



This document is Elections Canada's guideline OGI 2020-02.

Political Financing Handbook

for Electoral District Associations and Financial Agents

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EC 20089



Table of Contents

About This Document	7
Introduction to the handbook.....	7
What's new in recent releases?	7
Contact information	9
1. Reference Tables and Timelines.....	11
Becoming a registered electoral district association	12
Voluntary and involuntary deregistration of a registered association.....	13
Reporting deadlines for the registered association across its life cycle.....	15
Role and appointment process—chief executive officer	16
Role and appointment process—financial agent.....	17
Role and appointment process—electoral district agents	18
Role and appointment process—auditor	19
Limits on contributions, loans and loan guarantees	20
Transfers—types and rules	21
Important reminders for registered associations, financial agents and electoral district agents	22
2. Contributions	25
What is a contribution?	25
What is commercial value?	25
Who can contribute?	26
Limits on contributions, loans and loan guarantees to a registered association.....	26
Volunteer labour is not a contribution.....	27
Sponsorship or advertising at a political event is a contribution	28
Accepting and recording contributions	29
Use of the registered association's online contribution system	30
Accepting contributions of cryptocurrency	30
Issuing contribution receipts.....	31
Determining the date a contribution is made.....	32
Recording anonymous contributions	33
Remitting anonymous contributions that cannot be accepted	33
Ineligible contributions	33
Returning ineligible or non-compliant contributions	34
3. Loans	37
Getting a loan	37
Types of loans	38
Loan interest	39
Repaying and reporting unpaid loans	40

4. Transfers	41
What is a transfer?	41
Transfers sent to the registered association	41
Transfers sent by the registered association	42
5. Fundraising	43
Determining the contribution amount when contributors receive a benefit	43
Regulated fundraising events	45
Typical fundraising activities	50
Sale of branded goods	50
Auctions	50
Ticketed fundraising events	51
Other ticketed events	54
Non-ticketed events	54
Draws	54
6. Registered Association’s Expenses	55
Who can incur expenses?	55
Who can pay expenses?	55
Non-monetary contributions and transfers are also expenses or assets	56
Property or services provided to another political entity	56
Invoices	57
Repaying and reporting unpaid claims	57
Auditor’s fee	57
7. Partisan Advertising During the Pre-election Period	59
What is partisan advertising?	60
What qualifies as partisan advertising on the Internet?	61
Partisan advertising expenses	61
Partisan advertising in various situations	62
Partisan advertising to promote or oppose a potential candidate or contestant	62
Partisan advertising to promote or oppose a party within the electoral district	63
Partisan advertising on behalf of the party outside the electoral district	63
Summary of rules on partisan advertising expenses	64
8. Working with Other Entities During the Election Period	65
Incurring election expenses on behalf of the candidate or the party	65
Typical election expenses incurred on behalf of the candidate or the party	65
Election advertising on behalf of the candidate or the party	65
Pamphlets and flyers	66
Used signs	66
Billboards	67
Registered association’s office and assets	67
Registered association’s existing website or web content	68
Fundraising for a candidate during an election period	68
Voter contact calling services	69

9. Reporting	71
Reporting obligations after registration and during the fiscal year	71
Additional reporting if corrections or revisions are required	73
Submitting reports to Elections Canada	74
Requesting a filing deadline extension.....	75
10. Financial Statements in Part 4 of the Registered Association Financial Transactions Return	77
Statement of revenues and expenses.....	78
Statement of assets and liabilities	79

About This Document

Introduction to the handbook

This handbook is designed to help electoral district associations and their financial agents in the financial administration of the association.

This document is a general guideline issued pursuant to section 16.1 of the *Canada Elections Act*. It is provided for information and is not intended to replace the Act.

Elections Canada will review the contents of this handbook on a regular basis and make updates as required.

Note: The term “individual” used in this handbook refers to a Canadian citizen or permanent resident.

What’s new in recent releases?

Release	Where	Title	Summary
April 2020	All	n/a	New contribution limits for 2020 updated in tables and examples.
	Chapter 5	Regulated fundraising events	Clarified when a leadership contestant ceases to be a prominent attendee.
	Chapter 6	Repaying and reporting unpaid claims	Clarified which claims need to be reported at year-end, as per OGI 2018-09, <i>Unpaid Claims and Reporting Requirements</i> .
	Chapter 9	Submitting reports to Elections Canada	New process added for submitting reports online.
June 2019	All	n/a	New contribution limits for 2019 updated in tables and examples. New threshold for auditor report, as per Bill C-76. Deadline to confirm or change registry information is May 31, even if an election is underway.
	Chapter 2	Volunteer labour is not a contribution	New content and examples added, as per OGI 2019-01, <i>Volunteer Labour</i> .
		Accepting contributions of cryptocurrency	New content added, as per OGI 2018-10, <i>Cryptocurrencies</i> .

Release	Where	Title	Summary
	Chapter 5	Regulated fundraising events	Concept of regulated events (definition, requirements and examples) introduced, as per Bill C-50.
		Other ticketed events	New section on calculating the benefit when a ticketed event is held for promotional purposes rather than to raise funds.
	Chapter 7	Partisan Advertising During the Pre-election Period	New content and examples added, as per Bill C-76.

Contact information

Internet	elections.ca
Telephone	Political Entities Support Network 1-800-486-6563 Regular Hours Monday to Friday, 9:00 a.m. to 5:00 p.m. (Eastern time) Elections Canada General Enquiries 1-800-463-6868
Fax	Political Financing 1-888-523-9333 (toll-free) 1-819-939-1803
Mail	Elections Canada 30 Victoria Street Gatineau, Quebec K1A 0M6
Email	General Enquiries info@elections.ca Political Financing Enquiries political.financing@elections.ca Electronic Financial Return (EFR)—Enquiries and Submissions efr-rfe@elections.ca

1. Reference Tables and Timelines

This chapter presents quick reference tools for electoral district associations and financial agents. It covers the following topics:

- *Becoming a registered electoral district association*
- *Voluntary and involuntary deregistration of a registered association*
- *Reporting deadlines for the registered association across its life cycle*
- *Role and appointment process—chief executive officer, financial agent, electoral district agents and auditor*
- *Limits on contributions, loans and loan guarantees*
- *Transfers—types and rules*
- *Important reminders for registered associations, financial agents and electoral district agents*

Becoming a registered electoral district association

Why become a registered association?

An electoral district association is defined as an association of members of a political party in an electoral district. An association has to register with Elections Canada if it wants to perform financial tasks such as:

- accepting contributions
- issuing tax receipts, once it has written authorization from the party leader
- transferring funds, property or services to other political entities (see the transfer restrictions later in this chapter)
- accepting surplus funds from a nomination contestant (if the association held the contest), from a candidate in the same electoral district or from a leadership contestant

A registered party can have at most one registered association in an electoral district.

Applying for registration

To apply, the chief executive officer has to fill out the *General Form—Electoral District Association* and send it to Elections Canada.

The form explains what information and signatures to include, notably:

- the financial agent's contact information and signed consent to act in that role
- the auditor's contact information and signed consent to act in that role
- a signed declaration from the registered party leader, certifying that the association is an electoral district association of the party

After reviewing the application, Elections Canada will inform the party and the association that:

- the association is registered in the Registry of Electoral District Associations, or
- the association did not meet all the requirements but may try to make the necessary modifications to qualify

An association becomes registered on the date it is entered in the registry. It remains registered as long as it continues to meet the requirements for staying registered, including mandatory reporting.

Establishing the first fiscal period after registration

A registered association's fiscal year must be a calendar year (January 1 to December 31).

Depending on the date of registration, the length of a registered association's first fiscal period must be modified to end on December 31. The first fiscal period may not be less than 6 months or more than 18 months.



Examples

1. If an association is registered on October 1, the association's first fiscal period will end on December 31 in the following year, 15 months after registration.
2. If an association is registered on March 1, the association's first fiscal period will end on December 31 in the same year, 10 months after registration.

Voluntary and involuntary deregistration of a registered association

Reasons for the deregistration of a registered association

VOLUNTARY

- 1 Registered association asks to be deregistered  Request must be made in writing, signed by the chief executive officer and financial agent
- 2 Registered party asks to have an association deregistered  Request must be made in writing, signed by the party leader and two party officers

Note: Elections Canada cannot process a request for voluntary deregistration during an election period.

INVOLUNTARY

- 3 Registered party is deregistered, which means its registered associations are too
- 4 Electoral district boundaries are redrawn and the association does not file a notice to continue under the new boundaries
- 5 Registered association fails to meet its reporting obligations (see details below)

Failure to meet reporting obligations: risk of deregistration

Elections Canada may deregister a registered association if it fails to provide:

- an annual statement confirming the validity of its registry information by the deadline
- any document required to inform Elections Canada about a change in its registry information or any new appointment within 30 days of the event
- the *Statement of Registered Association's Assets and Liabilities* within six months after the effective date of registration
- a nomination contest report within 30 days after the contest selection date
- the *Registered Association Financial Transactions Return* and, if required, the auditor's report by May 31 each year

Elections Canada will first notify the association's chief executive officer and financial agent of the failure to meet the obligation. It will ask the association to:

- correct the omission within 30 days of receiving the notice, or
- satisfy Elections Canada that the omission was not the result of negligence or a lack of good faith

Note: Elections Canada also sends a copy of this notice to the leader and the chief agent of the association's registered party.

If the association does not correct the omission but instead satisfies Elections Canada that the omission was not the result of negligence or a lack of good faith, Elections Canada may:

- exempt the association in whole or in part from complying with the obligation, or
- specify a new deadline to comply with the obligation

Deregistration process

If a registered association is deregistered:

- Elections Canada sends a notice to the association with the effective date of deregistration. This date will be at least 15 days after the notice date.
- A copy of the notice is sent to the registered party of the association.
- The notice is published on Elections Canada's website and in the *Canada Gazette*.

Restrictions and obligations after deregistration

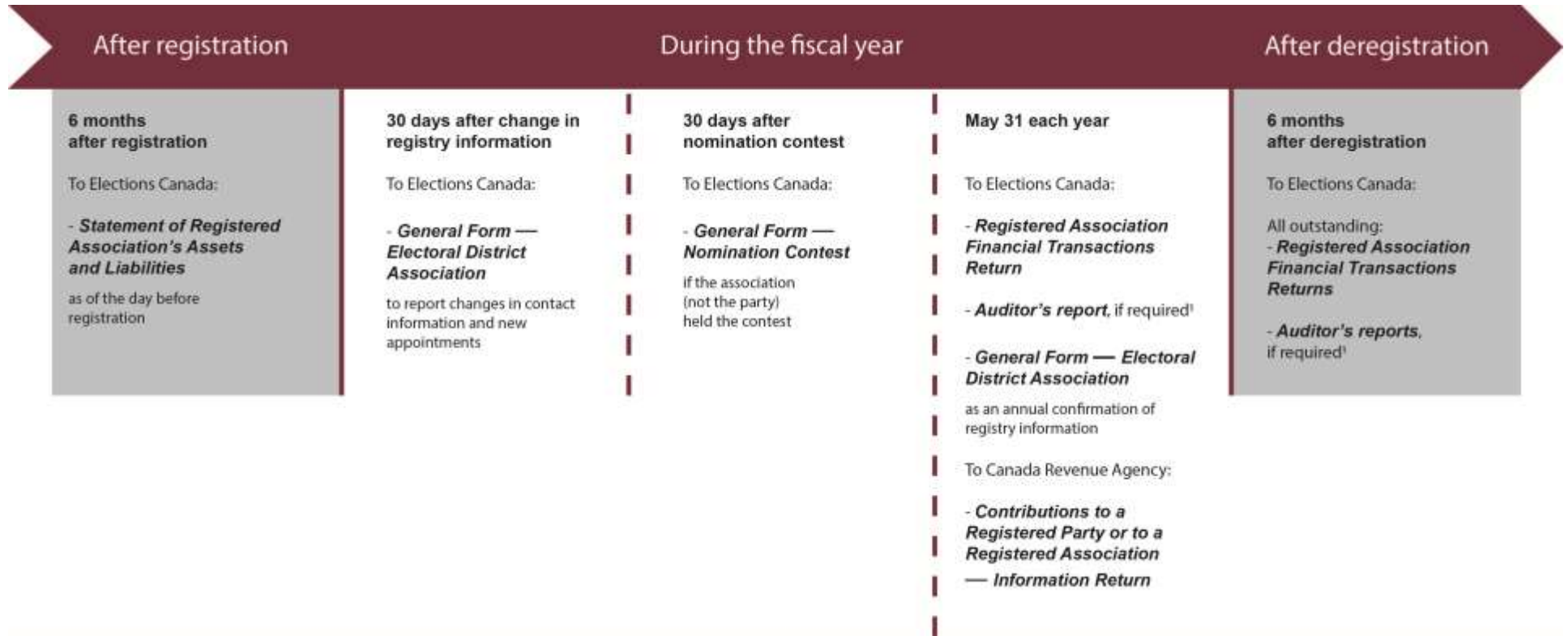
After the effective date of deregistration, the association is no longer allowed to:

- accept contributions
- issue tax receipts
- accept surplus funds from other political entities
- transfer funds, property or services to other political entities (unless it was deregistered because the electoral district boundaries were redrawn, in which case it can transfer property or funds to the registered party or another registered association of the party within six months after the new boundaries take effect)

The financial agent remains responsible for filing the *Registered Association Financial Transactions Return* and, if required, the auditor's report within six months after deregistration. Financial returns must be filed for:

- the fiscal period in which the association became deregistered
- any other fiscal period for which the association has not filed a return

Reporting deadlines for the registered association across its life cycle



¹ An auditor's report is required if the registered association accepted contributions totalling \$10,000 or more, or incurred expenses totalling \$10,000 or more, in a fiscal period. This is in effect for the 2019 fiscal period and later. Note that audit fees and transfers to or from affiliated political entities do not count toward the \$10,000 threshold.

Role and appointment process—chief executive officer

Association's chief executive officer		
Role summary		
<ul style="list-style-type: none"> The chief executive officer is responsible for certifying the <i>General Form—Electoral District Association</i>, including when there is a change in the association's registry information. The chief executive officer co-signs the registered association's application for deregistration. 		
Who is eligible?	Yes	No
Anyone	✔	
Appointment process		
<ul style="list-style-type: none"> The association has to appoint a chief executive officer before applying for registration. The association may have only one chief executive officer at a time. 		

