



Information Sheet 2

Limits on Contributions by Individuals Under the *Canada Elections Act*

(Revised January 1, 2007)

DISCLAIMER

These information sheets set out Elections Canada's current interpretation of the *Canada Elections Act* and are issued to assist the public in understanding the Act. The views expressed in information sheets are not law and are not intended to replace the official text of the Act. How the Act applies to any particular case will depend on the individual circumstances of that case. Elections Canada reserves the right to reconsider any interpretations expressed in information sheets, either generally or in light of the actual circumstances of any case, and in accordance with continuing legislative and judicial developments.

Contents

Eligibility	3
Contributions to the Various Political Entities of a Registered Party Group.....	3
Contributions to Candidates Who Are Not Candidates of a Registered Party	4
Determining the Election Against Which a Contribution Should Be Counted	5
Contributions to a Leadership Contestant.....	5
Determining the Leadership Contest Against Which a Contribution Should Be Counted.....	6
Making Contributions to Your Own Campaign	6
Contributions Made by Will	7
Cash Contributions	7
Inflation Adjustment	7

Limits on Contributions by Individuals

Eligibility

1. Only individuals who are Canadian citizens or permanent residents may make contributions to registered parties, their registered electoral district associations, leadership and nomination contestants, or to any candidate.¹
2. No individual may make contributions that exceed the following limits.

Contributions to the Various Political Entities of a Registered Party Group

- 2.1 An individual may make contributions that do not exceed a total of \$1,000 (adjusted for inflation annually) **in a calendar year** to each registered party.²
- 2.2 An individual may also make contributions that do not exceed a total of \$1,000 (adjusted for inflation annually) **in a calendar year** to the registered associations, candidates and nomination contestants of each registered party.³

This \$1,000 may be given to one registered association, candidate or nomination contestant of a particular registered party or it may be divided among any number of these entities within that party. This is an aggregate cap applying to the total of all contributions given by an individual in that year to all of the registered associations, candidates and nomination contestants of a particular registered party.

¹ S. 404(1), *Canada Elections Act*.

² Ss. 405(1)(a), 405.1, *Canada Elections Act*. Please refer to the Elections Canada Web site for current limits.

³ Ss. 405(1)(a.1), 405.1, *Canada Elections Act*. Please refer to the Elections Canada Web site for current limits.

There is a separate cap for each registered party. Thus, if a contributor wishes to support more than one registered party's registered associations, nomination contestants or candidates, he or she may give a maximum of \$1,000 per year to these entities of each registered party he or she wishes to support.

So long as no fraud is involved, any contribution made to a person who presents himself or herself as seeking the endorsement of a particular registered party is treated as a contribution to a candidate or nomination contestant (as the case may be) of that registered party and must be included in any contribution calculations for that registered party's registered associations, nomination contestants or candidates.⁴

Contributions to Candidates Who Are Not Candidates of a Registered Party

- 2.3 Individuals may also make contributions that do not exceed \$1,000 (adjusted for inflation annually) **per election** to a candidate who is not a candidate of a registered party.⁵

Unlike contributions to a registered party or to its candidates, nomination contestants and registered associations, the cap on contributions to candidates who are not candidates of a registered party applies to all contributions given to a candidate for a particular election. Thus, in calculating how much one has given to a candidate, one includes all the contributions given to that candidate over a number of years for a specific election.

Contributors who wish to support more than one candidate who is not a candidate of a registered party may give a maximum of \$1,000 (adjusted for inflation annually) per election to each candidate.

⁴ S. 405(3), *Canada Elections Act*.

⁵ Ss. 405(1)(b), 405.1, *Canada Elections Act*. Please refer to the Elections Canada Web site for current limits.

So long as fraud is not involved, any contribution made to a person who presents himself or herself as seeking to be a candidate who is not endorsed by a registered party is treated as a contribution to that person as a candidate who is not of a registered party.⁶

Determining the Election Against Which a Contribution Should Be Counted

A contribution given to a candidate who is not a candidate of a registered party is treated as a contribution for the election in which the candidate is running (if an election is underway) or, if no election is underway, the next election in which the candidate runs. Once that election has been called, all contributions given to that candidate up to the time when all the statutory duties of the candidate arising out of the election have been completed and the candidate's campaign account has been closed are treated as being for that election.

Contributions to a Leadership Contestant

- 2.4 Individuals may also give contributions that do not exceed \$1,000 (adjusted for inflation annually) in total **per contest** to the leadership contestants of a registered party in a particular leadership contest.⁷

This is an aggregate cap applying to all the contributions given by one individual to all leadership contestants in the same leadership contest. A contributor may give up to \$1,000 divided as he or she wishes among all the contestants in the same contest.

⁶ S. 405(3), *Canada Elections Act*.

⁷ S. 405(1)(c), *Canada Elections Act*.

Similar to contributions to candidates who are not endorsed by a registered party, the cap on contributions to persons seeking the leadership of a registered party is calculated on the basis of one contest. Thus, in calculating how much one has given to a leadership contestant (or all of the contestants in the same contest), one includes all the contributions given over a number of years for a specific leadership contest.

Determining the Leadership Contest Against Which a Contribution Should Be Counted

A contribution given to a leadership contestant is treated as a contribution for the leadership contest in which the contestant is then running, or if there is no contest underway, for the next leadership contest in which the contestant runs.

Contributions made to a leadership contestant within 18 months after a leadership contest are treated as contributions for that contest.⁸

Making Contributions to Your Own Campaign

3. A higher cap applies to leadership contestants, nomination contestants or candidates who wish to make contributions to their own campaigns out of their own funds.
 - 3.1 In addition to the contributions which he or she may make as an individual, a person may donate extra money out of his or her own funds to his or her own campaign as either a candidate for a registered party or a nomination contestant. The total extra contributions made to his or her candidacy and nomination campaign accounts may not exceed \$1,000 per election.⁹

⁸ S. 405(5), *Canada Elections Act*.

⁹ S. 405(4)(a), *Canada Elections Act*.

- 3.2 Similarly, the first \$1,000 that a candidate who is not of a registered party makes to his or her own campaign out of his or her funds is not counted towards his or her contribution cap.¹⁰
- 3.3 And, the first \$1,000 that a leadership contestant of a registered party makes to his or her campaign out of his or her own funds is not counted towards his or her contribution cap.¹¹
4. Even though such contributions need not be included in calculating one's contribution cap, they must, nonetheless, still be reported as a contribution by the political recipient.

Contributions Made by Will

5. None of the above caps apply to contributions made in a will, provided that that testamentary gift is unconditional and non-discretionary.¹²

Cash Contributions

6. Individuals may not make a particular contribution in cash of more than \$20.¹³

Inflation Adjustment

7. All contribution caps will be indexed for inflation. The Chief Electoral Officer publishes each year's contribution caps in the *Canada Gazette*.¹⁴

¹⁰ S. 405(4)(b), *Canada Elections Act*.

¹¹ S. 405(4)(c), *Canada Elections Act*.

¹² S. 405(2), *Canada Elections Act*.

¹³ S. 405.31, *Canada Elections Act*.

¹⁴ S. 405.1, *Canada Elections Act*.