, such as the canceled check, record of the online transaction (i.e., wire or ACH), deposit slip, and bank statements of both committees.

For transfers between two CFB-registered committees, you must disclose each transfer and submit all required documentation with the next disclosure statement due after the transfer takes place.

You are not required to perform steps 1-4 below.

If the transferring committee is a non-CFB committee, you must:

1. PERFORM AN ATTRIBUTION OF THE UNDERLYING CONTRIBUTIONS.

- Create a list of all monetary contributions previously received by the transferor committee.**

If the transferring committee submitted disclosure statements to the [New York State Board of Elections](#) or the [Federal Election Commission](#), you can obtain the disclosure reports from their websites.

- Identify in reverse chronological date order (“last in–first out”) which contributions were received by the transferring committee totaling the amount of the transfer.**

Aggregate contributions exceeding the contribution and doing business contribution limits in effect for the recipient committee or received from prohibited sources cannot be transferred. A transferred contribution is subject to the doing business limit if the contributor was listed in the Doing Business Database at the time the contribution was made. Contact your Candidate Services liaison to confirm whether or not a contributor was listed in the Doing Business Database at the time of the contribution. For more information on prohibited sources, see Chapter 2 of the Handbook. The total amount of these contributions must remain in the transferring committee’s bank account and are not transferable.

If you are or intend to be a Program participant, the total amount of public funds payable to your campaign will be reduced by the total dollar amount of the transfer, pursuant to Rule 7-07(a).

2. OBTAIN A TRANSFER AUTHORIZATION CARD FROM EACH INDIVIDUAL WHOSE CONTRIBUTION IS BEING TRANSFERRED.

Required only if the transferor committee was not a CFB committee and you anticipate joining or have already certified into the Campaign Finance Program.

Transfer authorization cards must be obtained from all contributors before the actual transfer of funds is made. On the transfer authorization card, the following affirmation statement must appear directly above the signature line and date:

I understand that this contribution will be used by the candidate for an election other than that for which the contribution was originally made. I further understand that State law requires that a contribution be in my name and be from my own funds. I hereby affirm that I was not, nor, to my knowledge, was anyone else, reimbursed in any manner for this contribution; that this contribution is not being made as a loan; and that this contribution is being made from my personal funds or my personal account, which has no corporate or business affiliation.

3. REMEMBER TO TRANSFER THE FUNDS BY CHECK, WIRE TRANSFER, OR ACH AND MAINTAIN ALL DOCUMENTATION.

The required documentation the campaign must maintain includes:

- the canceled check;
- the record of the online transaction (i.e., wire or ACH);
- the deposit slip;
- and the bank statements of both committees.

4. REPORT ASSOCIATED EXPENDITURES.

The recipient committee must report all costs incurred by the transferring committee during the current election cycle and all fundraising costs, regardless of when they were incurred. Such costs incurred during the current election cycle and fundraising costs associated with raising the transferred contributions will count against the expenditure limit in effect at the time the transfer occurs (i.e., out-year, primary, or general election limit).

Calculate administration and fundraising costs by using one of the two methods outlined below:

Option 1: Report an **estimated cost** of administering and raising the transferred contributions by applying a 15% “flat tax” to the total amount transferred.

$$\text{Amount Transferred} \times 0.15 = \text{Estimated Cost}$$

Reporting the estimated cost by applying a 15% flat rate to the total amount transferred is the simplest method. It is a good option for campaigns that: (1) are transferring funds raised a long time ago or over a long period of time, (2) were engaged in multiple and complicated forms of fundraising, or (3) cannot provide documentation to substantiate their administering or fundraising costs.

Option 2: Report the **actual cost** of administering and raising the transferred contributions during the current election cycle and raising the transferred contributions.

Itemize the total cost of all expenditures associated with the transferred contributions and submit documentation to substantiate the expenditures made. Reporting the actual cost is appropriate when the transferring committee knows exactly how much it spent to administer and raise the transferred contributions, such as when all transferred contributions were raised through a single fundraising event or solicitation, and can provide documentation (e.g., invoices and receipts).

When you report the transferring committee's costs, you must also submit:

- Copies of the transferring committee's previously filed disclosure statements with the New York State or City Boards of Elections or Federal Election Commission.
- All bank statements that cover costs incurred in the current election cycle.

All disclosure and documentation must be done by the committee receiving the transferred contributions

OTHER TYPES OF TRANSFERS

Transfers of funds between your campaign and a constituted party committee, such as a local or national political party, are known as **type 1** transfers. Transfers in made to your campaign from constituted party committees are subject to the contribution limit. If you are a Program participant, transfers out made by your campaign will count against the expenditure limit in effect at the time of the transfer (i.e., out-year, primary, or general election expenditure limit) and may result in a reduction in the amount of public funds you are eligible to receive. For more information on public funds deductions, please refer to Chapter 6 of the [Handbook](#).

Transfers of funds occurring between two committees supporting a candidate in the same election are known as **type 2a** transfers. Program participants may only have one active committee for the current election cycle and therefore cannot make this type of transfer.

C-SMART REPORTING

You must disclose each transfer and submit all required documentation with the next [disclosure statement](#) due after the transfer takes place. For further assistance with entering transfers in C-SMART, please refer to [Committee Transfers In](#) and [Committee Transfers Out](#) in [C-SMART Help](#).

IN THE LAW AND RULES

Transfers: [NYS Election Law](#) §14-100(10), §14-102; [Campaign Finance Act](#) §3-702(9), §3-703(14); & [CFB Rules](#) 1-02, 1-07, 1-08(o), 3-03(c)(2), 4-01(b)(8).

Public Funds Reductions: [Campaign Finance Act](#) §3-705(8) & [CFB Rule](#) 5-01(n).

11/22/2022