



This document is Elections Canada's guideline OGI 2017-02.

Political Financing Handbook

for Electoral District Associations and Financial Agents

October 2017

EC 20089



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About This Document

Introduction to the handbook

This handbook is designed to assist electoral district associations and their financial agents. It is a tool that will help 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 this release?

Release	Where	Title	Summary
October 2017	All	n/a	Content reorganized for better flow and new examples added.
October 2017	Chapter 1	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	Content from the first three chapters of the previous handbook reorganized into tables and graphics.
October 2017	Chapter 2	Who can contribute? Sponsorship or advertising at a political event is a contribution Determining the date a contribution is made Returning or remitting ineligible contributions	New content on contributions from minors. Example added on sponsorship by individuals. New content on determining the date a contribution is made in different scenarios. Content reorganized into a flowchart.
October 2017	Chapter 5	Fundraising	New content as per OGI 2016-01 and the Canada Revenue Agency’s position on sales taxes and gratuities at ticketed fundraising events.

Release	Where	Title	Summary
October 2017	Chapter 7	Working with Other Entities	New content added to further explain collaboration between political entities.
October 2017	Chapter 8	Reporting	Content reorganized into tables.

Contact information

Internet	elections.ca
Telephone	Political Financing 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

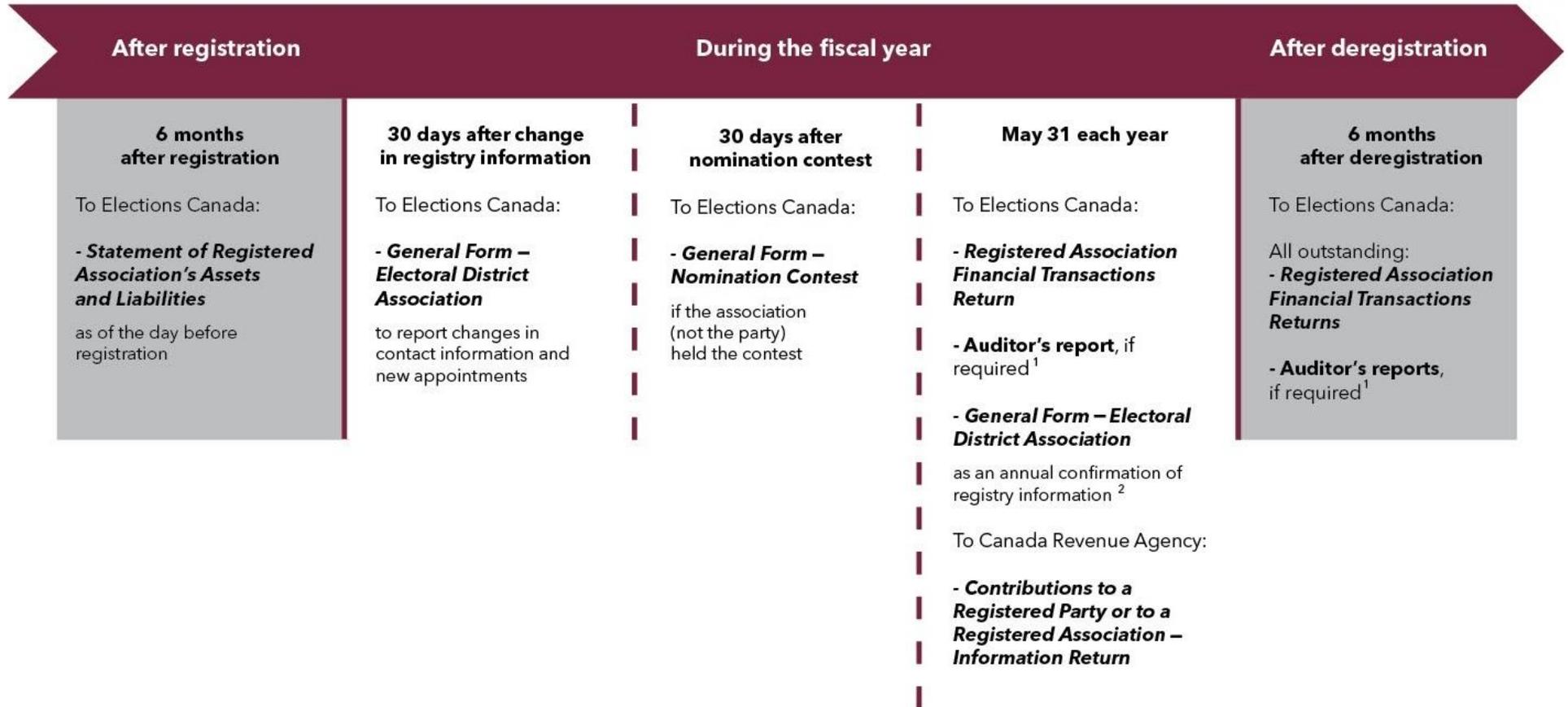
After the effective date of deregistration, the association is no longer allowed to:

- accept contributions
- issue tax receipts
- transfer funds, property or services to other political entities
- accept surplus funds from other political entities

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 \$5,000 or more, or incurred expenses totalling \$5,000 or more, in a fiscal period. Note that audit fees and transfers to or from affiliated political entities do not count toward the \$5,000 threshold.

² If the date falls within an election period, the deadline is July 31.

Role and appointment process—chief executive officer

Association's chief executive officer		
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 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. 		

Role and appointment process—financial agent

Association's financial agent		
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 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 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 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. 		

Role and appointment process—electoral district agents

Association's electoral district agents		
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 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 districts 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 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 • Authorized electoral district agents may share signing authority with the financial agent over the registered association's bank account. 		

Role and appointment process—auditor

Association's auditor		
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. 		
Role summary		
<ul style="list-style-type: none"> • If in a fiscal period the registered association receives contributions totalling \$5,000 or more, or incurs expenses totalling \$5,000 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. 		

*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	2017 annual limit	Limit per election called between Jan. 1, 2017 and Dec. 31, 2017
To each registered party	\$1,550*	n/a
In total to all the registered associations, nomination contestants and candidates of each registered party	\$1,550*	n/a
In total to all leadership contestants in a particular contest	\$1,550*	n/a
To each independent candidate	n/a	\$1,550*
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. • 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 \$1,550* 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 \$1,550* 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.
- 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. • 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. If a federal election is in progress in the association's electoral district on that date, the deadline is July 31. • Submit the <i>Registered Association Financial Transactions Return</i> by May 31 each year. 	<ul style="list-style-type: none"> • Do not transmit election advertising or incur expenses for election advertising that would be transmitted during the election period. • Do not incur electoral campaign expenses on behalf of a candidate without the written authorization of 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 \$5,000 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 contributions made using online payment services.	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 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. An individual 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.
2. 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 the web designer. The commercial value is equal to the lowest amount charged by that individual 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	2017 annual limit
In total to all the registered associations, nomination contestants and candidates of each registered party	\$1,550*
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 \$1,550* 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 \$1,550 to the registered party he supports. In addition, he makes a \$550 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. Clara made a \$1,550 contribution in her riding to the registered association of the party she supports. Later that year an election is called and Clara makes a \$1,550 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.

3. Peter gave a \$1,550 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.
4. **Note:** These examples use the limits in effect for 2017.

Volunteer labour is not a contribution

Campaigns often rely on the help of volunteers. Volunteer labour is any service provided free of charge by a person outside of their working hours. Volunteer labour is not a contribution.

Note: A service provided by a self-employed person who normally charges a fee for that service is a non-monetary contribution and is not volunteer labour. The person providing the service has to be eligible under the contribution rules.

Examples

1. A person 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 therefore is not a contribution.
2. A self-employed graphic designer offers to design a pamphlet for the registered association free of charge. Because the person 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 the graphic designer normally charges for that service.