Role and appointment process—financial agent

Association's financial agent		
Role summary		
<ul style="list-style-type: none"> The financial agent is responsible for administering the association's financial transactions and reporting those transactions to Elections Canada as required by the <i>Canada Elections Act</i>. The financial agent is responsible for accepting and sending transfers on behalf of the association. This responsibility cannot be delegated to an electoral district agent. The financial agent should open a bank account to be used exclusively for the registered association's finances. The financial agent co-signs the registered association's application for deregistration. After deregistration, the financial agent's role continues until the association fulfills all financial reporting requirements. 		
Who is eligible?	Yes	No
Canadian citizen who is at least 18 years old	✓	
Corporation incorporated under the laws of Canada or a province	✓	
Person who is a member of a partnership that has been appointed as an auditor for a registered party	✓	
Person who is a member of a partnership that has been appointed as an auditor for a political entity other than a registered party		✗
Candidate		✗
Election officer or member of the staff of a returning officer		✗
Undischarged bankrupt		✗
Auditor appointed as required by the <i>Canada Elections Act</i>		✗
Person who does not have the full capacity to enter into contracts in the province or territory in which the person ordinarily resides (e.g. a dissolved corporation or a person with a diminished mental capacity)		✗
Any other person or group not mentioned above		✗
Appointment process		
<ul style="list-style-type: none"> The association has to appoint a financial agent before applying for registration. The financial agent has to sign a statement consenting to act in that capacity. If for any reason the financial agent is no longer able to continue in that role, the association must appoint a new financial agent without delay and notify Elections Canada within 30 days. The notice has to include a signed consent from the new financial agent. The association may have only one financial agent at a time. Although it is not a legal requirement, a financial agent should be experienced in managing finances. The role requires a strong ability to control, record and administer financial transactions as well as to create financial reports. 		

Role and appointment process—electoral district agents

Association's electoral district agents		
Role summary		
<ul style="list-style-type: none"> Electoral district agents may be authorized by the registered association to do one or more of the following: <ul style="list-style-type: none"> accept contributions or loans on the association's behalf issue contribution receipts, including tax receipts (if the party leader has authorized the association to issue tax receipts) incur or pay the association's expenses Electoral district agents cannot be authorized to accept or send transfers on behalf of the association. That is the financial agent's responsibility. Authorized electoral district agents may share signing authority with the financial agent over the registered association's bank account. 		
Who is eligible?	Yes	No
Canadian citizen who is at least 18 years old	✔	
Corporation incorporated under the laws of Canada or a province	✔	
Person who is a member of a partnership that has been appointed as an auditor for a registered party	✔	
Person who is a member of a partnership that has been appointed as an auditor for a political entity other than a registered party		✘
Candidate		✘
Election officer or member of the staff of a returning officer		✘
Undischarged bankrupt		✘
Auditor appointed as required by the <i>Canada Elections Act</i>		✘
Person who does not have the full capacity to enter into contracts in the province or territory in which the person ordinarily resides (e.g. a dissolved corporation or a person with a diminished mental capacity)		✘
Any other person or group not mentioned above		✘
Appointment process		
<ul style="list-style-type: none"> The appointment of electoral district agents is optional. The registered association may appoint any number of electoral district agents at any time. Within 30 days of appointing one or more agents, the registered association has to send Elections Canada a written report that: <ul style="list-style-type: none"> lists the names and addresses of the new electoral district agents specifies the terms and conditions of the appointments includes the financial agent's signed declaration 		

Role and appointment process—auditor

Association's auditor		
Role summary		
<ul style="list-style-type: none"> If in a fiscal period the registered association receives contributions totalling \$10,000 or more, or incurs expenses totalling \$10,000 or more, the auditor has to examine the association's financial records and give an opinion in a report as to whether the annual return presents fairly the information contained in the financial records on which it is based. The auditor has a right to access all documents of the association, and may require the financial agent to provide any information or explanation that is necessary to enable the auditor to prepare the report. 		
Who is eligible?	Yes	No
Person who is a member in good standing of a corporation, an association or an institute of provincially incorporated professional accountants (CPA designation)*	✓	
Partnership of which every partner is a member in good standing of a corporation, an association or an institute of provincially incorporated professional accountants (CPA designation)*	✓	
Any candidate or official agent		✗
Election officer or member of the staff of a returning officer		✗
Chief agent of a registered party or an eligible party		✗
Registered agent of a registered party		✗
Electoral district agent of a registered association		✗
Leadership contestant, their financial agent or a leadership campaign agent		✗
Nomination contestant or their financial agent		✗
Financial agent of a registered third party		✗
Any other person or group not mentioned above		✗
Appointment process		
<ul style="list-style-type: none"> The association has to appoint an auditor before applying for registration. The auditor has to sign a statement consenting to act in that capacity. If for any reason the auditor is no longer able to continue in that role, the association must appoint a new auditor without delay and notify Elections Canada within 30 days. The notice has to include a signed consent from the new auditor. A registered association may have only one auditor at a time, but the same person can be the auditor for more than one registered association. 		

*Provincial and territorial auditing bodies may require auditors to meet other professional criteria in order to perform this role.

Limits on contributions, loans and loan guarantees

Limits on contributions, loans and loan guarantees		
Political entity	2020 annual limit	Limit per election called between Jan. 1 and Dec. 31, 2020
To each registered party	\$1,625*	n/a
In total to all the registered associations, nomination contestants and candidates of each registered party	\$1,625*	n/a
In total to all leadership contestants in a particular contest	\$1,625*	n/a
To each independent candidate	n/a	\$1,625*

Notes

- The contribution limits apply to total contributions, the unpaid balance of loans made during the contribution period, and the amount of any loan guarantees made during the contribution period that an individual is still liable for. The sum of these three amounts cannot at any time exceed the contribution limit.
- A nomination contestant is permitted to give an additional \$1,000 in total per contest in contributions, loans and loan guarantees to their own campaign.
- A candidate is permitted to give a total of \$5,000 in contributions, loans and loan guarantees to their campaign. A candidate is also permitted to give an additional \$1,625* in total per year in contributions, loans and loan guarantees to other candidates, registered associations and nomination contestants of each party. (This includes contributions to the registered association in the candidate's electoral district and contributions to the candidate's own nomination campaign.)
- A leadership contestant is permitted to give a total of \$25,000 in contributions, loans and loan guarantees to their campaign. A leadership contestant is also permitted to give an additional \$1,625* in total per year in contributions, loans and loan guarantees to other leadership contestants.

*The limits increase by \$25 on January 1 in each subsequent year.

Transfers—types and rules

This table shows the allowable monetary and non-monetary transfers between related registered political entities.

		TO									
		Nomination Contestant		Leadership Contestant		Candidate		Registered Electoral District Association		Registered Party	
		Monetary	Non-monetary	Monetary	Non-monetary	Monetary	Non-monetary	Monetary	Non-monetary	Monetary	Non-monetary
FROM	Nomination Contestant	No	No	No	No	Yes ¹	No	Yes ²	No	Yes	No
	Leadership Contestant	No	No	No	No	No	No	Yes	No	Yes	No
	Candidate	Yes ³	Yes ³	No	No	No ⁴	No ⁴	Yes	Yes	Yes	Yes
	Registered Electoral District Association	No	Yes ⁵	No	Yes ⁵	Yes ⁶	Yes	Yes	Yes	Yes	Yes
	Registered Party	No	Yes ⁵	No ⁷	Yes ⁵	Yes ⁶	Yes	Yes ⁸	Yes ⁸	n/a	n/a

- ¹ A nomination contestant may transfer funds (but not property or services) to a candidate of the same party in the electoral district in which the nomination contest was held. After election day, monetary transfers are allowed only to pay claims and loans related to the candidate's campaign.
- ² A nomination contestant can only transfer funds to the registered electoral district association that held the nomination contest.
- ³ Candidates may transfer property, services and funds to their own nomination contestant campaign for the same election.
- ⁴ Candidates in a superseded by-election may transfer property, services and funds to their campaign for the general election.
- ⁵ Non-monetary transfers must be offered equally to all contestants.
- ⁶ Monetary transfers other than trust funds are allowed. After election day, monetary transfers are allowed only to pay claims and loans related to the candidate's campaign.
- ⁷ Directed contributions are the only exception: they may be transferred to the leadership contestant.
- ⁸ Registered parties may transfer property, services and funds to electoral district associations, whether registered or not.

Note: Independent candidates may not send or accept transfers of funds, property or services to or from other political entities.

Important reminders for registered associations, financial agents and electoral district agents

DO	DON'T
<ul style="list-style-type: none"> • Appoint a financial agent, who is involved in all budgeting and financial decisions of the registered association. • Appoint an auditor who is accredited under provincial law to perform accounting services (CPA designation). • Ensure that only the financial agent or authorized electoral district agents accept contributions. • Ensure that only the financial agent or authorized electoral district agents incur or pay expenses. • Ensure that only the financial agent accepts or makes transfers on behalf of the association. • Issue receipts for each contribution over \$20. • Incur expenses for partisan advertising if the advertising message is transmitted only or mostly in the electoral district during the pre-election period. • For any expense of \$50 and over, keep a copy of the invoice and proof of payment. For any expense of less than \$50, keep proof of payment plus a record of the nature of the expense. • Report net contributions received from ticketed fundraising events (ticket price less the fair market value of the benefit received by each attendee). • Report monetary and non-monetary transfers received or sent to other political entities. • In the <i>Statement of Registered Association's Assets and Liabilities</i>, ensure that the "Opening balance" under the "Net assets" is equal to the "Ending balance" from the previous fiscal period. • Report all changes in registry information within 30 days of the change. • Submit the <i>General Form—Electoral District Association</i> to confirm or change registry information by May 31 each year. • Submit the <i>Registered Association Financial Transactions Return</i> by May 31 each year. 	<ul style="list-style-type: none"> • Do not incur partisan advertising expenses or election expenses on behalf of the party without prior written authorization from a registered agent of the party. • Do not incur electoral campaign expenses on behalf of a candidate without prior written authorization from the candidate's official agent. • Do not accept contributions: <ul style="list-style-type: none"> – from any source other than an individual who is a Canadian citizen or a permanent resident of Canada – that exceed an individual's contribution limit – in cash that exceed \$20 • Do not accept loans from any source other than a financial institution, the registered party, a registered association of the registered party, or an individual who is a Canadian citizen or a permanent resident of Canada. • Do not accept loan guarantees from any source other than the registered party, a registered association of the registered party, or an individual who is a Canadian citizen or a permanent resident of Canada. • Do not accept a loan or loan guarantee from an individual if it exceeds the individual's contribution limit. • Do not issue tax receipts unless the financial agent has been authorized to do so in writing by the leader of the registered party. • Do not issue tax receipts for non-monetary contributions. • Do not transfer funds to candidates after election day except to pay a claim related to the candidate's campaign. • Do not transfer funds to leadership or nomination contestants. • Do not provide property or services to leadership or nomination contestants unless they are offered equally to all contestants in a particular contest.

DO	DON'T
<ul style="list-style-type: none"> • Allow the auditor sufficient time before the submission deadline to review the financial documents and prepare the audit report (auditor's report is required if contributions or expenses, not including transfers to affiliated political entities, total \$10,000 or more). • Ensure that the current financial agent signs the declaration on the financial return and that the agent has been listed as the financial agent on record with Elections Canada. • Submit the <i>Contributions to a Registered Party or to a Registered Association—Information Return</i> to the Canada Revenue Agency by May 31 each year. • Submit the <i>General Form—Nomination Contest</i> within 30 days of the contest selection date for any contest held by the registered association. 	

2. Contributions

This chapter defines what is and is not a contribution, explains the rules for administering contributions and provides practical examples. It covers the following topics:

- What is a contribution?
- What is commercial value?
- Who can contribute to whom and how much?
- Are volunteer labour, sponsorship or advertising contributions?
- What are the rules for contribution receipts, anonymous contributions and ineligible contributions?

What is a contribution?

A contribution is donated money (monetary contribution) or donated property or services (non-monetary contribution).

Monetary contribution	Non-monetary contribution
A monetary contribution is an amount of money provided that is not repayable. Monetary contributions include cash, cheques or money orders, credit card or debit card payments, and online payments (other than contributions of cryptocurrency).	The amount of a non-monetary contribution is the commercial value of a service (other than volunteer labour) or of property, or the use of property or money, to the extent that it is provided without charge or at less than commercial value. This includes contributions of cryptocurrency and forgone interest on loans.

What is commercial value?

Non-monetary contributions are recorded at commercial value. Commercial value, in relation to property or a service, is the lowest amount charged at the time that it was provided for the same kind and quantity of property or service, or for the same use of property or money, by:

- the person who provided the property or service (if the person who provided it is in that business), or
- another person who provides that property or service on a commercial basis in the area (if the person who provided the property or service is not in that business)

Note: If the commercial value of a non-monetary contribution is \$200 or less, and it is from an individual not in that business, the contribution amount is deemed to be nil.

Examples

1. David, who is not in the business of renting office supplies, lends the association a projector and screen for a week. The financial agent has to determine the commercial value of this non-monetary contribution by checking with local suppliers to see how much they would charge for renting similar equipment for the same period. If that amount is greater than \$200, a non-monetary contribution must be reported. If it is \$200 or less, the contribution is deemed nil and does not have to be reported.
2. Paula, a self-employed web designer, offers to design the registered association's website and does not charge for the service. This is a non-monetary contribution from Paula. The commercial value is equal to the lowest amount she normally charges for the same kind of service of similar scope.

Who can contribute?

Only individuals who are Canadian citizens or permanent residents of Canada can make a contribution to a registered party, a registered association, a candidate, a leadership contestant or a nomination contestant.

Contributions can be accepted from minors, but political entities should consider whether the person is contributing willingly and using their own property or money.

Note: Corporations, trade unions, associations and groups cannot make contributions.

Limits on contributions, loans and loan guarantees to a registered association

This table displays the limits for registered associations. The limits for all entities are available in Chapter 1, **Reference Tables and Timelines**.

Limits on contributions, loans and loan guarantees to a registered association	
Political entity	2020 annual limit
In total to all the registered associations, nomination contestants and candidates of each registered party	\$1,625*
Notes	
<ul style="list-style-type: none">• The contribution limits apply to total contributions, the unpaid balance of loans made during the contribution period, and the amount of any loan guarantees made during the contribution period that an individual is still liable for.• The sum of these three amounts cannot at any time exceed the contribution limit.	
There are some exceptions to the limits on contributions:	
<ul style="list-style-type: none">• A nomination contestant is permitted to give an additional \$1,000 in total per contest in contributions, loans and loan guarantees to their own campaign.• A candidate is permitted to give a total of \$5,000 in contributions, loans and loan guarantees to their campaign. A candidate is also permitted to give an additional \$1,625* in total per year in contributions, loans and loan guarantees to other candidates, registered associations and nomination contestants of each party. (This includes contributions to the registered association in the candidate's electoral district and contributions to the candidate's own nomination campaign.)	
*The limits increase by \$25 on January 1 in each subsequent year.	

Examples

1. Max decides to contribute \$1,625 to the registered party he supports. In addition, he makes a \$625 contribution to the party's registered association in his riding. When a federal election is called in the same year, he makes a \$1,000 contribution to the candidate representing the party in his riding. With that, Max reaches the annual limit for contributions to the registered party as well as the annual limit for contributions to any combination of candidates, registered associations and nomination contestants of the registered party. He could still make a contribution to political entities of other registered parties.
2. Indra makes a \$1,000 monetary contribution to a registered association in March. The next month, she makes a non-monetary contribution with a commercial value of \$625 to the same association. Indra has now reached the annual limit for contributions to any combination of candidates, registered associations and nomination contestants of that registered party.

