This document is Elections Canada’s guideline OGI 2019-09.

Political Financing Handbook
for Candidates and Official Agents

To be used for elections called on or after
June 13, 2019
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Introduction to the handbook

This handbook is designed to assist candidates and their official agents. It is a tool that will help in administering the candidate’s campaign during the electoral campaign process.

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

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

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

What’s new in recent releases?

<table>
<thead>
<tr>
<th>Release</th>
<th>Where</th>
<th>Title</th>
<th>Summary</th>
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</thead>
<tbody>
<tr>
<td>November 2019</td>
<td>Chapter 15</td>
<td>Submitting reports to Elections Canada</td>
<td>New process added for submitting reports online.</td>
</tr>
<tr>
<td>June 2019</td>
<td>All</td>
<td>n/a</td>
<td>New contribution limits for 2019 updated in tables and examples.</td>
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<td></td>
<td></td>
<td>n/a</td>
<td>No longer required to appoint an auditor below certain financial and vote thresholds, as per Bill C-76.</td>
</tr>
<tr>
<td>Chapter 2</td>
<td></td>
<td>Volunteer labour is not a contribution</td>
<td>New content and examples added as per OGI 2019-01, <em>Volunteer Labour</em>.</td>
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<tr>
<td></td>
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<td>Accepting contributions of cryptocurrency</td>
<td>New content added as per OGI 2018-10, <em>Cryptocurrencies</em>.</td>
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<td>Chapter 3</td>
<td></td>
<td>Types of loans</td>
<td>New way to report a line of credit in some circumstances.</td>
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<tr>
<td>Chapter 6</td>
<td></td>
<td>Regulated fundraising events</td>
<td>Concept of regulated events (definition, requirements and examples) introduced, as per Bill C-50.</td>
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<td></td>
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<td>Ticketed fundraising events</td>
<td>Clarified what is included in the benefit for a ticketed fundraiser.</td>
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<td>Other ticketed events</td>
<td>New section on calculating the benefit when a ticketed event is held for promotional purposes rather than to raise funds.</td>
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<tr>
<td>Chapters 7–13</td>
<td>All</td>
<td>New and redefined expense categories, payment</td>
<td>New and redefined expense categories, payment options and reimbursement</td>
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<td></td>
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<td>options and reimbursement levels, as per</td>
<td>levels, as per Bill C-76.</td>
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<tr>
<td>Chapter 8</td>
<td>Who can incur</td>
<td>Candidates now require authorization to incur</td>
<td>Candidates now require authorization to incur election expenses, as per</td>
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<td></td>
<td>and pay</td>
<td>election expenses, as per Bill C-76.</td>
<td>Bill C-76.</td>
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<td>Election expenses limit no longer prorated for</td>
<td>Election expenses limit no longer prorated for elections over 37 days,</td>
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<td>expenses?</td>
<td>elections over 37 days, as per Bill C-76.</td>
<td>as per Bill C-76.</td>
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<td>Limits on</td>
<td>Blackout rule clarified for Internet advertising</td>
<td>Blackout rule clarified for Internet advertising on election day.</td>
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<td>election</td>
<td>on the Internet</td>
<td>New text on the ad registry maintained by online platforms.</td>
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<td>expenses</td>
<td>Election signs</td>
<td>Uninstalled signs no longer discounted from election expenses, as per</td>
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<td>Election signs</td>
<td>court ruling.</td>
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<td>Uninstalled signs no longer discounted from</td>
<td>New text on treatment of expenses related to vandalized signs.</td>
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<td>election expenses, as per court ruling.</td>
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<td>web content</td>
<td>content and pre-existing material clarified.</td>
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<td>New content on expenses incurred to relocate</td>
<td>Compensation paid to the official agent or other campaign workers.</td>
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<td>paid to the</td>
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<td>New content on expenses incurred to relocate</td>
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<td>Website and social media accounts of a parliamentarian</td>
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<td>media content may also be an election expense.</td>
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<td>Partisan</td>
<td>New section on partisan advertising expenses of</td>
<td>Chapter 13 Partisan advertising during the pre-election period</td>
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<td>candidates and related rules.</td>
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<td>Use of the</td>
<td>New section on conditions for parties to collect</td>
<td>Chapter 14 Use of the registered party’s online contribution system</td>
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<td>Chapter 16</td>
<td>Reimbursements</td>
<td>New reimbursement levels, limits and repayment</td>
<td>Chapter 16 Reimbursements and overpayments</td>
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<td>and overpayments</td>
<td>of certain personal expenses to candidates,</td>
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<td>as per Bill C-76.</td>
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<td>Chapter 18</td>
<td>What is a</td>
<td>New formula for calculating surplus funds, as</td>
<td>Chapter 18 What is a surplus?</td>
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<td>per Bill C-76.</td>
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<td>Repayment of a</td>
<td>Independent or non-affiliated candidates now</td>
<td>Repayment of a surplus to independent or non-affiliated candidates</td>
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<td>able to have surplus refunded in some</td>
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<tr>
<td>Chapter 19</td>
<td>How a by-election becomes superseded</td>
<td>Added a time limit after which vacancies are not filled before a fixed-date election, as per Bill C-76.</td>
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## Contact information