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 name 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 address as well.
Contributions over \$200	The contributor's full first and last name (initials are not acceptable) and home address have to be recorded, and a contribution receipt must be issued.

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.
<p>Note: It is recommended that registered associations only accept contributions made by way of a traceable instrument.</p>	

Issuing contribution receipts

A receipt has to be issued for each monetary or non-monetary contribution over \$20.

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 for the financial agent to use Elections Canada’s Electronic Financial Return (EFR) software to issue all receipts. Please refer to the *EFR User Guide* for more information. The guide can be found under the Help menu within the EFR software. EFR is free and downloadable 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, 2016, an individual 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, 2017. The contribution is made on December 23, 2016. The financial agent issues a receipt for 2016, and the amount counts toward the individual's 2016 contribution limit.
2. An individual makes an e-transfer to the registered association on December 23, 2016, but the financial agent does not process the amount until January 10, 2017. The contribution is made on December 23, 2016. The financial agent issues a receipt for 2016, and the amount counts toward the individual's 2016 contribution limit.
3. The financial agent receives a cheque from a contributor in the mail on January 5, 2017. The cheque is dated December 28, 2016, and the postmark on the envelope is December 30, 2016. The contribution is made on December 30, 2016. The financial agent issues a receipt for 2016, and the amount counts toward the individual's 2016 contribution limit.
4. The financial agent receives a cheque from an individual 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 the contributor 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, the financial agent 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.

After the event the financial agent has to record the following: a description and the date of the event, the approximate number of people who attended (40), and the amount collected in anonymous contributions (\$326).

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 amount 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 an individual 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 or remitting ineligible contributions

The financial agent or authorized electoral district agent must not knowingly accept a contribution that exceeds the limit. It is also advisable not to 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. It must be returned to the contributor or remitted to Elections Canada, based on whether or not the contribution 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.

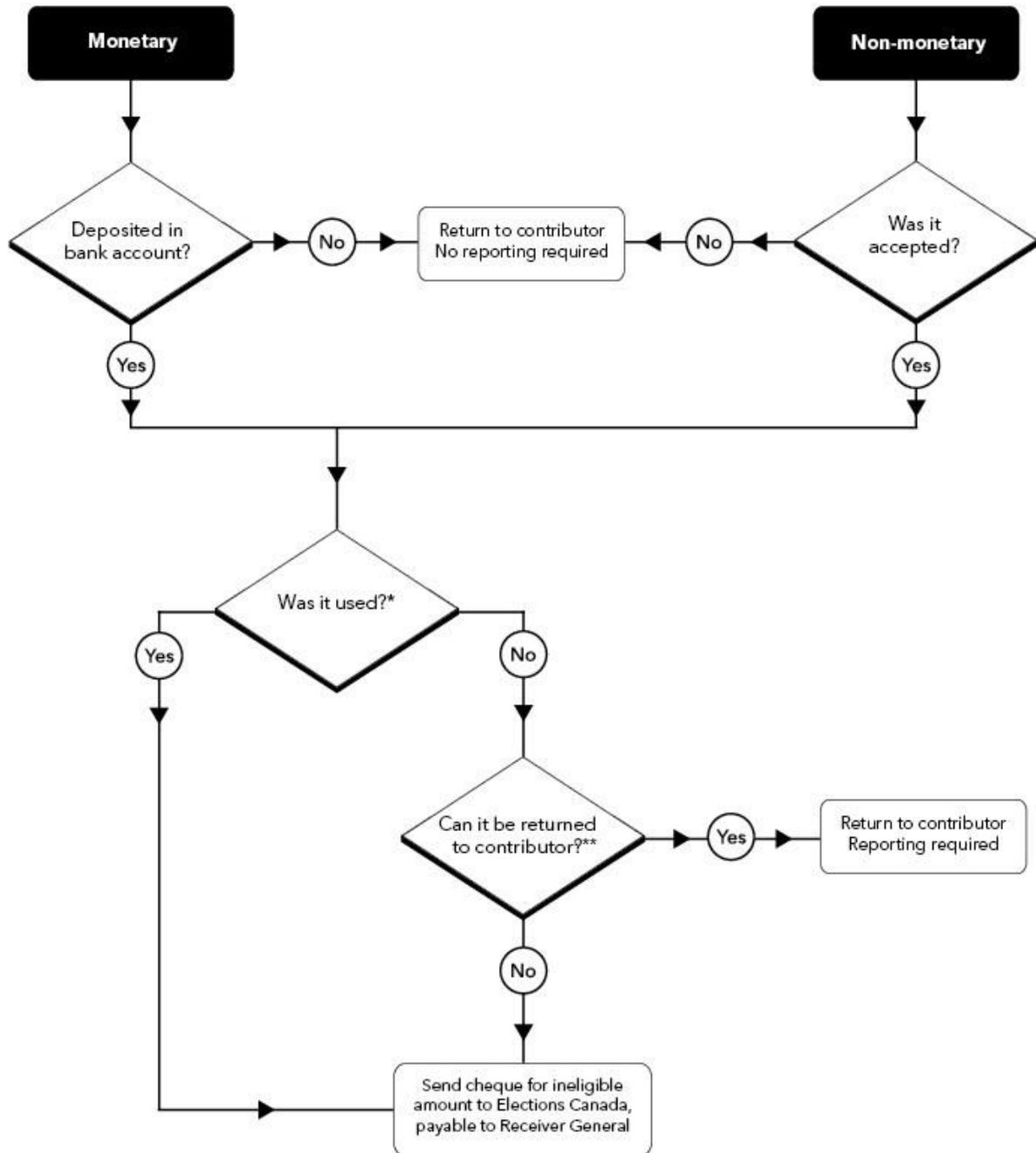
Flowchart 1 explains how to administer ineligible contributions in different scenarios.