3. Clara made a \$1,625 contribution in her riding to the registered association of the party she supports. Later that year an election is called and Clara makes a \$1,625 contribution to the candidate representing the party in her riding. The official agent of the candidate, however, is aware of the contribution made to the association and returns the cheque to Clara, because with the earlier contribution she has reached her annual limit.

Note: It is important that financial agents of electoral district associations and nomination contestants, and official agents of candidates, communicate about contributions, loans and loan guarantees because the yearly contribution limit applies to the total amount of these.

4. Peter gave a \$1,625 loan to a candidate in his riding early in the year. The full amount is still outstanding on December 31. Consequently, Peter could not have made another loan, contribution or loan guarantee that year to a candidate, registered association or nomination contestant of the same party. The sum of contributions, loans and loan guarantees cannot at any time exceed the contribution limit.

Note: These examples use the limits in effect for 2020.

Volunteer labour is not a contribution

What is volunteer labour?

Volunteer labour is any service provided free of charge by a person outside of their working hours, excluding a service provided by a self-employed person who normally charges for that service.

Volunteer labour is not a contribution.

Who is eligible to volunteer?

Any person can volunteer for a political entity, even if they are not a Canadian citizen or permanent resident.

But a self-employed person cannot volunteer a service they would normally charge for. That is a non-monetary contribution and not volunteer labour. The person would have to be an eligible contributor under the contribution rules and stay within their contribution limit.

People who work on-call or variable hours can volunteer for a political entity, as long as they are not self-employed in the field and their employer has not instructed them to work for the political entity while receiving standby pay or other compensation.

Volunteer labour cannot be provided by corporations, trade unions, associations or groups.

Note: To know whether a person is an employee or self-employed, ask if they receive a salary or wages, payroll deductions and a T4 slip from their employer or corporation at tax time. If they do, the person is an employee for the purpose of the *Canada Elections Act* and can volunteer in the same capacity as their line of business, outside their working hours.

Examples

1. Nana, who is employed as a teacher, offers to work in the evenings in the registered association's office to answer the phone and help with general office duties. This is volunteer labour and is therefore not a contribution.
2. Alex, a self-employed graphic designer offers to design a pamphlet for the registered association free of charge. Because Alex is self-employed and normally charges for that service, the pamphlet design is not volunteer labour. The commercial value of the service has to be recorded as a non-monetary contribution. In this case, the commercial value is the lowest amount Alex normally charges for that service.

Paying volunteers for part of their work

Volunteers can be paid for part of their work, but the paid work is not volunteer labour. An agreement must be in place before the work is performed. It can specify incentive- or performance-based terms of remuneration rather than a fixed rate.

Example

Suzanne is being paid to manage the association's social media accounts. Suzanne has signed an agreement that lists the tasks she will perform and her hourly wage. Often, when she has finished her paid work, Suzanne volunteers for the association. This is an acceptable combination of paid and volunteer work. The expenses incurred under the agreement are expenses that have to be reported. The volunteer labour is not reported.

OGI reference

For a detailed discussion of this topic, please refer to Elections Canada's interpretation note 2019-01, *Volunteer Labour*, on the Elections Canada website.

Sponsorship or advertising at a political event is a contribution

A transaction involving the receipt of money by a political entity in exchange for advertising or promotional opportunities directed at members or supporters of the political entity is not recognized as a commercial transaction. Any money received as part of such an arrangement is to be treated as a contribution that is subject to the contribution limit and eligibility rules.

Example

The registered association holds a golf tournament as a fundraiser. The association encourages individuals to sponsor a hole: for \$200, they can have their names printed on a small sign attached to the flag pole. The full amount paid by each individual is a contribution to the association. The association does not ask corporations or unions to sponsor a hole because only individuals can make contributions.

Accepting and recording contributions

Only the financial agent and authorized electoral district agents can accept contributions to the registered association.

Contribution	What to do
Anonymous contributions	Anonymous contributions of \$20 or less can be accepted.
Contributions over \$20 and up to \$200	The contributor's full first and last names have to be recorded (initials are not acceptable), and a contribution receipt must be issued. To issue a tax receipt, the agent has to record the contributor's home address as well.
Contributions over \$200	The contributor's full first and last names (initials are not acceptable) and home address have to be recorded, and a contribution receipt must be issued.
Note: When total contributions from an individual are over \$200, their name, partial address and contribution amounts disclosed in the financial return will be published on the Elections Canada website.	

This table summarizes some important points about accepting contributions and issuing receipts.

Contribution received	What to keep in mind
Cheque from a joint bank account	<ul style="list-style-type: none"> • Generally reported under the name of the individual who signed the cheque. • If the cheque is accompanied by written instructions signed by both account holders indicating how the contribution is to be allocated to the contributors, the contributions are to be reported in accordance with that agreement.
Through an online payment service	<ul style="list-style-type: none"> • An online processing fee might apply. • The full contribution amount has to be recorded as a contribution, and the processing fee has to be recorded as an expense. For example: If the registered association receives a \$500 contribution through an online payment service and the net deposit to the association's bank account is \$490, the financial agent has to record and issue a receipt for a contribution of \$500 and record an expense of \$10.
From a partnership	<ul style="list-style-type: none"> • The partnership has to provide the following information in writing: <ul style="list-style-type: none"> – names and home addresses of each contributor – the voluntary nature of each contribution – who it is intended for – the amount of each contribution • The instructions must be signed and dated by each contributor. • Each contributing partner's next draw of income from the partnership should be reduced by the amount of that partner's contribution.
From an unincorporated sole proprietor	<ul style="list-style-type: none"> • Must be recorded in the individual's name (not the business name), using the contributor's home address when an address is required.
Note: It is recommended that registered associations only accept contributions made by way of a traceable instrument.	

Use of the registered association's online contribution system

The candidate's campaign might use the registered association's website to process online contributions, since associations often already have the necessary resources in place.

If a contribution is processed through the registered association's website to the association's bank account, the contribution is made to the registered association. The association issues the receipt and transfers the contribution amount to the candidate's campaign.

Keep in mind that the registered association's website is an election expense of the candidate if it is used for the campaign during the election period. See **Registered association's existing website or web content** in Chapter 8, **Working with Other Entities During the Election Period**, for more information.

Accepting contributions of cryptocurrency

A contribution of cryptocurrency is non-monetary and not eligible for a tax receipt.

The contribution amount is the commercial value of the cryptocurrency at the time that it was received. There are two ways to determine the commercial value:

- If the transfer passed through a payment processor (such as BitPay) that provided an exchange rate, use that rate.
- If the transfer did not go through a payment processor or no exchange rate was provided, use a reasonable rate on a major exchange platform (such as Coinbase) at the time closest to when the transfer was sent. The valuation must be readily ascertainable and verifiable.

A transaction in cryptocurrency will almost always involve a processing fee. The full amount sent by the individual is a contribution to the political entity, and the processing fee is an expense.

Political entities should set up a two-step process to identify contributors of over \$20 and record transaction information from the blockchain so that contributions can be audited.

For contributions up to \$200, if the contributor is not in the business of selling cryptocurrencies, the contribution amount is deemed nil. But the contributor must still be eligible under the contribution rules. Over \$20, the association must keep a record of the contributor's name.

In all instances, associations should be mindful of the rules in the *Canada Elections Act* against circumventing contribution rules and watch for unusual amounts or patterns in contributions that they receive.

OGI reference

For a detailed discussion of this topic, please refer to Elections Canada's interpretation note 2019-12, *Cryptocurrencies*, on the Elections Canada website.

Issuing contribution receipts

A receipt has to be issued for each monetary contribution over \$20 or non-monetary contribution over \$20 that is not deemed nil.

Only the financial agent or authorized electoral district agents can provide official receipts for contributions, including tax receipts. Tax receipts can be issued only for monetary contributions.

Note: The registered association must obtain written authorization from the leader of the registered party before issuing tax receipts.

It is recommended that the financial agent use Elections Canada's Electronic Financial Return (EFR) software to issue all receipts. EFR is free and can be accessed from the Elections Canada website.

Example

Clara contributed \$500 to the registered association of the party she supports. Later in the same year when an election was called, Clara contributed \$300 to Peter, a candidate in her riding. Clara will receive a receipt for \$500 from the registered association and a receipt for \$300 from Peter's campaign.

Determining the date a contribution is made

As most contribution limits apply per calendar year, the date a contribution is made is important. It is also important for reporting purposes because this same date will be used as the “date received” in the association’s return.

The date a contribution is made is generally the date the contribution is in the hands of the financial agent. There are exceptions for contributions made by regular mail, by post-dated cheque and electronically.

How contribution is made	Date contribution is made
In person	The date the contribution is in the hands of the financial agent or an authorized electoral district agent.
By regular mail	The date of the postmark on the envelope. If the postmark is not legible, the contribution is made on the date the agent receives the mail. The association should keep the stamped envelope as part of its records.
Post-dated cheque by any means	The date on the cheque.
Electronically (e-transfer, credit card, PayPal, etc.)	The date the contributor initiates the transaction. If the transaction is post-dated, the contribution is made on the date specified by the contributor.

Examples

1. On December 23, 2019, Lucy goes to the registered association’s office and gives a cheque in the amount of \$300, dated for the previous day. The financial agent deposits the cheque on January 10, 2020. The contribution is made on December 23, 2019. The financial agent issues a receipt for 2019, and the amount counts toward Lucy’s 2019 contribution limit.
2. Hassim makes an e-transfer to the registered association on December 23, 2019, but the financial agent does not process the amount until January 10, 2020. The contribution is made on December 23, 2019. The financial agent issues a receipt for 2019, and the amount counts toward Hassim’s 2019 contribution limit.
3. The financial agent receives a cheque from Janelle in the mail on January 5, 2020. The cheque is dated December 28, 2019, and the postmark on the envelope is December 30, 2019. The contribution is made on December 30, 2019. The financial agent issues a receipt for 2019, and the amount counts toward Janelle’s 2019 contribution limit.
4. The financial agent receives a cheque from Andrew and deposits it in the registered association’s bank account. A few days later, when checking the account online, the financial agent notices that the bank has charged the account a fee because the cheque did not have sufficient funds. No contribution has been made and the bank charge is an expense. If Andrew issues a new cheque later, the contribution is made on the date associated with the new contribution.

Recording anonymous contributions

If anonymous contributions of \$20 or less are collected during an event related to the association, the financial agent or an authorized electoral district agent has to record:

- a description of the function at which the contributions were collected
- the date of the function
- the approximate number of people at the function
- the total amount of anonymous contributions accepted

Anonymous contributions of \$20 or less may also be received outside the context of a particular function. In that case, the financial agent or an electoral district agent has to keep track of the total amount collected plus the number of contributors.

Example

Volunteers of the registered association organize a wine and cheese event one evening and invite local residents. Approximately 40 people show up. During the evening, one of the organizers passes a basket around to collect cash contributions from the attendees. She informs the guests about the contribution rules: a maximum of \$20 can be accepted from any one individual as an anonymous cash contribution. At the end of the evening there is \$326 in the basket.

The organizer remits the contributions to the financial agent after the event, along with the following details: a description and the date of the event, the approximate number of people who attended (40), and the amount collected in anonymous contributions (\$326). The financial agent records the event details, deposits the amount into the association's bank account and reports the contributions in the annual return.

Remitting anonymous contributions that cannot be accepted

If the financial agent or an authorized electoral district agent receives a contribution that is:

- over \$20 and the name of the contributor is not known, or
- over \$200 and the name and address of the contributor are not known

the financial agent has to send a cheque for the ineligible amount (that is, the amount over \$20 or \$200) without delay to Elections Canada, payable to the Receiver General for Canada.

Ineligible contributions

The financial agent and the electoral district agents are responsible for ensuring that contributions are in accordance with the rules set out in the *Canada Elections Act*.

The following contributions are ineligible:

- cash contributions over \$20
- contributions from corporations, trade unions, associations and groups
- contributions that exceed the limit
- indirect contributions (no individual can make a contribution that comes from the money, property or services of another person or entity)
- contributions from a person who is not a Canadian citizen or a permanent resident
- contributions an individual makes as part of an agreement to sell goods or services, directly or indirectly, to a registered party or a candidate (for example, an association cannot agree to buy the candidate's signs from a local dealer in exchange for a contribution)

Returning ineligible or non-compliant contributions

The financial agent or authorized electoral district agent must not accept a contribution that exceeds the limit and should not accept any other type of ineligible contribution.

The financial agent has to return or remit a contribution within 30 days of becoming aware that:

- it is ineligible, or
- It was received as part of a regulated fundraising event for which the publication or reporting requirements were not complied with

An ineligible or non-compliant contribution must be returned to the contributor or remitted to Elections Canada, based on whether or not it was used.

A monetary contribution is considered used if the association's bank account balance fell below the ineligible amount at any time after the contribution was deposited into the bank account.

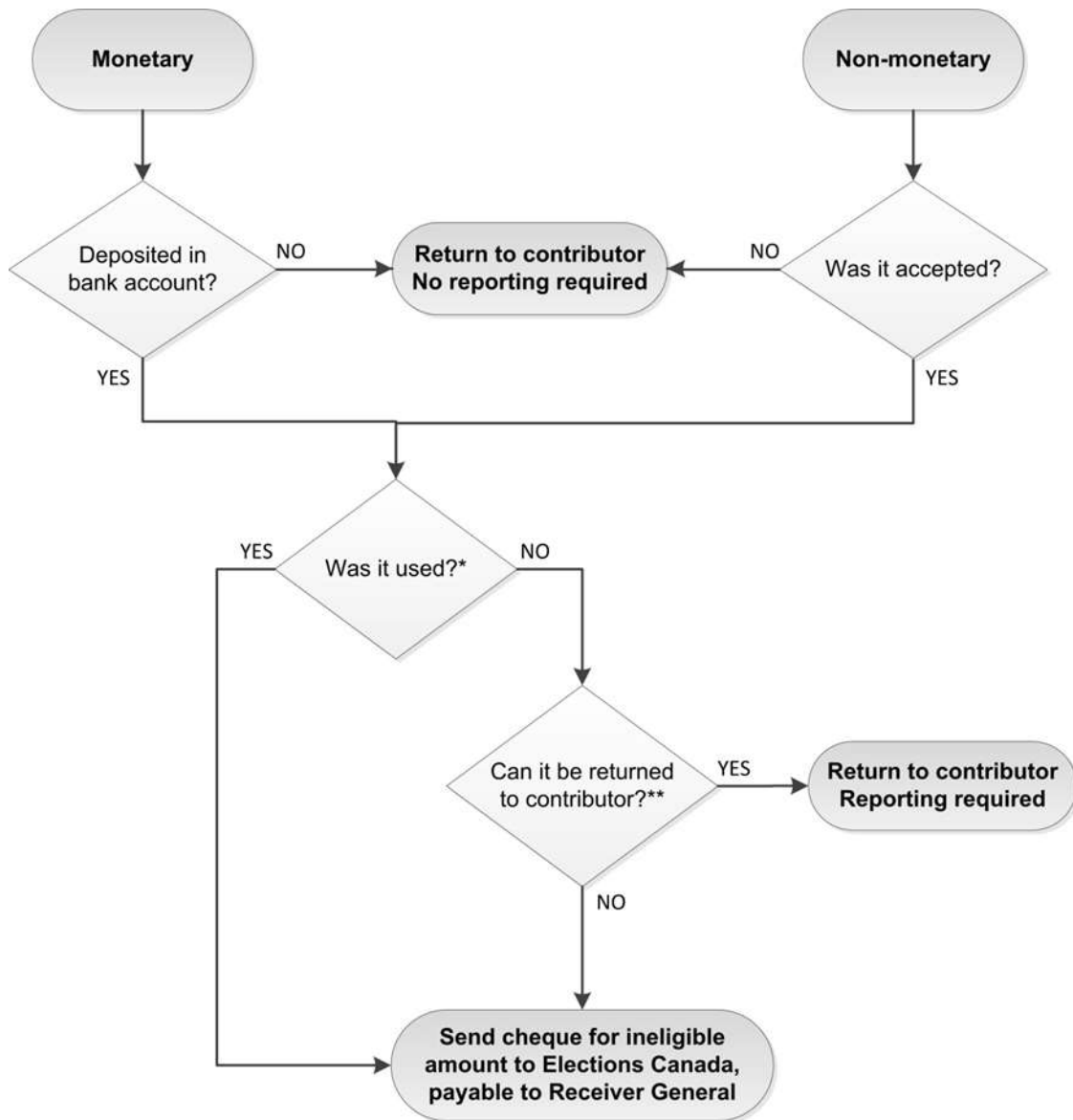
Flowchart 1 explains how to administer ineligible or non-compliant contributions in different scenarios.

