

## How to forgive liabilities on the local level

Local filers, such as town candidates, and city candidates who file with their local election officials, may loan personal funds to their campaigns.

At some point in the future, a candidate can decide to forgive those loans (liabilities).

This guide illustrates how to forgive a candidate loan.



**A loan from a candidate to his or her campaign is listed on the M102 campaign finance form (Schedule D / Liabilities)**

**SCHEDULE D: LIABILITIES**

*M.G.L. c. 55 requires committees to report ALL liabilities which have been reported previously and are still outstanding, as well as those liabilities incurred during this reporting period.*

<b>Date Incurred</b>	<b>To Whom Due</b>	<b>Address</b>	<b>Purpose</b>	<b>Amount</b>
4/4/2023	Candidate	1234 Main Street Anytown, MA	Candidate loan (personal funds)	\$2,000

The liability will be disclosed on all future campaign finance reports, until is it paid, or forgiven by the candidate.

## To forgive a candidate loan, disclose an in-kind contribution on the M102 campaign finance form (Schedule C / In-kind)

### SCHEDULE C: "IN-KIND" CONTRIBUTIONS

Please itemize contributors who have made in-kind contributions of more than \$50. In-kind contributions \$50 and under may be added together from the committee's records and included in line 16 on page 1.

<b>Date Received</b>	<b>From Whom Received*</b>	<b>Residential Address</b>	<b>Description of Contribution</b>	<b>Value</b>
12/15/2025	Candidate	1234 Main Street Anytown, MA	Forgiveness of candidate loan made in 2023	\$2,000

In this example, the full loan was forgiven. The loan would be removed from the liabilities schedule. This is usually done when a candidate is dissolving his or her committee.

# If a portion of a loan is paid back, and a portion is forgiven, it would reported like this on the M102 campaign finance form:

## SCHEDULE B: EXPENDITURES

*M.G.L. c. 55 requires committees to list, in alphabetical order, all expenditures over \$50 in a reporting period. Committees must keep detailed accounts and records of all expenditures, but need only itemize those over \$50. Expenditures \$50 and under may be added together, from committee records, and reported on line 13.*

**(A "Schedule B: Expenditures" attachment is available to complete, print and attach to this report, if additional pages are required to report all expenditures. Please include your committee name and a page number on each page.)**

Date Paid	To Whom Paid (alphabetical listing)	Address	Purpose of Expenditure	Amount
12/15/2025	Candidate	1234 Main Street Anytown, MA	Partial loan repayment for 2023 candidate loan.	\$1,000

## SCHEDULE C: "IN-KIND" CONTRIBUTIONS

Please itemize contributors who have made in-kind contributions of more than \$50. In-kind contributions \$50 and under may be added together from the committee's records and included in line 16 on page 1.

Date Received	From Whom Received*	Residential Address	Description of Contribution	Value
12/15/2025	Candidate	1234 Main Street Anytown, MA	Partial loan forgiveness of candidate loan made in 2023	\$1,000