Examples

1. The financial agent of a registered association deposits a cheque for \$600 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, \$50, and send it to the contributor. He records a returned contribution of \$50.
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 \$150 to Elections Canada, payable to the Receiver General for Canada. He records a contribution of \$1,700, a returned contribution of \$150 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 \$250 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 \$250 and the funds were therefore used. The financial agent must remit \$250 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 \$250 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 \$250.

Note: These examples use the limits in effect for 2017.

Flowchart 1: Returning or remitting ineligible 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 \$15,500 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 \$1,550 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 2017.

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 make a loan to a registered association if the loan is made possible by the money, property or services of any person or entity that provided it to the individual for that purpose.

Example

Paul made a \$550 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, Paul 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 2017.

Types of loans

Term loan

A term loan is repaid in regular payments over a set period of time. 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 with the bank's prime rate and is calculated monthly.

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 and line of credit

If overdraft protection or a line of credit is used, the maximum amount used is reported as a loan. Note however that 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.

The financial agent has to include the following information when reporting an overdraft or a line of credit:

- the maximum amount used
- the name and address of the financial institution
- the interest rate charged
- the dates and amounts of any repayments of principal and payments of interest
- the full name and address of any guarantors and the amounts they have guaranteed
- the unpaid balance at the end of each calendar year

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

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 it is below \$200.

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 a third party vendor 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
 - the candidate has appointed an auditor
 - 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
- Typical fundraising activities (sale of branded goods, auctions, ticketed and 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 7, **Working with Other Entities**.

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 determining the contribution amount. Two concepts need to be considered first: the fair market value of a benefit and whether it is significant.

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

If a benefit is not commercially available and its value cannot be determined, such as access to a party leader, it has no fair market value.

When is a benefit significant?