Examples

1. The financial agent of a registered association deposits a cheque for \$650 from a contributor. When he enters the contribution in the books, he notices that the same person has already contributed \$1,000 in that year. Within 30 days, assuming the money has not been spent, the financial agent has to issue a cheque for the excess amount, \$25, and send it to the contributor. He records a returned contribution of \$25.
2. The financial agent receives a cheque for \$2,000 from a contributor. As this is obviously an over-contribution, the financial agent cannot deposit the cheque. She sends it back to the contributor uncashed, and no reporting is required.
3. An individual makes a non-monetary contribution to the association by offering the use of office equipment for a week. The financial agent later realizes that the commercial value of renting the same office equipment is \$1,700, which is higher than the contribution limit. The equipment was used, so he sends a cheque for the excess amount of \$75 to Elections Canada, payable to the Receiver General for Canada. He records a contribution of \$1,700, a returned contribution of \$75 and an expense of \$1,700.
4. The financial agent receives a notice from Elections Canada a couple of months after the reporting deadline. It states that a person who contributed \$900 to both the registered association and the candidate exceeded the annual limit by \$175 with the contribution to the association. Since the deposit date of the contribution, the registered association's bank account balance had fallen below the ineligible amount of \$175 and the funds were therefore used. The financial agent must remit \$175 within 30 days of becoming aware of the contravention. To obtain funds, she could organize a fundraising event, request a transfer from the registered party, or request that the registered party repay the \$175 on the registered association's behalf. Once the money is available, the financial agent sends a cheque for the excess amount to Elections Canada, payable to the Receiver General for Canada. She records a returned contribution of \$175.

Note: These examples use the limits in effect for 2020.

Flowchart 1: Returning ineligible or non-compliant contributions



*A monetary contribution was used if the association's bank account balance fell below the ineligible amount at any time after the contribution was deposited into the bank account.

**For example, the contributor's address is known and there are no obstacles to prevent the return.

3. Loans

This chapter discusses eligible sources of loans and how different loans and interest are reported. It covers the following topics:

- *Getting a loan*
- *Types of loans*
- *Loan interest*
- *Repaying a loan*

Getting a loan

Loans are used as a source of financing. The financial agent has to manage the registered association's finances properly to ensure that all loans are repaid.

Registered associations may receive loans from either a financial institution or an individual who is a Canadian citizen or permanent resident. Registered associations may also receive loans from their registered party or from another registered association. Loans from any other person or entity are not permitted.

A written loan agreement must accompany all loans.

Note: The financial agent has to report details of all loans in the annual financial return, including names and addresses of lenders and guarantors, loan and guarantee amounts, interest rates, and payment dates and amounts. If any information changes, the financial agent must send an update to Elections Canada without delay.

Loans from financial institutions

There is no limit to the amount a registered association can borrow from a financial institution. Note, however, that if the financial institution requires a loan guarantee, only the registered party, another registered association, or individuals who are Canadian citizens or permanent residents can guarantee the loan. The amount an individual guarantees is subject to the individual's contribution limit.

Note: A financial institution must charge a fair market rate of interest on loans made to registered associations. Any forgone interest resulting from the financial institution charging a lower interest rate would constitute a non-monetary contribution from an ineligible contributor.

Example

The registered association is planning to borrow \$16,250 and the bank requires a guarantor for the loan. Because guarantees from individuals are subject to the contribution limit, the association needs at least 10 individuals to guarantee the requested amount. Each guarantor is limited to guaranteeing \$1,625 of the total loan amount. Alternatively, the registered party or another registered association of the same party may guarantee the whole amount.

Note: This example uses the limits in effect for 2020.

Loans from the registered party or from another registered association

There is no limit to the amount a registered association can borrow from the registered party or from another registered association of the party. The registered party or another registered association can also guarantee loans obtained from financial institutions. There is no limit to the amount the registered party or a registered association can guarantee.

Loans from individuals

If an individual obtains a personal loan from a financial institution and lends those funds to the registered association, the lender is the individual and not the financial institution. The loan amount would be subject to the individual's contribution limit.

An individual can lend money to a registered association as long as the total of the individual's contributions, the unpaid balance of loans made that year and the amount of any outstanding loan guarantees made that year does not at any time exceed the contribution limit for the calendar year.

Note: An individual cannot use the money, property or services of another person or entity to make a loan to a registered association, if the other person or entity provided those resources to make the loan possible.

Example

Khaled made a \$625 contribution to the registered association. In addition, he takes out a \$1,000 personal loan from his bank and lends it to the association. With that, Khaled has reached the annual limit for contributions to any combination of registered associations, candidates and nomination contestants of the registered party.

Note: This example uses the limits in effect for 2020.

Types of loans

Term loan

A term loan is repaid in regular payments over a set period. It may be either a fixed rate loan, allowing the borrower to lock in at a specific interest rate, or it may be a variable rate loan, where the interest rate fluctuates over time.

Demand loan

A demand loan is a loan with no specific payment deadline. It is due whenever the lender demands to be repaid. It is recommended that the written loan agreement for a demand loan include a maximum term for the repayment.

Overdraft protection and line of credit

When the association uses overdraft protection or a line of credit, it is reported as a loan. If the financial institution requires a guarantee, only the registered party, another registered association of the party, or individuals who are Canadian citizens or permanent residents can guarantee the overdraft or line of credit. The amount an individual guarantees is subject to the individual's contribution limit.

For an overdraft or line of credit, the financial agent has to report the following information:

- the amount of the loan
- the name and address of the financial institution
- the interest rate charged
- the full name and address of any guarantors and the amounts they have guaranteed
- for a line of credit where funds were transferred into the bank account before being used, the dates and amounts of any payments of principal and interest
- the unpaid balance at the end of each calendar year and as of the date of the return

The amount of the loan is calculated as follows:

- for an overdraft, it is the maximum amount overdrawn during the fiscal year
- for a line of credit where funds were transferred into the bank account before being used, it is the sum of all transfers to the bank account during the fiscal year
- for a line of credit where funds were paid directly to the supplier, it is the maximum amount drawn during the fiscal year (and this is reported as an overdraft rather than a line of credit)

Example

The registered association's bank account has overdraft protection of \$1,000. The account goes into overdraft by \$200 and the financial agent pays back \$100 within the same day. Later on that day, the financial agent withdraws another \$400 from the same account, bringing the highest amount overdrawn during that year to \$500. On December 31 the account is no longer in an overdraft position.

The maximum overdraft amount to be reported in the registered association's annual financial return is \$500, while the balance on December 31 to be reported is nil.

Loan interest

The financial agent has to record the interest rate of each loan in the *Registered Association Financial Transactions Return*.

Interest incurred on a loan is an expense, whether it is paid or accrued.

If the interest rate on a loan from an individual is lower than the market interest rate, the financial agent will need to record the forgone interest as a non-monetary contribution from the individual.

Note: If the loan is from an individual who is not in the business of lending money and the forgone interest on the loan is \$200 or less, the non-monetary contribution is deemed to be nil.

Repaying and reporting unpaid loans

There is no time limit for a registered association to repay its loans.

However, the registered association's annual financial return must include the following schedules related to unpaid loans:

- statement of unpaid loans
- previously reported loans that have been paid in full since the last fiscal period
- statement of loans that remain unpaid 18 or 36 months after their due date

Note: Loan repayments have to be reported for all types of loans except overdraft protection and lines of credit used to pay suppliers directly.

4. Transfers

This chapter explains the rules and procedures for accepting and sending transfers. It covers the following topics:

- What is a transfer?
- Transfers sent to the registered association
- Transfers sent by the registered association

What is a transfer?

A transfer is a provision of funds, property or services between specified political entities of the same political affiliation. Where specifically permitted under the *Canada Elections Act*, a transfer is not considered to be a contribution, and contribution rules therefore do not apply.

Monetary transfer	Non-monetary transfer
A monetary transfer is a transfer of funds.	A non-monetary transfer is a transfer of property or services. The amount of a non-monetary transfer is the commercial value of the property or service. Unlike non-monetary contributions, a non-monetary transfer has to be reported even if its commercial value is \$200 or less.

Transfers are permitted only between related political entities (registered party, electoral district association, candidate and leadership or nomination contestant) of the same political affiliation.

However, not all types of entities are authorized to provide all types of transfers. For a quick reference guide to eligible and ineligible transfers, see the *Transfers—types and rules* table in Chapter 1, **Reference Tables and Timelines**.

Note: If an invoice requiring payment is prepared by one political entity and sent to its related political entity, together with the original supplier invoice representing the commercial value of the goods or services provided, this is not a transfer but a sale of goods or services from one entity to another.

Transfers sent to the registered association

Only the financial agent can accept transfers on the registered association's behalf. The following transfers may be accepted by a registered association:

- property, services or funds from the registered party or from any registered association of the registered party
- property, services or funds from a candidate of the registered party it is affiliated with
- funds from a nomination contestant to the registered association that held the nomination contest
- funds from a leadership contestant of the registered party it is affiliated with

If the registered association receives property or services from an affiliated political entity for less than the commercial value, the financial agent has to report the difference as a non-monetary transfer from the affiliated political entity.

Example

After election day, the candidate's campaign transfers 100 unused signs and 750 recovered signs to the registered association. The commercial value of the 850 signs is calculated by the candidate's campaign, and the registered association reports the amount as a non-monetary transfer from the candidate.

Note: Transfers may not be accepted from provincial parties or provincial electoral district associations. Transfers from a registered provincial division of a federal registered party are considered transfers from the registered party.

Transfers sent by the registered association

Only the financial agent can send transfers on the registered association's behalf.

The registered association may transfer property, services or funds to the following political entities:

- the registered party it is affiliated with
- another registered association of the registered party
- a candidate

For transfers to a candidate, the following should be kept in mind:

- before an election is called, transfers from the association to a candidate are allowed as long as:
 - the candidate has appointed an official agent
 - in the case of monetary transfers, the official agent has opened a campaign bank account
- after election day, monetary transfers from the association to a candidate are allowed only to pay claims and loans related to the candidate's campaign

The registered association may transfer property or services, but not funds, to the following political entities:

- a nomination contestant, if the non-monetary transfer is offered equally to all contestants
- a leadership contestant, if the non-monetary transfer is offered equally to all contestants

Example

The registered association purchases tablets and transfers them to the candidate. The financial agent sends a copy of the original supplier invoice to the candidate's campaign and reports the commercial value of the tablets as a non-monetary transfer. The candidate's official agent reports the same commercial value as an electoral campaign expense and as a non-monetary transfer from the registered association.

5. Fundraising

This chapter explains what portion of an amount given during a fundraising activity is a contribution. It describes the general rules and provides practical examples. The chapter covers the following topics:

- Determining the contribution amount when contributors receive a benefit
- Regulated fundraising events
- Typical fundraising activities (sale of branded goods, auctions, ticketed events, non-ticketed events and draws)

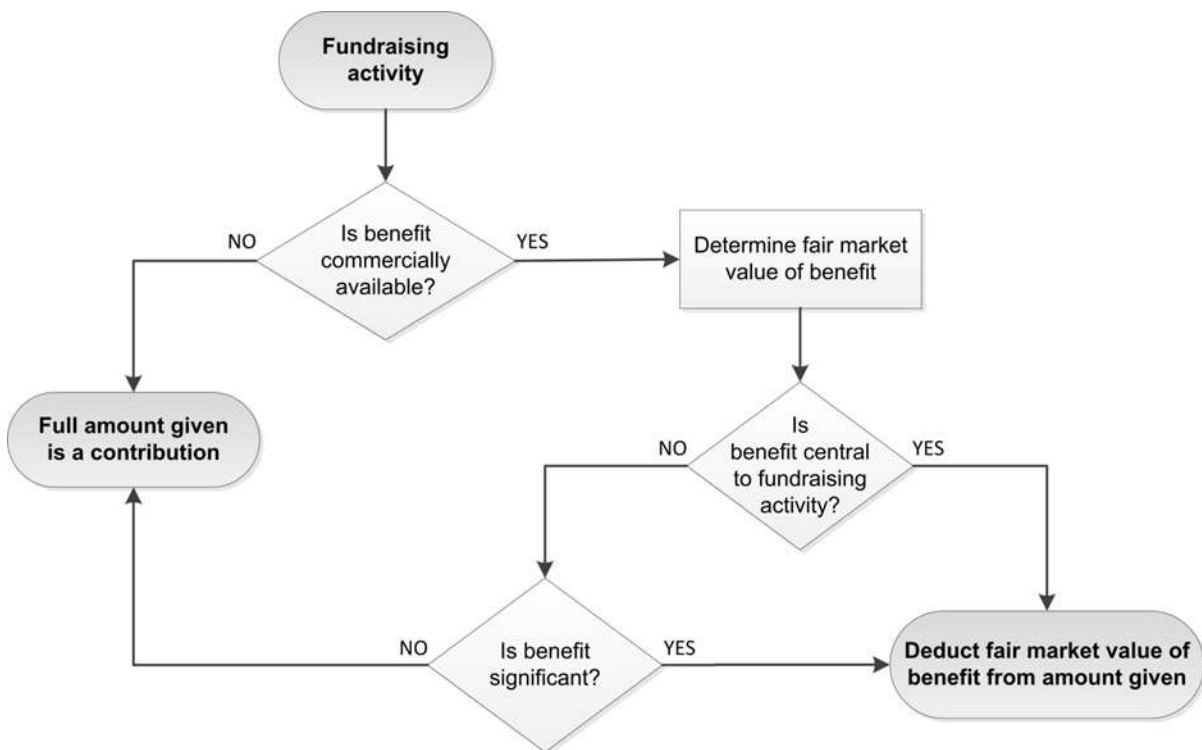
Note: For the rules about organizing a fundraising activity for a candidate's campaign during an election period, see Chapter 8, **Working with Other Entities During the Election Period**.