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<tr>
<td><strong>Internet</strong></td>
<td>elections.ca</td>
</tr>
<tr>
<td><strong>Telephone</strong></td>
<td><strong>Political Entities Support Network</strong>&lt;br&gt;1-800-486-6563&lt;br&gt;<strong>Regular Hours</strong>&lt;br&gt;Monday to Friday, 9:00 a.m. to 5:00 p.m. (Eastern time)&lt;br&gt;<strong>Elections Canada General Enquiries</strong>&lt;br&gt;1-800-463-6868</td>
</tr>
<tr>
<td><strong>Fax</strong></td>
<td><strong>Political Financing</strong>&lt;br&gt;1-888-523-9333 (toll-free)&lt;br&gt;1-819-939-1803</td>
</tr>
<tr>
<td><strong>Mail</strong></td>
<td><strong>Elections Canada</strong>&lt;br&gt;30 Victoria Street&lt;br&gt;Gatineau, Quebec K1A 0M6</td>
</tr>
<tr>
<td><strong>Email</strong></td>
<td><strong>General Enquiries</strong>&lt;br&gt;<a href="mailto:info@elections.ca">info@elections.ca</a>&lt;br&gt;<strong>Political Financing Enquiries</strong>&lt;br&gt;<a href="mailto:political.financing@elections.ca">political.financing@elections.ca</a>&lt;br&gt;<strong>Electronic Financial Return (EFR)—Enquiries and Submissions</strong>&lt;br&gt;<a href="mailto:efr-rfe@elections.ca">efr-rfe@elections.ca</a></td>
</tr>
</tbody>
</table>
1. Reference Tables and Timelines

This chapter presents quick reference tools for candidates and official agents. It covers the following topics:

- Starting the candidate’s campaign
- Important deadlines for the candidate’s campaign
- Role and appointment process—official agent
- Role and appointment process—auditor
- Closing the candidate’s campaign
- Limits on contributions, loans and loan guarantees
- Transfers—types and rules
- Important reminders for candidates and their official agents
Starting the candidate’s campaign

**Appoint official agent and auditor**

The candidate must appoint an official agent before doing any of the following:

- accepting a contribution, loan or transfer
- incurring an electoral campaign expense
- filing their nomination paper

The candidate can appoint an auditor right away, but it is not a requirement. An auditor must be appointed without delay after:

- contributions totalling $10,000 or more are accepted
- electoral campaign expenses totalling $10,000 or more are incurred, or
- the candidate receives 10% or more of the valid votes cast in their electoral district

**Open bank account**

The official agent has to open a separate bank account to be used exclusively for the candidate’s campaign. This could happen before or after the candidate’s nomination is confirmed or before an election is called. Note that the requirement to open a bank account exists whether or not there are financial transactions.

The account has to be with a Canadian financial institution or an authorized foreign bank, as defined by the *Bank Act*.

The official agent must be named as the account holder, as follows: (name), official agent. For example: “Peter Raymond, official agent”.

It is also acceptable to add the candidate’s name to the name of the bank account. For example: “Peter Raymond, official agent for Anne Thomas”.

All monetary transactions in relation to the campaign have to go through the campaign bank account, unless they involve the payment of personal or litigation expenses.

The bank account has to remain open until the campaign fulfills all financial obligations.