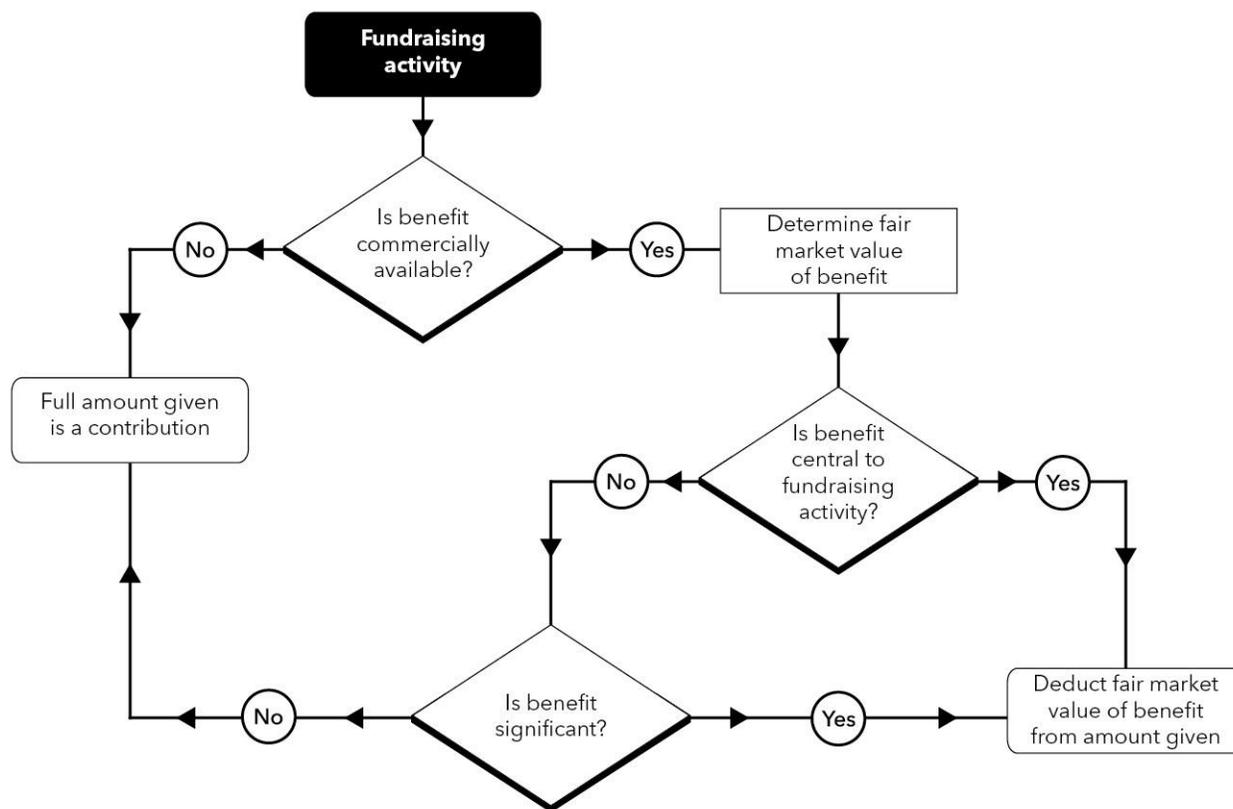
A benefit is considered significant only if its fair market value exceeds 10% of the amount given or \$75, whichever is less. Note that this *de minimis* threshold (below which the benefit is deemed insignificant) does not apply to cash or near-cash benefits, such as gift certificates. Nor does it apply to the value of an activity that is central to a fundraising event, such as the meal provided at a ticketed fundraising dinner.

Note: The threshold of 10% of the amount given or \$75 is aligned with the *de minimis* 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.

Flowchart 2: Basic rules for determining the contribution amount



Examples

1. In exchange for making a \$500 contribution, individuals are given access to the party leader or a prominent 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 pro-rated 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.

Typical 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. 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 generate a receipt 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 that business, 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. 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.