Determining the contribution amount when contributors receive a benefit

As part of fundraising, a registered association might provide a benefit (T-shirt, dinner, etc.) to a contributor in exchange for a contribution. It is important to determine what portion of the money given is a contribution.

Flowchart 2 shows the basic rules for making that calculation.

Flowchart 2: Basic rules for determining the contribution amount



Note: Terms used in the flowchart are explained in the sections below.

What is a benefit's fair market value?

The fair market value of a benefit is generally the amount the registered association paid a commercial provider for the property or service (that is, the retail price). This value may need to be deducted from the amount given by a contributor to arrive at the contribution amount.

If a benefit is not commercially available, such as access to a party leader, it has no fair market value. Nothing is deducted to arrive at the contribution amount.

When is a benefit central?

A benefit is central to a fundraising activity when it is a focal point of the activity. For example, items sold at an auction or branded goods sold in an online store are central to those fundraising activities.

The fair market value of benefits central to a fundraising activity are deducted from the amount given by a contributor to arrive at the contribution amount.

When is a benefit significant?

A benefit is considered significant when its fair market value exceeds 10% of the amount given or \$75, whichever is less. This is called the *de minimis* threshold. When a benefit is significant, its value is deducted from the amount given by a contributor to arrive at the contribution amount.

If the contributor receives multiple small benefits, their values are added together to determine whether the overall benefit is significant in relation to the full amount given.

The *de minimis* threshold does not apply to cash or near-cash benefits, such as gift certificates, nor to items that are central to a fundraising event, such as the meal at a ticketed fundraising dinner. These are always deducted as part of the benefit.

Note: The *de minimis* threshold of 10% of the amount given or \$75 is aligned with the threshold used by the Canada Revenue Agency to determine the eligible amount and the amount of an advantage for both political and charitable contributions.

OGI reference

For a detailed discussion of this topic, please refer to Elections Canada's interpretation note 2016-01, *Fundraising*, on the Elections Canada website.

Examples

1. In exchange for making a \$500 contribution, an individual gets to meet one-on-one with a high-profile candidate. The full amount given is a contribution under the *Canada Elections Act*.
Note: Under Canada Revenue Agency rules, this contribution is not eligible for a tax receipt because the value of the advantage cannot be determined.
2. The registered association rents an inflatable castle as a fundraiser and charges families \$30 for admission. The prorated cost of the castle per family, based on expected attendance, is \$3. Since the castle is central to the fundraising activity, \$3 is deducted from the amount given and the contribution is \$27. This is true even though the fair market value does not exceed 10% of the amount given or \$75.
3. In exchange for making a \$20 contribution, contributors receive a box of chocolates. The cost of the chocolates was \$5. Since the value of the chocolates exceeds 10% of the amount given, \$5 is deducted from the amount given and the contribution is \$15. This is true even though the chocolates are not central to the fundraising activity.
4. Contributors who make a \$100 contribution receive a keychain with the party logo. The cost of the keychain was \$5. Since the keychain is not central to the fundraising activity and its value does not exceed 10% of the amount given or \$75, nothing is deducted from the amount given and the contribution is \$100.

Regulated fundraising events

What is a regulated fundraising event?

A regulated fundraising event is an event that meets all these conditions:

- it is organized to financially benefit a registered party with a seat in the House of Commons (or, during a general election, a party that had a seat on dissolution) or one of its affiliated entities
- it is attended by one of these prominent people: the party leader, the interim leader, a leadership contestant or a federal Cabinet minister (minister of the Crown or minister of state)
- at least one person had to pay or contribute over \$200 to attend or to have another person attend

It excludes the following events:

- a leadership debate
- a party or leadership convention
- a donor appreciation event at a party or leadership convention
- an event where at least one person paid over \$200 to attend but no part of the payment was a contribution

Flowchart 3, further below, can be used to check whether a fundraising event is regulated.

Any person can attend an event, even if they are not a Canadian citizen or permanent resident, as long as they did not make a contribution in order to attend. For example, an eligible contributor can pay to bring a foreign guest.

Note: Fundraising events organized after an election or a contest for the financial benefit of a candidate or a contestant continue to fall under these rules.

Are leadership contestants after a contest period and ministers during an election still prominent attendees?

Leadership contestants continue to be contestants and prominent attendees after the contest period, until they have fulfilled their reporting obligations (for example, after they have paid their claims and loans, disposed of surplus and closed the bank account).

Leadership contestants should wait for confirmation from Elections Canada, following its review of their financial returns, that they are no longer prominent attendees.

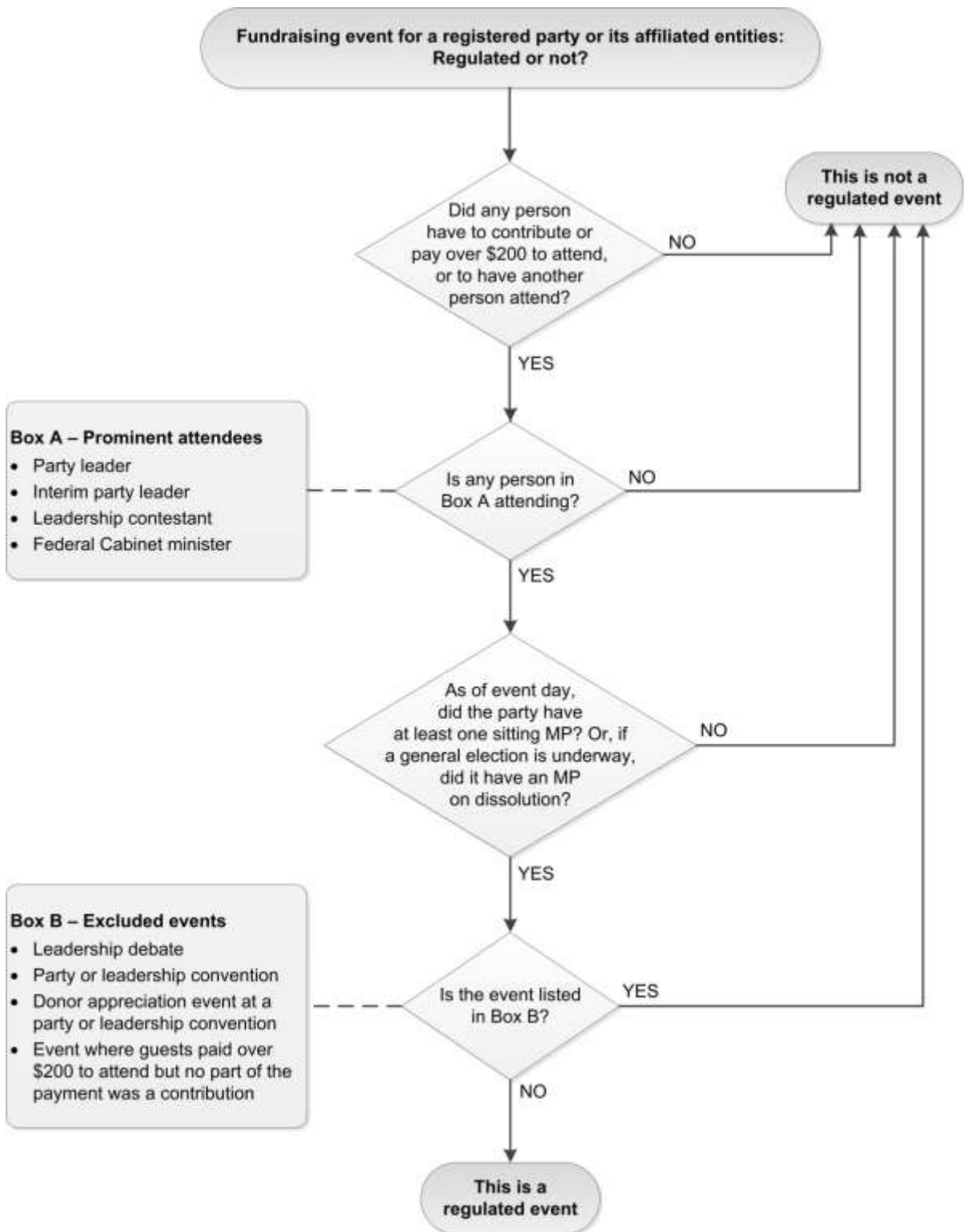
Ministers continue to be prominent attendees during an election.

Note: A regularly updated list of leadership contestants who are prominent attendees is available on the Elections Canada website under Political Financing > View Regulated Fundraising Events.

Examples

1. Barbara paid the \$250 ticket price to attend a wine and cheese event organized by the registered association. The guest of honour is a federal Cabinet minister. This is a regulated fundraising event. Even though Barbara's contribution is only \$190 after the benefit is deducted, the event is still regulated because the ticket price was over \$200 and part of the payment was a contribution.
2. Mehdi paid the \$225 entrance fee to play in a baseball tournament organized by the association to benefit a candidate. The candidate is attending but there will be no prominent attendees from the party. This is not a regulated fundraising event.
3. The registered association sells tickets to its fundraising dinner with the party leader for \$150 each. Jim buys a table of tickets for \$1,200 and brings his family. Even though he paid more than \$200 total for himself and his guests, no single person was required to pay over \$200 to attend. This is not a regulated fundraising event. This event would be regulated if a person had to buy a whole table.
4. A registered association is holding an end-of-year donor appreciation event for people who contributed \$1,000 or more to the association or the local candidate, or in combination to both. The interim party leader will be in attendance. This is a regulated fundraising event.

Flowchart 3: Regulated fundraising events



Registered association’s role in providing information about a regulated fundraising event

When a fundraising event is regulated, the registered party has to follow certain disclosure rules to avoid forfeiting contributions received as part of the event.

If the registered association was involved in the event, it may need to provide the party with information so that the party can follow the disclosure rules.

<p>If all or part of the event was organized by the registered party</p>	<p>The registered association has no official role to play in providing information to the party.</p>
<p>If all of the event was organized by the registered association or other persons or entities</p>	<p>The registered association and other organizers have to give the party the information it needs to follow the disclosure rules. See details in the next section.</p> <p>Information must be provided far enough in advance of the disclosure deadline that the party has time to publish or report on it.</p> <p>Note: If an event was organized by more than one registered association, they should coordinate sending information to the party.</p>

Information to provide outside and during a general election

The registered party needs information at different times, based on whether a regulated fundraising event is held outside or during a general election.

What to send the party for events held outside a general election	
Before the fundraising event	After the fundraising event
<p>Provide this information so that the party can publish an event notice 5 days before the event:</p> <ul style="list-style-type: none"> • event date, time and location • name of each entity or person that the event is organized to financially benefit • name of each prominent attendee whose attendance makes the event a regulated event (e.g. party leader) • required amount of contribution or payment to attend • individual to contact for more information about the event <p>Note: Five days’ notice means that if an event is held on a Saturday, the latest day to give notice is Monday of that week.</p>	<p>Provide this information so that the party can submit a report to Elections Canada within 30 days after the event:</p> <ul style="list-style-type: none"> • same information required in an event notice (excluding the individual to contact for event information) • name of each person or entity that organized the event or part of it • name, municipality, province or territory, and postal code of attendees aged 18 or older (some exceptions apply*)

What to send the party for events held during a general election

Before the fundraising event	After the fundraising event
No information is required	<p>Provide this information for each event held during the election period so that the party can submit a single report to Elections Canada within 60 days after election day:</p> <ul style="list-style-type: none">• event date, time and location• name of each entity or person that the event was organized to financially benefit• name of each prominent attendee whose attendance made the event a regulated event (e.g. party leader)• required amount of contribution or payment to attend• name of each person or entity that organized the event or part of it• name, municipality, province or territory, and postal code of attendees aged 18 or older (some exceptions apply*)

*In addition to minors, attendees are not listed in the reports if they attended solely for the following purposes:

- to assist someone with a disability
- as an employee involved in organizing the event
- as part of a media organization or as a freelance journalist
- as a member of security or support staff for the prominent attendee who led to the event being a regulated event
- to provide volunteer labour

Note: If the registered association is aware of changes to the information it provided, it must notify the party as soon as possible so that the event notice or report can be updated.

Returning contributions for non-compliance with disclosure rules

If the disclosure rules are not followed, the political entity that received monetary or non-monetary contributions as part of the regulated fundraising event must return them to the contributor or remit their amount to Elections Canada.

Any of these circumstances may require contributions to be returned:

- outside a general election, the registered party fails to publish an event notice or notify Elections Canada about the event five days before it is held
- the registered party fails to submit a report by the deadline or extended deadline, or includes the name or address of a person excepted from the list of attendees (for example, a minor)
- an organizer fails to give the registered party information about an event in time for the party to publish an event notice or submit a report, or provides the name or address of a person excepted from the list of attendees (for example, a minor)
- an organizer fails to notify the registered party of changes to the information it provided
- the registered party fails to update an event notice on its website or a report to Elections Canada when it becomes aware of changes to the information

See **Returning ineligible or non-compliant contributions** in Chapter 2, **Contributions**, for more information on the process that needs to be followed when returning contributions.

Typical fundraising activities

This section explains how to manage various fundraising activities.

Sale of branded goods

Registered associations may sell branded goods in an effort to promote themselves and, in some cases, generate contribution revenue.

Contributions

When a branded good is sold for more than its fair market value (that is, more than the amount the registered association paid a commercial provider for the item), the purchaser is making a political contribution. The *de minimis* threshold does not apply in this case because the branded good is central to the fundraising activity. (See **When is a benefit central?** above.) Therefore, regardless of the value of the goods that are sold, the contribution amount is always the sale price less the fair market value of the item purchased.

Because registered associations only need to issue receipts for contributions over \$20, the sale of a branded good will require a receipt under the *Canada Elections Act* only when the sale price less the fair market value exceeds \$20. If a purchaser buys multiple items, each unit sold is treated as a separate contribution from a separate contributor. The total amount of contributions of \$20 or less and the total number of contributors are then reported under anonymous contributions of \$20 or less.

Examples

1. To raise funds, the registered association sells T-shirts with the riding name and party logo for \$25. The T-shirts were purchased from a supplier for \$10 each, so the contribution generated by each T-shirt is \$15 (\$25 – \$10). An individual who supports the association buys two T-shirts. The financial agent reports two anonymous contributions of \$15. No receipt is required.
2. The registered association sells laptop bags with the party logo for \$75. The bags were purchased from a supplier for \$50 each, so the contribution generated by each laptop bag is \$25 (\$75 – \$50). An individual who supports the registered association buys a laptop bag from the association's booth in a mall. The salesperson records the contributor's name, address and purchase amount. The financial agent later records the contribution and issues a receipt for \$25.

Auctions

Registered associations may choose to raise funds through auctions, where property or services are sold to the highest bidder. An auction may lead to contributions from both the donor of the property or service that is auctioned and the winning bidder.

Donor's contribution

If the auctioned property or service is donated, its commercial value is a non-monetary contribution.

Note: If the commercial value of a non-monetary contribution is \$200 or less, and it is from an individual not in the business of providing that property or service, the contribution amount is deemed to be nil.