**Establish internal controls for election expenses**

The official agent must provide written authorization to the candidate and others before they can incur election expenses.

The campaign will need an expense approval process to monitor election expenses and ensure that the limit is not exceeded. A campaign budget will also help to manage finances effectively.

**Start incurring expenses and accepting contributions, loans or transfers**

The campaign can start incurring expenses and accepting contributions, loans or transfers before the election is called as long as the campaign has an official agent and a bank account.

Keep in mind that tax receipts cannot be issued for contributions received before the candidate is officially confirmed by the returning officer.
## Important deadlines for the candidate's campaign

1. **Candidate's campaign starts**
   - Appoint official agent¹
   - Open campaign bank account²
   - Appoint auditor³

2. **Nomination deadline**
   - Submit nomination papers to returning officer by 2 p.m. on 21st day before election day

3. **1 month after**
   - Return tax receipts to Elections Canada (if applicable)⁴

4. **3 months after**
   - Official agent receives from candidate: **Candidate’s Statement of Expenses** (with all supporting documents)

5. **4 months after**
   - Official agent sends Elections Canada:
     - **Candidate’s Electoral Campaign Return**
     - **Candidate’s Statement of Expenses** (with all supporting documents)
     - Auditor’s report and Checklist for Audits

6. **Candidate sends Elections Canada:**
   - **Candidate’s Statement of Gifts and Other Advantages Received** (if applicable)⁶

7. **19 months after**
   - Official agent sends Elections Canada:
     - **Candidate’s Statement of Unpaid Claims and Loans 18 or 36 Months After Election Day** (if applicable)⁵

8. **37 months after**
   - Official agent sends Elections Canada:
     - **Candidate’s Statement of Unpaid Claims and Loans 18 or 36 Months After Election Day** (if applicable)⁶

---

¹ Must be appointed before contributions, transfers or loans are accepted or expenses are incurred.
² Required before contributions, transfers or loans are accepted or expenses are incurred.
³ Must be appointed without delay after contributions totalling $10,000 or more are accepted, electoral campaign expenses totalling $10,000 or more are incurred, or the candidate receives 10% or more of the valid votes cast in their electoral district.
⁴ If paper tax receipts were obtained from Elections Canada, the official agent has to return all unused or cancelled tax receipts as well as a copy of each used tax receipt to Elections Canada.
⁵ Required if gifts or other advantages received from any one person or entity exceed a total of $500.
⁶ Required if the campaign has unpaid claims and loans.
Role and appointment process—official agent

### Candidate’s official agent

#### Role summary

- The official agent is responsible for administering the campaign's financial transactions and reporting those transactions to Elections Canada as required by the *Canada Elections Act*.
- The candidate may have only one official agent at a time.
- The official agent's role continues until the candidate’s campaign fulfills all financial reporting requirements.

<table>
<thead>
<tr>
<th>Who is eligible?</th>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
<tbody>
<tr>
<td>Canadian citizen who is at least 18 years old</td>
<td>✔️</td>
<td></td>
</tr>
<tr>
<td>Corporation or partnership</td>
<td>✗</td>
<td></td>
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<tr>
<td>Candidate</td>
<td>✗</td>
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<tr>
<td>Election officer or member of the staff of a returning officer</td>
<td>✗</td>
<td></td>
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<tr>
<td>Undischarged bankrupt</td>
<td>✗</td>
<td></td>
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<tr>
<td>Auditor appointed as required by the <em>Canada Elections Act</em></td>
<td>✗</td>
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<tr>
<td>Person who does not have the full capacity to enter into contracts in the province or territory in which the person ordinarily resides (e.g. a person with a diminished mental capacity)</td>
<td>✗</td>
<td></td>
</tr>
<tr>
<td>Any other person or group not mentioned above</td>
<td>✗</td>
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</tbody>
</table>

#### Appointment process

- The candidate has to appoint an official agent before they can accept contributions, loans or transfers, incur electoral campaign expenses, or file their nomination paper—whichever comes first.
- The official agent has to sign a statement consenting to act in that capacity. The statement has to be submitted to the local returning officer with the candidate’s nomination paper.
- If for any reason the official agent is no longer able to continue in that role, the candidate must appoint a new official agent without delay and notify Elections Canada of the new appointment. The notice has to include a signed consent from the new official agent.
### Role and appointment process—auditor

#### Candidate's auditor

**Role summary**

- In accordance with generally accepted auditing standards, the auditor has to examine the candidate’s financial records and give an opinion in a report as to whether the candidate’s 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 candidate and may require the candidate or the candidate’s official agent to provide any information or explanation that is necessary to enable the auditor to prepare the report.
- The auditor’s report has to include a completed checklist for audits in the prescribed form.