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 fair market value of the room rental and catering, pro-rated on the basis of the expected number of attendees
- 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, pro-rated on the basis of the expected number of attendees (*de minimis* threshold may apply)
- complimentary items such as pens or key chains (*de minimis* threshold may apply)

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, pro-rated on the basis of the expected number of attendees (*de minimis* threshold may apply)

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 guidance is under review with the Canada Revenue Agency and is subject to change in the next release of the handbook.)

Calculation based on expected attendance

The fair market value of the benefit is determined 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, 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)
- 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
Hockey tickets*	\$8
Cost of pen with logo*	\$10
Contribution amount	\$92

*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**.

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 pro-rated 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?*
- *Prohibition on election advertising expenses*
- *How do expenses relate to non-monetary contributions and transfers?*
- *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.

Prohibition on election advertising expenses

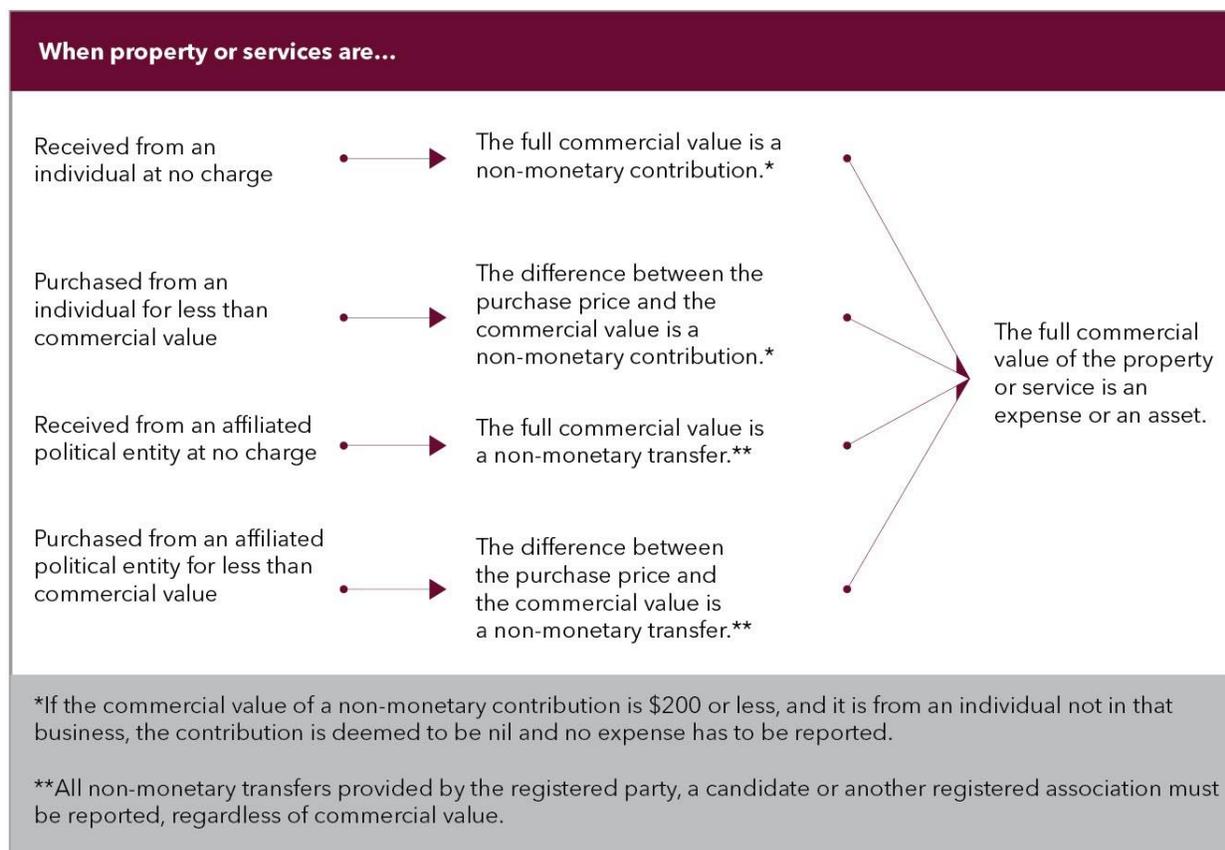
During an election period, the registered association is prohibited from transmitting election advertising or incurring expenses for election advertising.