Purchaser's contribution

An individual who buys an auctioned property or service makes a contribution if the bid amount exceeds the fair market value of the property or service. The fair market value is generally the amount that would be paid for the property or service in a commercial market.

Even if the fair market value of the item is \$200 or less, its value is still deducted from the bid amount to arrive at the contribution amount. The *de minimis* threshold does not apply in this case because the sale of the property or service is the fundraising activity. (See **When is a benefit central?** above.) Therefore, regardless of the value of the auctioned property or service, the contribution amount is always the winning bid amount less the fair market value of the item.

However, if the auctioned property or service is not available on a commercial basis, the entire amount of the winning bid is a contribution under the *Canada Elections Act*. Note that under Canada Revenue Agency rules, this type of contribution is not eligible for a tax receipt because the value of the advantage cannot be determined.

Examples

1. An individual donated a painting to a registered association for sale at an auction organized to raise funds for the association. A local art dealer appraised the painting at \$450. During the auction, the winning bid for the painting was \$600.

The contribution amounts are as follows:

- The donor of the painting made a \$450 non-monetary contribution to the registered association.
- The winning bidder made a monetary contribution equal to the amount paid less the fair market value of the painting: $\$600 - \$450 = \$150$.

In addition, \$450 (the painting's commercial value) is recorded as an expense and as other revenue in the association's annual statement of revenues and expenses.

2. An individual (who is not in the business of selling office furniture) donated an office chair to the registered association for sale at an auction organized to raise funds for the association. The chair retails for \$150. During the auction, the winning bid for the chair was \$250.

The contribution amounts are as follows:

- The donor of the chair made a non-monetary contribution to the registered association that is deemed to be nil (since the commercial value is \$200 or less, and the chair was provided by an individual not in the business of selling chairs).
- The winning bidder made a monetary contribution equal to the amount paid less the fair market value of the chair: $\$250 - \$150 = \$100$.

Ticketed fundraising events

When a fundraising event such as a dinner or a golf tournament is held for the primary purpose of soliciting monetary contributions through ticket sales (including events with an entrance fee), the amount of a ticket purchaser's monetary contribution is the ticket price less the fair market value of the benefit that the bearer is entitled to receive. The *de minimis* threshold may apply to benefits that are not central to the event. (See **When is a benefit significant?** above.)

Note: A ticketed event will sometimes be held for promotional purposes rather than to raise funds. If the association anticipates that its event expenses will be higher than ticket revenue, see the **Other ticketed events** section below for information on calculating the benefit.

Benefit received

In the case of a ticketed fundraising dinner, the benefit received by each ticket purchaser includes the following:

- if the event is held in a rented venue, the cost of the room rental and catering (prorated)
- if the event is held in a restaurant, the amount the restaurant would normally charge for the meal
- if the event is held in a private venue, the fair market value of the meal; no value is attributed to the use of an individual's private residence
- door prizes (prorated) (*de minimis* threshold may apply)
- complimentary items such as pens or key chains (*de minimis* threshold may apply)
- rental of audiovisual equipment and other general expenses (prorated)

In the case of a ticketed golf tournament, the benefit received by each ticket purchaser includes the following:

- green fee (excluded for golf club members whose green fees are already paid)
- cart rental
- meal
- complimentary items (*de minimis* threshold may apply)
- door and achievement prizes (prorated) (*de minimis* threshold may apply)
- rental of audiovisual equipment and other general expenses (prorated)

In both cases, the fair market value of producing and distributing materials promoting the event, including ticket printing, is not included in the benefit received because attendees do not gain from such activities.

Note: Be sure to **exclude** sales taxes and gratuities from the cost of food and beverages when calculating the benefit received at a ticketed fundraiser. This aligns with the Canada Revenue Agency's guidance.

Calculation based on expected attendance

The fair market value of the benefit is prorated based on the expected rather than the actual number of attendees. For example, an individual will receive the same dinner in the same venue regardless of the actual number who attend.

This fixed value is important in terms of contribution limits: it is necessary to determine the amount of the ticket purchaser's contribution in advance of the event so that individuals do not unknowingly exceed their limit.

Note: The expected number of attendees used in the calculation has to be reasonably supported by evidence (size of room rented, number of meals ordered, etc.).

Examples

1. The registered association holds a ticketed fundraising dinner in a rented venue. Fifty attendees are expected, and tickets are sold at \$150 each. The event includes dinner, entertainment, a pen with a logo for each attendee, and hockey tickets as a door prize. The registered association incurs the following expenses:

- room rental: \$500 ($\$500 / 50 = \10 per attendee)
- catering, excluding sales taxes and gratuities: \$1,500 ($\$1,500 / 50 = \30 per attendee)
- live band and audio equipment: \$400 ($\$400 / 50 = \8 per attendee)
- hockey tickets: \$400 ($\$400 / 50 = \8 per attendee)
- pen with logo: \$10

The contribution amount for each ticket purchaser is determined as follows:

Ticket price	\$150
Less:	
Room rental	\$10
Catering	\$30
Band and audio	\$8
Hockey tickets*	\$8
Cost of pen with logo*	\$10
Contribution amount	\$84

*In this case, the total value of benefits received that are not central to the fundraising dinner (the hockey tickets and pen) exceeds 10% of the amount given ($\$18 / \$150 = 12\%$). Therefore, the benefit is considered significant and the *de minimis* threshold does not apply. The fair market value of these benefits is deducted from the ticket price.

2. A golf tournament is held to raise funds for the registered association. Participants are charged \$300, and 100 individuals are expected to attend. The association incurs the following expenses:

- green fees: \$5,000 ($\$5,000 / 100 = \50 per participant)
- cart rental: \$4,000 ($\$4,000 / 100 = \40 per participant)
- golf shirt with party logo: \$15
- door and achievement prizes: \$300 ($\$300 / 100 = \3 per participant)
- mailing promoting the event: \$800

The contribution amount for each participant is determined as follows:

Participation fee	\$300
Less:	
Green fee*	\$50
Cart rental	\$40
Golf shirt**	–
Prizes**	–
Contribution amount	\$210

*If a participant is a golf club member and would not be charged a green fee, the cost of that benefit is not deducted from the participation fee. The contribution amount is \$260.

**In this case, the total value of benefits received that are not central to the golf tournament (the golf shirt and prizes) does not exceed 10% of the amount given ($\$18 / \$300 = 6\%$) or \$75. Therefore, the benefit is not considered significant and the *de minimis* threshold applies. The fair market value of these benefits is not deducted from the participation fee.

The \$800 promotional mailing is not part of the benefit received.

Note: If participants are given the opportunity to sponsor a hole at a golf tournament, rules and restrictions apply. See **Sponsorship or advertising at a political event is a contribution** in Chapter 2, **Contributions**.

Other ticketed events

A ticketed event will sometimes be held for promotional purposes rather than to raise funds. The registered association anticipates that its event expenses will be higher than ticket revenues—it charges a ticket price or entrance fee simply to offset some of the costs.

For these events, the contribution amount is the difference between the amount paid by the individual and the commercial value of any tangible benefits received.

Tangible benefits include such things as meals, drinks and gifts directly received by the attendee. The general expenses incurred by the association in holding the event, such as room or audiovisual equipment rental, would not be deducted from the ticket price.

Note: Ticketed events held for promotional purposes may still be regulated fundraising events, even if fundraising is not their primary purpose. See the **Regulated fundraising events** section above.

Non-ticketed events

Registered associations may hold an event for which no tickets are sold (and no entrance fee is charged at the door), but where contributions are solicited and received. In this case, the amount of an attendee's contribution is not reduced by the value of any benefit received (for example, food or drink) because attendees would have received the benefit whether or not they contributed. The giving of a contribution and the provision of a benefit by the registered association are separate transactions. Any contributions received at non-ticketed events are simply contributions at the amount provided.

Example

The financial agent organizes an information session one evening to talk about local issues. Light refreshments and appetizers are served while a speaker outlines the association's policy positions and answers questions. The participants have the opportunity to make a contribution to the registered association. Any contributions received are recorded at the amount provided.

Draws

An individual who purchases a ticket for a draw for the chance to win property or a service is making a contribution under the *Canada Elections Act* equal to the ticket price. A prorated portion of the prize value is not deducted from the ticket price because a value cannot be attached to the hope of winning.

Note: Under Canada Revenue Agency rules, this type of contribution is not eligible for a tax receipt because the value of the advantage cannot be determined.

Provincial or territorial regulations should be consulted prior to organizing draws or other lotteries. In jurisdictions where draws are permitted, a licence from the province or territory may be required.

6. Registered Association's Expenses

This chapter takes a broad look at a registered association's expenses and how they are administered. It covers the following topics:

- *Who can incur and pay the registered association's expenses?*
- *How do expenses relate to non-monetary contributions and transfers?*
- *Providing property or services to another entity*
- *What invoices have to be kept?*
- *Repaying and reporting unpaid claims*
- *Auditor's fee*

Note: The financial agent is responsible for recording expenses and keeping receipts and invoices, as required by the *Canada Elections Act*.

Who can incur expenses?

Only the financial agent and authorized electoral district agents can incur registered association expenses.

There is no limit to the amount of expenses a registered association may incur for property or services it uses, but the expenses must be reported in the association's annual financial return.

Example

The financial agent distributes flyers outside of an election period to promote an information session held at the registered association's office. Expenses incurred for the flyers, including the cost of production and distribution, are reported as expenses of the registered association.

Who can pay expenses?

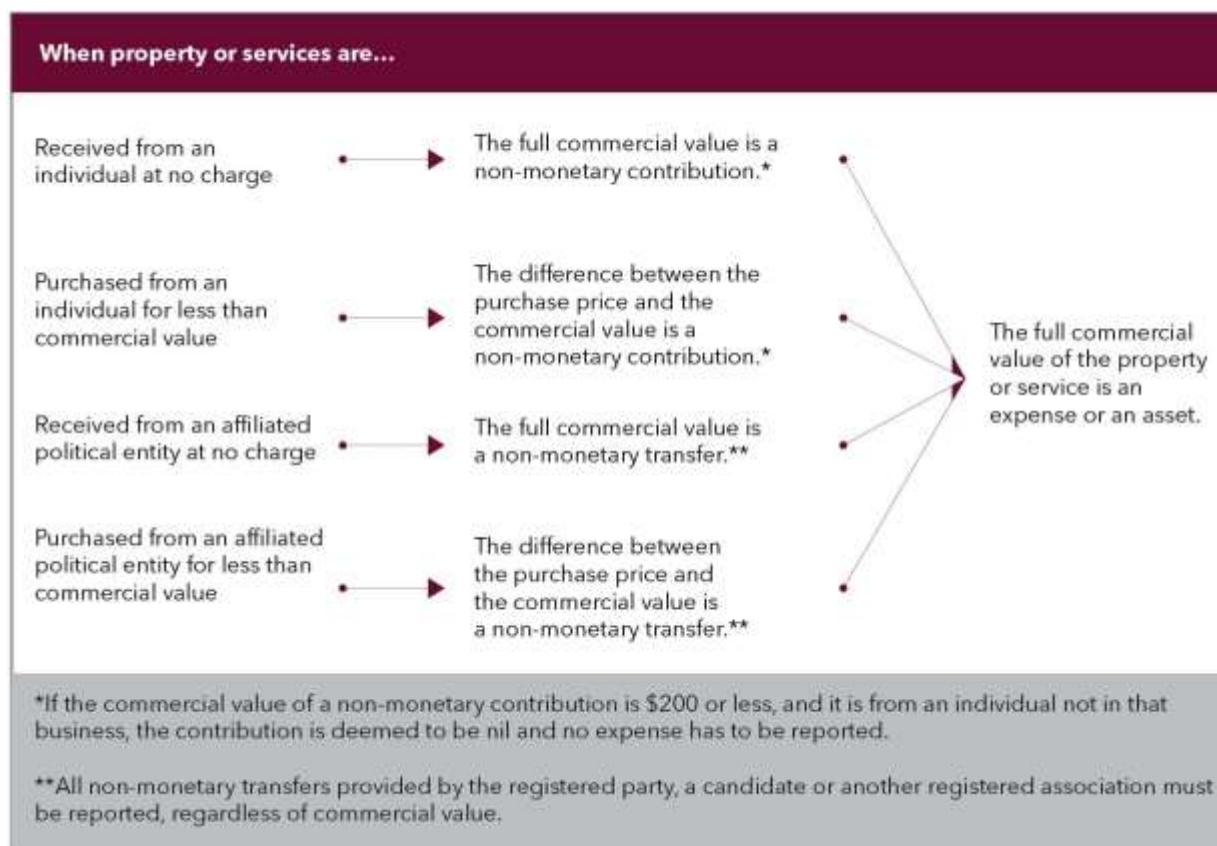
Only the financial agent and authorized electoral district agents can pay registered association expenses.

There is one exception to this rule. Expenses from the petty cash can be paid by a person authorized in writing by the financial agent. The financial agent must set the maximum amount that may be paid from the petty cash.

Non-monetary contributions and transfers are also expenses or assets

The registered association incurs an expense or acquires an asset when it accepts a non-monetary contribution or a non-monetary transfer.

Keep in mind that if a service is provided free of charge by an eligible volunteer, there is no contribution and no expense. See **Volunteer labour is not a contribution** in Chapter 2, **Contributions**, for details.



Property or services provided to another political entity

The registered association may incur expenses for property or services that are then provided to the registered party, another registered association, a candidate, a nomination contestant or a leadership contestant. The property or services can be sent as non-monetary transfers or can be sold to the other political entity. Non-monetary transfers must be offered equally to all contestants.

If the property or service is being sold to the other political entity, a copy of the original supplier invoice as well as the invoice from the association must be sent to that other entity. The documentation should confirm the amount reported in the financial returns.

See Chapter 4, **Transfers**, for more information on rules and restrictions.

Examples

1. The registered association purchases signs from Signs Inc. for \$1,500 and resells them to the candidate's campaign for \$1,500. The association has to send the candidate a copy of the original invoice from Signs Inc. for \$1,500 as well as an invoice from the association for \$1,500.
2. The registered association creates a web page on its site for each nomination contestant. The commercial value of creating the web pages is \$150 per contestant. Each nomination contestant has to report a non-monetary transfer and an expense of \$150.

Invoices

If an expense of \$50 or more was incurred by the registered association, either the financial agent or the authorized electoral district agent who incurred the expense must keep a copy of the supplier invoice setting out the nature of the expense. Once it is paid, the agent must also keep the proof of payment.

If an expense of less than \$50 was incurred by the registered association, either the financial agent or the authorized electoral district agent who incurred the expense must keep a record of the nature of the expense. Once it is paid, the agent must also keep the proof of payment.

For payments made from the petty cash, the person who is authorized to pay petty expenses has to provide the financial agent with the documents mentioned above within three months after the date the petty expense was incurred.

Repaying and reporting unpaid claims

All invoices for claims have to be submitted to the financial agent or authorized electoral district agents. Claims have to be paid within 36 months after payment is due.