#### Who is eligible?

<table>
<thead>
<tr>
<th>Who is eligible</th>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
<tbody>
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<td>Person who is a member in good standing of a corporation, an association or an institute of provincially incorporated professional accountants (CPA designation)*</td>
<td>✓</td>
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</tr>
<tr>
<td>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)*</td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>Any candidate or official agent</td>
<td>❌</td>
<td></td>
</tr>
<tr>
<td>Election officer or member of the staff of a returning officer</td>
<td>❌</td>
<td></td>
</tr>
<tr>
<td>Chief agent of a registered party or an eligible party</td>
<td>❌</td>
<td></td>
</tr>
<tr>
<td>Registered agent of a registered party</td>
<td>❌</td>
<td></td>
</tr>
<tr>
<td>Electoral district agent of a registered association</td>
<td>❌</td>
<td></td>
</tr>
<tr>
<td>Leadership contestant, their financial agent or a leadership campaign agent</td>
<td>❌</td>
<td></td>
</tr>
<tr>
<td>Nomination contestant or their financial agent</td>
<td>❌</td>
<td></td>
</tr>
<tr>
<td>Financial agent of a registered third party</td>
<td>❌</td>
<td></td>
</tr>
<tr>
<td>Any other person or group not mentioned above</td>
<td>❌</td>
<td></td>
</tr>
</tbody>
</table>

#### Appointment process

- The candidate has to appoint an auditor without delay after contributions totalling $10,000 or more are accepted, electoral campaign expenses totalling $10,000 or more are incurred, or the candidate receives 10% or more of the valid votes cast in their electoral district.
- 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 candidate must appoint a new auditor without delay and notify Elections Canada about the new appointment. The notice has to include a signed consent from the new auditor.

*Provincial and territorial auditing bodies may require auditors to meet other professional criteria in order to perform this role.
### Closing the candidate’s campaign

<table>
<thead>
<tr>
<th>Activity</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Fulfill reporting obligations</strong></td>
<td>The candidate’s campaign must fulfill all reporting obligations before it can close the campaign.</td>
</tr>
<tr>
<td></td>
<td>See the <em>Reporting obligations after election day</em> and <em>Additional reporting tables</em> in Chapter 15, <em>Reporting</em>.</td>
</tr>
<tr>
<td><strong>Receive reimbursements and subsidies</strong></td>
<td>Elections Canada administers certain funds that are distributed after election day to eligible candidates. These include:</td>
</tr>
<tr>
<td></td>
<td>• reimbursement installments of paid election expenses and certain other expenses</td>
</tr>
<tr>
<td></td>
<td>• payment of the auditor’s subsidy</td>
</tr>
<tr>
<td></td>
<td>See Chapter 16, <em>Reimbursements and Subsidies</em>.</td>
</tr>
<tr>
<td><strong>Manage unpaid claims and loans</strong></td>
<td>Claims and loans must be paid within 36 months after election day.</td>
</tr>
<tr>
<td></td>
<td>If a claim or loan is still unpaid 36 months after election day, the official agent has to seek authorization from Elections Canada or a judge before paying it.</td>
</tr>
<tr>
<td></td>
<td>See Chapter 17, <em>Managing Unpaid Claims and Loans</em>.</td>
</tr>
<tr>
<td><strong>File amended return(s)</strong></td>
<td>An amended candidate’s return has to be filed with Elections Canada to correct errors or omissions, or to report new transactions.</td>
</tr>
<tr>
<td></td>
<td>Corrections or revisions might be requested by Elections Canada, or by the candidate or official agent.</td>
</tr>
<tr>
<td></td>
<td>See the <em>Additional reporting table</em> in Chapter 15, <em>Reporting</em>.</td>
</tr>
<tr>
<td><strong>Dispose of surplus</strong></td>
<td>After all financial obligations have been met, the campaign must dispose of any surplus of funds and fulfill the surplus reporting obligations.</td>
</tr>
<tr>
<td></td>
<td>The process for disposing of the surplus depends on whether the candidate was endorsed by a registered party or ran as an independent or non-affiliated candidate.</td>
</tr>
<tr>
<td></td>
<td>See Chapter 18, <em>Disposing of Surplus</em>.</td>
</tr>
<tr>
<td><strong>Close bank account</strong></td>
<td>Once all unpaid claims, loans, other financial obligations and any surplus have been dealt with, the official agent has to close the campaign bank account.</td>
</tr>
<tr>
<td></td>
<td>The official agent has to send the final bank statement to Elections Canada.</td>
</tr>
</tbody>
</table>
## Limits on contributions, loans and loan guarantees