The registered association can conduct election advertising only if it is done on behalf of a candidate or the party, and if it receives prior written authorization from the candidate's official agent or a registered agent of the party. For more information, see Chapter 7, **Working with Other Entities**.

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.



Invoices

If an expense of \$50 or more was incurred and paid on behalf of the registered association, either the financial agent or the authorized electoral district agent who made the payment has to keep a copy of the supplier invoice setting out the nature of the expense and proof of payment.

If an expense of less than \$50 was incurred and paid on behalf of the registered association, either the financial agent or the authorized electoral district agent who made the payment has to keep a record of the nature of the expense and proof of payment.

For payments made from the petty cash, the person who is authorized to pay petty expenses has to provide the invoices and proof of payment 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
- 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

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 subsidy is equal to the invoiced amount of audit expenses, up to a maximum of \$1,500. 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 8, **Reporting**, for the conditions under which an audit is required.

7. Working with Other Entities

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

- *Property or services provided to another political entity*
- *Conducting election advertising on behalf of a candidate or the party*
- *Typical shared communications and advertising*
- *Typical shared resources*

Property or services provided to another political entity

The registered association may provide property or services 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 paid by the other political entity.

If the property or service is being paid by 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.

Conducting election advertising on behalf of a candidate or the party

Election advertising

Election advertising is the transmission to the public of an advertising message promoting or opposing a registered party or the election of a candidate during the election period. Election advertising has to be authorized by a registered agent of a party or by the official agent of a candidate. This authorization has to be mentioned in or on the message—for example, "Authorized by the official agent of John Smith."

Note: During an election period, the registered association is prohibited from transmitting election advertising or incurring expenses for election advertising.

Election advertising on behalf of a candidate or the party

The registered association can conduct election advertising only if it is done on behalf of a candidate or the party, and if it receives prior written authorization from the candidate's official agent or a registered agent of the party. This authorization must be mentioned in or on the message.

A copy of the original supplier invoice for the election advertising activity must be sent to the candidate or party. The expenses incurred for advertising conducted during the election period, including the cost of production and distribution, are to be reported as election expenses in the candidate's or party's return.

Typical shared communications and advertising

Traditional election advertising

Advertisements distributed through traditional means such as signs, billboards, flyers, pamphlets, radio, television, newspapers or magazines during an election period are election advertising and have to be authorized by a registered agent of the party or by the candidate's official agent.

Example

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 has to send a copy of the original supplier invoice to the candidate's campaign. These expenses are election expenses of the candidate. In addition, the official agent's authorization must be mentioned on the signs.

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 second or 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.

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 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 party and the member of Parliament from 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, including the design, installation and rental expenses, and report them as election expenses in the candidate's return.

Election advertising on the Internet

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

- they meet the general criteria for election advertising (see **Election advertising** above), and
- they have, or would normally have, a placement cost

Any other messages communicated over the Internet are not election advertising.

If the registered association conducts any election advertising on behalf of a candidate or party, the official agent's or a registered agent's prior written authorization must be obtained and mentioned in or on the advertisement. Where the authorization statement cannot be included on the advertising message because of its size, this is acceptable if the statement is made immediately apparent to the viewer by following the link in the advertising message.

For greater certainty, the following are not election 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)
- content posted on the registered association's website (the ongoing costs of creating and maintaining a website are not placement costs)

Examples

1. 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 considered 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.
2. 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 this topic, please refer to Elections Canada's interpretation note 2015-04, *Election Advertising on the Internet*, on the Elections Canada website.

Registered association's existing website

If the registered association's pre-existing website stays online during the election period, this is not election advertising, but its commercial value—including design, maintenance and hosting—is an election expense of the candidate whom the website promotes.

