

NTMA CFASE PAC FAQs

What is a Political Action Committee?

A corporation, labor union, or business trade association may establish a Political Action Committee (PAC) to collect funds from its members or eligible employees to distribute to candidates for office. Many organizations, including the NTMA, use a PAC to strengthen the voice of the industry and send a unified message to politicians.

Why is a PAC Important?

Candidates and outside groups spent more than \$4 billion in the 2014 midterm congressional elections and every dollar counts. The NTMA PAC provides manufacturers with a way to participate and have a greater role in the electoral process. Virtually every major trade association, corporation, and labor group has a PAC they use to support their members.

What Does a PAC Do?

The purpose of the PAC is to support candidates for elective office who support manufacturing in America, regardless of their political party. Candidates for the U.S. Senate and House of Representatives in turn use donations from supporters to help their campaign operations. All of the funds raised by contributions to the NTMA PAC go directly to supporting candidates, not towards administrative or overhead costs.

How much can be contributed?

An individual may contribute up to \$5,000 per year in personal funds to the PAC.

How much can the NTMA PAC contribute to a candidate for federal office?

A PAC may contribute up to \$5,000 per election to a federal candidate. The primary counts as one election and the general election as another, bringing the total to \$10,000 per two-year campaign cycle.

Who May NTMA PAC Ask for Donations?

Due to a law put in place at the behest of unions in the 1970's, the NTMA may only solicit funds from its members who have signed an [authorization form](#), granting the PAC permission to discuss fundraising. Only trade associations must go through this extra step of securing an authorization before they may solicit. It is a significant obstacle intended to muzzle the voice of business groups and manufacturers.

Who May Contribute to the PAC?

Executives of NTMA members may make individual donations to the PAC. However, company donations are prohibited by federal law.

Why can't I use a company check, credit card to contribute to the PAC or political candidates?

Federal law prohibits a company from using their general treasury funds to make contributions directly to a PAC or a federal candidate. This is why business owners and executives of companies who belong to a trade association donate to that PAC, to have a voice in the political process. The NTMA PAC may only accept donations from individuals and may only solicit its members who are authorized.

Does a contribution to a PAC provide any tax benefits?

PAC contributions are not tax deductible for federal income tax purposes.