The registered association's annual financial return must include the following schedules related to unpaid claims:

- statement of unpaid claims (claims past due as of December 31 or claims with no due date)
- previously reported claims that have been paid in full since the last fiscal period
- statement of claims that remain unpaid 18 or 36 months after their due date

OGI reference

For a detailed discussion of this topic, please refer to Elections Canada's interpretation note 2018-09, *Unpaid Claims and Reporting Requirements*, on the Elections Canada website.

Auditor's fee

The registered association's auditor will receive a subsidy from Elections Canada, paid directly to the auditor, for their work auditing the annual financial return. Elections Canada authorizes the payment once it receives the return, the auditor's report and a copy of the auditor's invoice.

The auditor's subsidy for the fiscal year that ends on December 31, 2020, is a maximum of \$2,236.50. (This is the base amount of \$1,500 multiplied by the inflation adjustment factor in effect at the end of the fiscal period.)

If the auditor's fee exceeds the maximum allowable subsidy, the registered association is responsible for the difference.

Note: The subsidy is provided only when an audit of the association's annual financial return is required by the *Canada Elections Act*. See Chapter 9, **Reporting**, for the conditions under which an audit is required.

7. Partisan Advertising During the Pre-election Period

This chapter discusses how the Canada Elections Act regulates partisan advertising during the pre-election period. It covers the following topics:

- *What is partisan advertising?*
- *What qualifies as partisan advertising on the Internet?*
- *Partisan advertising expenses*
- *Partisan advertising in various situations (for a potential candidate or contestant, for a registered party inside the electoral district, for a registered party outside the electoral district)*
- *Summary of rules on partisan advertising expenses*

Note: The pre-election period starts on June 30 in the year of a fixed-date general election. It ends on the day before the general election is called.

What is partisan advertising?

Definition

Partisan advertising is the transmission to the public during the pre-election period of an advertising message that promotes or opposes:

- a registered party or an eligible party, or
- the election of a potential candidate, nomination contestant or leader of a registered party or eligible party

This includes messages distributed through traditional means such as signs, flyers or television (but not telephone calls). It also includes some messages communicated over the Internet (see **What qualifies as partisan advertising on the Internet?**).

Advertising in the pre-election period is not partisan advertising if it promotes or opposes a political entity only by taking a position on an issue with which the entity is associated. This is commonly called issue advertising.

However, it will be partisan advertising if the ad promotes or opposes a political entity in any other way, including by showing a logo or linking to a web page that identifies the entity (see the next section).

Note: A potential candidate is someone who is selected in a nomination contest, is deemed to be a candidate because they have conducted political financing transactions, is a member of Parliament or an incumbent, or has the support of a political party to be a candidate of that party.

What it means to promote or oppose a political entity

Promoting or opposing, in relation to a registered party or eligible party, may include but is not limited to:

- naming the party
- identifying the party, including by its logo
- providing a link to a web page that names or identifies the party

Promoting or opposing, in relation to the election of a potential candidate, nomination contestant or leader of a registered party or eligible party, may include but is not limited to:

- naming the person
- showing a photograph, cartoon or drawing of the person
- identifying the person, including by political affiliation or by a logo
- providing a link to a web page that does any of the above

What qualifies as partisan advertising on the Internet?

Election messages communicated over the Internet are partisan advertising only if:

- they meet the general criteria for partisan advertising (see **What is partisan advertising?** above), **and**
- they have, or would normally have, a placement cost (such as sponsored or boosted content)

For greater certainty, the following are not partisan advertising:

- messages sent or posted for free on social media platforms such as Twitter and Facebook
- messages sent by email or through other messaging services (including texts sent through a cellular or mobile network)
- videos posted for free on social media platforms such as YouTube and Instagram
- content posted on the party's website (the ongoing expenses for creating and maintaining a website are not placement costs)

Information to be held in an online registry

Regulated online platforms (that is, websites or applications that meet certain criteria for monthly visitors or users) have to maintain a registry of political advertising.

When a registered association purchases partisan advertising online, to make sure it complies with the law, it should:

- inform the platform that it is conducting political advertising
- ask if the platform is regulated by the rules in the *Canada Elections Act* and needs information for its registry (unless the platform has already made this clear)

If the platform is regulated, the association must provide it with:

- an electronic copy of the advertisement
- the name of the financial agent who authorized its distribution on the platform

The platform must publish this information in its registry from the day the ad runs until two years after election day.

Partisan advertising expenses

A partisan advertising expense is an expense incurred in relation to:

- producing a partisan advertising message
- transmitting a partisan advertising message

It includes the following:

- any non-monetary contribution received to the extent that the property or service is used in relation to producing or transmitting a partisan advertising message
- a non-monetary transfer accepted to the extent that the goods or services are used in relation to producing or transmitting a partisan advertising message

Partisan advertising in various situations

Partisan advertising expenses of registered parties are limited in the pre-election period, and rules are in place for spending by electoral district associations to protect this limit.

Associations are still allowed to incur partisan advertising expenses to benefit local campaigns. For example, they can advertise for their nominated candidate or for their party locally (in case a candidate has not been chosen yet). But there are restrictions when it comes to advertising for the party outside the association's electoral district.

The rules and restrictions for various situations are explained in the sections below.

Partisan advertising to promote or oppose a potential candidate or contestant

An electoral district association of a registered party, whether the association is registered or not, can incur expenses and conduct partisan advertising to promote or oppose the election of a potential candidate or a nomination contestant. This can be done inside or outside the association's electoral district.

If the association is registered, the partisan advertising has to be authorized by the financial agent or an authorized electoral district agent. The authorization has to be mentioned in or on the partisan advertising message.

Advertisements that promote a potential candidate or a nomination contestant will often include the affiliated party's name or logo. Such ads are still considered to promote the potential candidate or contestant rather than the party, unless:

- the potential candidate is the party leader, or
- the decision to advertise outside the electoral district is not reasonably related to the potential candidate's or nomination contestant's election (such as running a Facebook ad in British Columbia for an Ontario candidate)

Examples

1. During the pre-election period, the registered association places ads on city buses to promote a potential candidate (who is not the party leader) by showing the potential candidate's name and party logo. These are partisan advertising expenses of the association. The ads display an authorization message from the financial agent. The expenses remain partisan advertising expenses of the association even though the buses regularly travel into ridings other than the association's own riding.
2. During the pre-election period, the registered association runs a radio ad in an urban centre to oppose a potential candidate (who is not a party leader). It identifies the potential candidate by their name and political affiliation. This is a partisan advertising expense of the association. The ad includes an authorization message from the financial agent. The expense remains a partisan advertising expense of the association even though the ad can be heard over the airwaves in a dozen ridings outside the association's own riding.
3. During the pre-election period, the registered association places an ad in a multicultural newspaper to promote a potential candidate (who is not the party leader) by showing the potential candidate's name and party logo. The newspaper publishes only one edition for the entire country. This is a partisan advertising expense of the association. The ad displays an authorization message from the financial agent. The expense remains a partisan advertising expense of the association even though it is distributed nationally because it reasonably promotes the potential candidate's election in their own electoral district.

Note: If the potential candidate being promoted is the party leader, and the advertisement is not transmitted only or mostly within the electoral district in which the leader is running, then the ad is considered to promote the party. See **Partisan advertising on behalf of the party outside the electoral district** below.

Partisan advertising to promote or oppose a party within the electoral district

An electoral district association of a registered party, whether the association is registered or not, can incur expenses and conduct partisan advertising to promote or oppose a party. This can be done without impacting its affiliated party's limit if the advertising is conducted only or mostly in the association's electoral district.

If the association is registered, the partisan advertising has to be authorized by the financial agent or an authorized electoral district agent. The authorization has to be mentioned in or on the partisan advertising message—for example: "Authorized by the financial agent of the XYZ Riding Association."

Example

During the pre-election period, the registered association buys signs that promote the party by showing the party logo and installs them in its riding. Because the association distributed the advertising only within its riding, the expenses are partisan advertising expenses of the association and not of the party. The signs display an authorization message from the financial agent of the association. If a small percentage of signs are inadvertently installed in adjacent ridings, this is still a partisan advertising expense of the association.

Partisan advertising on behalf of the party outside the electoral district

An electoral district association of a registered party, whether the association is registered or not, can incur expenses and conduct partisan advertising outside the association's electoral district on behalf of the party. However, the expenses will be subject to the party's limit on partisan advertising expenses.

For that reason, before an association conducts any such advertising, it must obtain the agreement of the party beforehand. After incurring the expenses:

- if the association is registered, the property or services that the expense is incurred for must be sold or transferred to the party
- if the association is unregistered, the property or services that the expense is incurred for must be sold to the party

A copy of the original supplier invoice for the partisan advertising expense must be sent to the party. The expenses for partisan advertising conducted during the pre-election period, including the cost of production and distribution, are partisan advertising expenses of the party.

Partisan advertising done on behalf of the registered party must receive prior written authorization from a registered agent of the party. This authorization has to be mentioned in or on the message—for example: "Authorized by the registered agent of the XYZ Party of Canada."

Example

Leading up to a fixed-date general election, a registered association works with the registered party to develop an advertising campaign that is centred around the party leader. The party's chief agent authorizes the association to produce flyers and distribute them across the province in July. The association adds a party tagline on the message and sends the invoice for the flyers to the party. The party reports the amount as a non-monetary transfer from the association and a partisan advertising expense.

Summary of rules on partisan advertising expenses

The following table summarizes the partisan advertising rules for electoral district associations of registered parties.

Partisan advertising during the pre-election period			
Promoting or opposing...	Transmitted where	By a registered association	By an unregistered association
Election of a: <ul style="list-style-type: none"> • potential candidate • nomination contestant 	Inside or outside the association's electoral district ¹	<ul style="list-style-type: none"> • Association's authorization required • Authorization on or in message • It is an expense of the registered association 	<ul style="list-style-type: none"> • It is an expense of the association³
Registered party²	Only or mostly within the association's electoral district	<ul style="list-style-type: none"> • Association's authorization required • Authorization on or in message • It is an expense of the registered association 	If the property or services are sold to the party: <ul style="list-style-type: none"> • Party's authorization required • Authorization on or in message • It is a partisan advertising expense of the party Otherwise, it is an expense of the association ³
Registered party²	Outside the association's electoral district	<ul style="list-style-type: none"> • Party's authorization required • Authorization on or in message • Property or services must be sold or transferred to the party • It is a partisan advertising expense of the party 	If the property or services are sold to the party: <ul style="list-style-type: none"> • Party's authorization required • Authorization on or in message • It is a partisan advertising expense of the party Otherwise, it is an expense of the association ³

¹ If the potential candidate being promoted is the party leader, and the advertisement is not transmitted only or mostly within the electoral district in which the leader is running, then the ad is considered to promote the party.

² An eligible party that becomes registered during a fixed-date general election is deemed to have been registered from June 30.

³ The association may need to register as a third party. An unregistered association may also need to register as a third party if it conducts partisan activities or election surveys in the pre-election period. Please refer to the *Political Financing Handbook for Third Parties, Financial Agents and Auditors* for registration requirements and other obligations.

8. Working with Other Entities During the Election Period

This chapter discusses how transactions are regulated when the association engages in shared activities, shares its resources or acts on behalf of another political entity during the election period. It covers the following topics:

- *Incurring election expenses on behalf of the candidate or the party*
- *Typical election expenses incurred on behalf of the candidate or the party*

Incurring election expenses on behalf of the candidate or the party

An electoral district association of a registered party, whether the association is registered or not, cannot incur election expenses unless it is done on behalf of the candidate or the party. The association must receive prior written authorization, and the expenses are election expenses of the candidate or the party, as the case may be.

The property or services must be:

- sold to the party or a candidate endorsed by the party, or
- transferred to the party, a registered association of the party (which must then also sell or transfer the property or services), or a candidate endorsed by the party

Note: Only registered electoral district associations can send transfers.

Typical election expenses incurred on behalf of the candidate or the party

The following are examples of typical activities where the registered association shares its resources or incurs election expenses on behalf of the candidate or the party.

Election advertising on behalf of the candidate or the party

Election advertising done on behalf of the candidate or the party must receive prior written authorization from the official agent of the candidate or from a registered agent of the party, as the case may be. This authorization has to be mentioned in or on the message—for example: “Authorized by the registered agent of the XYZ Party of Canada.”

The registered association must send a copy of the original supplier invoice to the candidate or party. The expenses incurred for advertising conducted during the election period, including the cost of production and distribution, are election expenses of the candidate or the party.

Examples

1. After an election is called, the financial agent of the registered association obtains the official agent’s written authorization to purchase and distribute signs promoting the candidate. The financial agent sends a copy of the original supplier invoice to the candidate’s campaign. These expenses are election expenses of the candidate. The official agent’s authorization must be mentioned on the signs.

2. During the election period, the registered association would like to post a video promoting the candidate on YouTube. There is no placement cost to post the video, so it is not election advertising. However, because the production cost for the video would be an election expense of the candidate, the association has to obtain prior written authorization from the candidate's official agent to post the video.
3. The association would like to hire a media firm to place banners promoting the candidate on social media platforms during the election period, directing users to a video on YouTube. Because the banners have a placement cost and promote the candidate, they are election advertising. The association has to obtain prior written authorization from the candidate's official agent, and this authorization must be mentioned on the banners. The financial agent has to send a copy of the original supplier invoice to the candidate's campaign. These expenses are election expenses of the candidate.

OGI reference

For a detailed discussion of a related topic, please refer to Elections Canada's interpretation note 2015-04, *Election Advertising on the Internet*, on the Elections Canada website.

Pamphlets and flyers

An electoral district association of a registered party, whether the association is registered or not, might choose to distribute pamphlets and flyers at any time during the year.

If the pamphlets and flyers are distributed during an election period, they are election expenses and can be sent only on behalf of the candidate or the party. Prior written authorization from the official agent, chief agent or a registered agent must be obtained and mentioned in or on the advertisement.

If the pamphlets and flyers are in transit on the day the election is called and the association does not have the ability to stop their delivery, they will not be considered election advertising or election expenses even though the actual delivery will take place during the election period. However, any pamphlets and flyers distributed in the 36 days preceding a fixed-date election will be considered election advertising and election expenses.

Note: Pamphlets and flyers distributed during the pre-election period in the year of a fixed-date general election are partisan advertising. See rules and restrictions in Chapter 7, **Partisan Advertising During the Pre-election Period**.

Used signs

The registered association may have in its possession signs used in a previous election. If the candidate or party reuses these signs in a subsequent election, the current commercial value of equivalent signs has to be recorded as a non-monetary transfer to the political entity receiving the signs. Transfer rules apply to these transactions.

Example

After an election is called, the financial agent of the registered association obtains the official agent's written authorization to reuse signs from the previous election, promoting the candidate. The current commercial value of the signs is the election expense of the candidate. In addition, the official agent's authorization must be mentioned on the signs.

Billboards

The commercial value, including design, production and installation, of any pre-existing billboards promoting the candidate that remain in place during the election period are election expenses. Billboards include the sign and the supporting structure. Elections Canada will accept the commercial value of an equivalent sign (that is, the same size and design) that would be temporarily installed just for the election period.

Similarly, with respect to the supporting structure, Elections Canada will accept the commercial value of an equivalent structure that would typically be used for an election period rather than the commercial value of a structure designed to be more permanent in nature. Note that the commercial value of the structure is the lower of its purchase price or its rental cost for the length of the election period.