For this reason, the candidate's 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 candidate's election expenses limit, the website must go offline during the election period.

Elections Canada will accept the current commercial value of an equivalent website as the commercial value of a pre-existing 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.

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 an invoice from the registered association and 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 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 authorization from the chief agent, the official agent or the financial agent of the political entity the services are to be acquired for. 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 the cost of production and distribution, have to be reported as election expenses (or nomination campaign expenses) by the entity the services were acquired for.

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. 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 2015-11, *Application of Election Advertising Rules to Telephone Calls*, on the Elections Canada website.

Holiday greeting cards

Registered associations might choose to distribute greeting cards during a holiday season. If the greeting cards are distributed during an election period, they are election advertising 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 greeting cards are in transit on the day the election is called and the registered association does not have the ability to stop their delivery, they will not be considered election advertising even though the actual delivery will take place during the election period. However, any greeting cards distributed in the 36 days preceding a fixed date election will be considered election advertising.

Typical shared resources

The following are examples of typical situations where the registered association and candidate might share resources and expenses.

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 assets (computers, printers, 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 assets, the commercial value of renting similar assets for the same period 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 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 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 stays online during the election period. See **Registered association's existing website** earlier in the chapter for more information.

8. 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
<p>Registered Association Financial Transactions Return (EC 20081)</p> <p>With supporting documents</p>	<p>The annual financial return includes the following:</p> <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
<p>Auditor's report*</p>	<p>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.</p>	May 31	Financial agent
<p>Auditor's invoice</p>	<p>The invoice must be prepared and signed by the auditor.</p>	May 31	Auditor and financial agent
<p>Contributions to a Registered Party or to a Registered Association—Information Return (T2092—CRA)</p>	<p>The financial agent must use the Canada Revenue Agency form to report contributions received and receipted.</p> <p>A link to the form is posted on the Elections Canada website.</p>	May 31, to the Canada Revenue Agency	Financial agent
<p>General Form—Electoral District Association (EC 20380)</p> <p>Annual confirmation of registry information</p>	<p>Elections Canada sends the association a package with its registry information each year.</p> <p>The association must certify that the registry information is accurate or provide updates.</p>	May 31**	Chief executive officer
<p>*An auditor's report is required if the association accepted contributions totalling \$5,000 or more, or incurred expenses totalling \$5,000 or more, in the fiscal period. Note that audit fees and transfers to or from affiliated political entities do not count toward the \$5,000 threshold.</p> <p>It is very important to give the auditor enough time to properly audit the annual financial return before the deadline.</p> <p>**If the date falls within an election period, the deadline is July 31.</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
On review, Elections Canada may request the financial agent to correct or revise the association's annual financial return.	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).
The financial agent must submit the corrected or revised return within the specified period.	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.
	An amended return must be submitted within 30 days after the correction or revision is authorized.

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 assist with the preparation of financial returns: the Electronic Financial Return (EFR) software. The EFR software is downloadable from 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.

How to submit reports to Elections Canada	
Process	<ol style="list-style-type: none"> 1. Sign the pages requiring signatures. 2. Send the reports by courier, mail, fax or email (in PDF format) to Elections Canada. Note: When using EFR for the association's return, send the submission file created by EFR as an email attachment. 3. Send the originals of all supporting documentation to Elections Canada by courier or mail.
Email	efr-rfe@elections.ca
Mail	Elections Canada 30 Victoria Street, Gatineau, Quebec K1A 0M6
Fax	Political Financing 1-888-523-9333 (toll-free) 1-819-939-1803
Notes	<ul style="list-style-type: none"> • Documents submitted to Elections Canada have to be signed. • It is recommended that the association keep a copy of all documents submitted. • For details about EFR, please consult the <i>EFR User Guide</i>, available in the EFR software.

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 within 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.

9. 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)	
*The registered association is prohibited from incurring election advertising expenses.	

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