Example

The registered association is renting a billboard that promotes the member of Parliament in the riding. The expenses are reported in the association's annual financial return. When a federal election is called and the member of Parliament runs for re-election, the association plans to keep the billboard up to promote the incumbent candidate. The candidate's official agent has to authorize the expenses of the billboard in writing, and the authorization must be mentioned on the billboard. The expenses are election expenses of the candidate.

Registered association's office and assets

The candidate's campaign may use the registered association's office and assets during the election period. Their use is an election expense of the candidate.

For the use of its office, the registered association must send an invoice to the candidate's campaign together with the association's original rental agreement.

If the registered association charges:

- less than its own rental cost for the period, the difference is a non-monetary transfer from the association
- more than its own rental cost for the period, the difference is a monetary transfer from the candidate

For the use of its capital assets (computers, printing equipment, etc.), the association must send an invoice equivalent to the commercial value of renting similar assets for the same period.

If the registered association does not charge for the use of its capital assets, the commercial value of renting similar assets for the same period is a non-monetary transfer from the association.

For the use of office supplies (paper, pens, printer toner, etc.), the association must send an invoice equivalent to the commercial value of the items. If the association does not charge the campaign for office supplies, the commercial value of the items is a non-monetary transfer from the association.

Example

The registered association rents office space all year. During the election period, the candidate sublets the office and uses it as a campaign office. The registered association sends the original rental agreement and an invoice to the candidate's campaign for the rent calculated for the election period. The rent paid by the candidate is an election expense of the candidate. The registered association has to report the income in its financial statement at the end of the fiscal year.

Registered association's existing website or web content

If the registered association's website promotes the candidate and stays online during the election period, it is an election expense of the candidate. Elections Canada will accept the current commercial value of an equivalent website as the commercial value of a pre-existing website.

The official agent must approve this transfer from the association to the campaign. If the official agent does not wish to have this expense count toward the limit, the website must go offline during the election period.

Expenses to produce and distribute content on the website or social media accounts for the purpose of the campaign are also election expenses. Pre-existing content is only an expense if it was posted for the purpose of the campaign or promoted during the campaign.

OGI reference

For a detailed discussion of a similar topic, please refer to Elections Canada's interpretation note 2018-04, *Pre-existing Web Content of Registered Parties in an Election*, on the Elections Canada website.

Fundraising for a candidate during an election period

If a registered association organizes a fundraising activity during an election period to raise funds for a candidate's campaign, the promotion of the event is election advertising and an election expense of the candidate.

Prior to incurring election expenses on behalf of the candidate, the financial agent of the registered association must receive written authorization from the candidate's official agent. In addition, since this is an election advertising expense, the official agent's authorization also has to be mentioned in or on the promotion—for example, "Authorized by the official agent of John Smith."

The registered association must send a copy of the original supplier invoice for the advertising expense to the candidate's campaign. The candidate's campaign must report the amount as an election expense.

Example

During an election period, the registered association is planning a fundraising event to collect contributions for the candidate's campaign. The financial agent obtains the official agent's written authorization to incur expenses for advertising the event, and the association creates flyers and distributes them in the riding. After the event, the financial agent sends a copy of the original supplier invoice to the candidate's campaign for the expenses incurred for designing, printing and distributing the flyers. The official agent reports the invoiced amount as an election expense.

Voter contact calling services

Voter contact calling services are services involving the making of calls during an election period (but not during a pre-election period) for any purpose related to an election, including:

- promoting or opposing a registered party, its leader, a candidate, a nomination contestant or any position on an issue with which a party or candidate is associated
- encouraging electors to vote or to refrain from voting
- providing information about the election, including information about voting hours and the location of polling stations
- gathering information about how electors voted in past elections or will vote in the election, or their view on a candidate or on any issue with which a candidate is associated
- raising funds for a registered party, a candidate or a nomination contestant

Before incurring expenses for voter contact calling services, the registered association must obtain written authorization from the chief agent, the official agent or the financial agent of the political entity the services are to be acquired for. The association cannot incur expenses for voter calls during the election period on its own behalf.

The registered association must send an invoice, including a copy of the original supplier invoice, to the registered party, the candidate or the nomination contestant. Expenses incurred for voter calls conducted during the election period, including their production and distribution, have to be reported as election expenses (or nomination campaign expenses) by the entity the services were acquired for.

Although voter calls are election expenses, they are not election advertising.

Note: If a registered association provides voter contact calling services to a nomination contestant, the service must be offered equally to all nomination contestants.

Note: A registered association must register with the Canadian Radio-television and Telecommunications Commission (CRTC) if it uses a calling service provider or automatic dialing-announcing device to make voter calls during an election period. Refer to the CRTC's Voter Contact Registry web page for details.

OGI reference

For a detailed discussion of this topic, please refer to Elections Canada's interpretation note 2019-11, *Application of Partisan and Election Advertising Rules to Telephone Calls*, on the Elections Canada website.

9. Reporting

This chapter describes the financial and registry reports that must be completed and submitted by set deadlines under the Canada Elections Act. It covers the following topics:

- Reporting obligations after registration and during the fiscal year
- Additional reporting if corrections or revisions are required
- Submitting reports to Elections Canada
- Requesting a filing deadline extension

Note: Forms and instructions are available on the Elections Canada website.

Reporting obligations after registration and during the fiscal year

Reports in this table must be submitted to Elections Canada, unless otherwise noted.

Mandatory document	Description	Deadline	Who is responsible
Statement of Registered Association's Assets and Liabilities (EC 20031)	The statement lists the association's assets and liabilities as of the day before the effective date of registration.	6 months after becoming a registered association	Financial agent
General Form—Electoral District Association (EC 20380) To report a change of registry information	The association must report changes to its registry information, such as an address change or new appointments.	30 days after a change of registry information	Financial agent or chief executive officer
General Form—Nomination Contest (EC 20188)	The association must file this report if the association (and not the party) held a nomination contest. It is required if the contest was open to more than one person, even if only one person entered. After receiving the report, Elections Canada starts sending notices to the nomination contestant and financial agent about reporting obligations.	30 days after a nomination contest held by the association	Association's representative

Mandatory document	Description	Deadline	Who is responsible
Registered Association Financial Transactions Return (EC 20081) With supporting documents	The annual financial return includes the following: <ul style="list-style-type: none"> • association's information and declaration, signed by the financial agent • inflows and outflows, including for voter contact calling services • statement of revenues and expenses • statement of assets and liabilities 	May 31	Financial agent
Auditor's report*	After the financial agent completes the association's annual financial return, the auditor has to examine the financial records and give an opinion in a report as to whether the association's return presents fairly the information contained in the financial records on which it is based.	May 31	Financial agent
Auditor's invoice	The invoice must be prepared and signed by the auditor.	May 31	Auditor and financial agent
Contributions to a Registered Party or to a Registered Association—Information Return (T2092—CRA)	The financial agent must use the Canada Revenue Agency form to report contributions received and received. A link to the form is posted on the Elections Canada website.	May 31, to the Canada Revenue Agency	Financial agent
General Form—Electoral District Association (EC 20380) Annual confirmation of registry information	Elections Canada sends the association a package with its registry information each year. The association must certify that the registry information is accurate or provide updates.	May 31	Chief executive officer
<p>*An auditor's report is required if the association accepted contributions totalling \$10,000 or more, or incurred expenses totalling \$10,000 or more, in the fiscal period. This is in effect for the 2019 fiscal period and later. Note that audit fees and transfers to or from affiliated political entities do not count toward the \$10,000 threshold.</p> <p>It is very important to give the auditor enough time to properly audit the annual financial return before the deadline.</p>			

Additional reporting if corrections or revisions are required

The *Registered Association Financial Transactions Return* may need to be amended to correct errors or omissions.

Corrections or revisions requested by Elections Canada	Corrections or revisions requested by the registered association
<p>On review, Elections Canada may request the financial agent to correct or revise the association's annual financial return.</p> <p>The financial agent must submit the corrected or revised return within the specified period.</p>	<p>The financial agent may become aware of a need to correct or revise a return that has been filed (for example, to add some omitted contributions).</p> <p>The financial agent or chief executive officer has to apply to Elections Canada for authorization to file an amended return, using the <i>Request for Amendment</i> form.</p> <p>An amended return must be submitted within 30 days after the correction or revision is authorized.</p>

Submitting reports to Elections Canada

Financial forms, registry forms and instructions are available on the Elections Canada website.

Elections Canada has developed free software to help with the preparation of financial returns: the Electronic Financial Return (EFR) software. It can be accessed from the Political Entities Service Centre on the Elections Canada website.

Note: Using EFR to complete or update the *Registered Association Financial Transactions Return* makes reporting much easier because EFR validates the entries and creates a submission file with the required fields populated.

Options for submitting financial reports to Elections Canada

Online

Log in

- Log in to the Political Entities Service Centre at csep-pesc.elections.ca. (Use the email address that Elections Canada has on file for you in the Registry of Electoral District Associations.)
- Click on the Electronic Financial Returns tab.

Financial transactions return

- Upload the submission files created by the EFR software (in PDF and XML formats) and any supporting documents.
- Follow the on-screen steps to apply digital consent and submit the return.

Statement of assets and liabilities

- Upload the report (in PDF format) and any supporting documents.
- Follow the on-screen steps to apply digital consent and submit the report.

Extension and amendment requests

- Sign the pages requiring signature and scan the form.
- Upload the form (in PDF format) and any supporting documents.

Note: If you submit online, there is no need to send physical copies by mail.

Mail or fax

Any financial reports

- Sign the pages requiring signature.
- Send the reports to Elections Canada by courier, mail or fax.
- Send supporting documents to Elections Canada by courier or mail.

Address

Elections Canada
30 Victoria Street, Gatineau, Quebec K1A 0M6

Fax

Political Financing
1-888-523-9333 (toll-free)
1-819-939-1803

Notes

- It is recommended that the association keep a copy of all documents submitted.
- The association can print a confirmation of its submission and track the status of its financial return in the Political Entities Service Centre.

Requesting a filing deadline extension

Reports eligible for an extension

If the registered association is not able to submit the *Registered Association Financial Transactions Return* with all mandatory documents by the deadline, the association may apply to submit the report within an extended period.

Note: The *Canada Elections Act* does not allow for extensions on registry reports, including the annual confirmation of registry information or changes to registry information during the year.

The following table explains which versions of the annual financial return are eligible for an extension and from whom.

Registered Association Financial Transactions Return—extension requests			
Document to submit	Extension from Elections Canada	Additional extension from Elections Canada	Extension from a judge
Original submission of the return, including the auditor's report (if required)	Yes	No	Yes
Corrected or revised return, as requested by the registered association	Yes	Yes	No
Corrected or revised return, as requested by Elections Canada	No	No	No*

*Corrections or revisions requested by Elections Canada are not eligible for extensions and must be filed within the specified period. However, the financial agent can apply to a judge to be relieved of the obligation of complying with the request.

Submitting a request for an extension

To apply for an extension, the financial agent or chief executive officer has to send the *Request for Extension of Filing Deadline* form. It must be received by Elections Canada no later than two weeks after the filing deadline.

Note: Only a judge may grant an extension requested more than two weeks after the deadline has passed.

Elections Canada will grant an extension unless the financial agent's failure to provide the document was deliberate or was the result of a failure to exercise due diligence.

If Elections Canada refuses to authorize an extension for the original submission of the annual financial return, or if the financial agent is unable to file the return within the extended period, the financial agent may apply to a judge for an extension.

Note: If documents are not filed by the statutory deadline and no extension has been authorized, a registered association may face deregistration.

10. Financial Statements in Part 4 of the Registered Association Financial Transactions Return

This chapter explains the information required for each field in Part 4 of the Registered Association Financial Transactions Return. The statements in that part must be completed based on the association's own financial statements, prepared in accordance with current accounting standards. The chapter covers the following topics:

- *Statement of revenues and expenses*
- *Statement of assets and liabilities*

Statement of revenues and expenses

Field	Explanation
REVENUES	
Contributions	Monetary and non-monetary contributions received or receivable
Transfers	Monetary and non-monetary transfers received or receivable
Interest income	Bank interest and investment income received or receivable
Fundraising activities	Non-contribution portion of fundraising revenue
Other	Any revenue not listed above (provide supporting schedule)
Total revenues	
EXPENSES AND CASH OUTFLOWS	
Advertising – radio	Includes airtime charged by the radio station and other expenses associated with the advertisement, such as hiring talent, designing the advertisement, etc.
Advertising – TV	Includes airtime charged by the TV station and other expenses associated with the advertisement, such as hiring talent, designing the advertisement, etc.
Advertising – other	Signs, brochures, billboards, websites, social media
Voter contact calling services	Expenses not paid for by a political entity, for which the services were acquired
Bank charges and interest	Bank fees, cheque fees, overdraft charges, etc.
Amortization	Current year's depreciation of capital assets
Transfers	Monetary and non-monetary transfers made or payable
Fundraising activities	Total expenses paid or payable for fundraising events
Office expenses	Rent and utilities
Office expenses	Insurance, supplies, subscriptions and dues, maintenance, etc.
Polling and research	Polling and research conducted
Professional services	Include legal and consulting fees, and the auditor's fee
Salaries and benefits	Salaries and benefits paid to employees (administration, bookkeeping, etc.)
Travel and hospitality	Example: expenses of electoral district association officials or volunteers travelling to the party's annual convention
Other	Examples: registration fee for conventions, writedown of obsolete assets, and any other expense not listed above (provide supporting schedule)
Total expenses	
Net income (loss)	

Statement of assets and liabilities

Field	Explanation
CURRENT ASSETS	
Cash and equivalents	Bank account balance, short-term deposits and petty cash
Accounts receivable	Amounts owed to the registered association
Inventory	Signs and other items of significant value
Prepaid expenses	Prepaid insurance, property taxes, utilities, etc.
Other	Any asset not listed above (provide supporting schedule)
Total current assets	
LONG-TERM ASSETS	
Capital assets	Depreciated value of fixed assets, such as computers and related equipment, furniture, etc. (provide supporting schedule)
Other	Any other long-term asset, for example, a long-term investment (provide supporting schedule)
Total long-term assets	
Total assets	
CURRENT LIABILITIES	
Accounts payable and accrued liabilities	Outstanding charges applicable to the year reported (for example, monthly telephone bill, electricity bill)
Loans	12-month payments applicable to the year reported on a multi-year loan (capital only)
Other	Any other current liabilities (provide supporting schedule)
Total current liabilities	
LONG-TERM LIABILITIES	
Loans	Loan balances owing (capital owed on Dec. 31 less 12 months' payments, which is the amount in <i>Other current liabilities</i>)
Other	Other long-term liabilities not listed above (provide supporting schedule)
Total long-term liabilities	
NET ASSETS	
Opening balance	Ending balance from the previous year's annual financial return
Add net income (subtract loss)	Current year's net income (or loss)—from the <i>Statement of revenues and expenses</i>
Ending balance = Accumulated surplus (deficit)	
Total liabilities and net assets	Must equal total assets