<table>
<thead>
<tr>
<th>Political entity</th>
<th>2019 annual limit</th>
<th>Limit per election called between Jan. 1 and Dec. 31, 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>To each registered party</td>
<td>$1,600*</td>
<td>n/a</td>
</tr>
<tr>
<td>In total to all the registered associations, nomination contestants and candidates of each registered party</td>
<td>$1,600*</td>
<td>n/a</td>
</tr>
<tr>
<td>In total to all leadership contestants in a particular contest</td>
<td>$1,600*</td>
<td>n/a</td>
</tr>
<tr>
<td>To each independent candidate</td>
<td>n/a</td>
<td>$1,600*</td>
</tr>
</tbody>
</table>

**Notes**

- The contribution limits apply to total contributions, the unpaid balance of loans made during the contribution period, and the amount of any loan guarantees made during the contribution period that an individual is still liable for. The sum of these three amounts cannot at any time exceed the contribution limit.

- A nomination contestant is permitted to give an additional $1,000 in total per contest in contributions, loans and loan guarantees to their own campaign.

- A candidate is permitted to give a total of $5,000 in contributions, loans and loan guarantees to their campaign. A candidate is also permitted to give an additional $1,600* 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 $1,600* 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.

<table>
<thead>
<tr>
<th>FROM</th>
<th>TO Nomination Contestant</th>
<th>TO Leadership Contestant</th>
<th>TO Candidate</th>
<th>TO Registered Electoral District Association</th>
<th>TO Registered Party</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nomination Contestant</td>
<td>No No</td>
<td>No No</td>
<td>Yes¹</td>
<td>Yes² No</td>
<td>Yes No</td>
</tr>
<tr>
<td>Leadership Contestant</td>
<td>No No</td>
<td>No No</td>
<td>No</td>
<td>Yes No</td>
<td>Yes No</td>
</tr>
<tr>
<td>Candidate</td>
<td>Yes³ Yes³</td>
<td>No No</td>
<td>No⁴ No⁴</td>
<td>Yes Yes</td>
<td>Yes Yes</td>
</tr>
<tr>
<td>Registered Electoral District Association</td>
<td>No Yes⁵</td>
<td>No Yes⁵</td>
<td>Yes⁶ Yes</td>
<td>Yes Yes</td>
<td>Yes Yes</td>
</tr>
<tr>
<td>Registered Party</td>
<td>No Yes⁵</td>
<td>No⁷ Yes⁵</td>
<td>Yes⁶ Yes</td>
<td>Yes⁸ Yes⁸</td>
<td>n/a n/a</td>
</tr>
</tbody>
</table>

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

**Note:** Independent candidates may not send or accept transfers of funds, property or services to or from other political entities.
## Important reminders for candidates and their official agents

<table>
<thead>
<tr>
<th>Before election day</th>
<th>DO</th>
<th>DON’T</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Appoint an official agent, who must open a bank account to be used exclusively for the campaign before any contribution, transfer or loan is accepted or any expense is incurred.</td>
<td>• Do not allow anyone other than the official agent or authorized persons to incur electoral campaign expenses.</td>
<td></td>
</tr>
<tr>
<td>• Appoint an auditor who is accredited under provincial law to perform accounting services (CPA designation) without delay after:</td>
<td>• Do not issue tax receipts for contributions received before the candidate is officially confirmed by the returning officer.</td>
<td></td>
</tr>
<tr>
<td>– accepting contributions totalling $10,000 or more, or</td>
<td></td>
<td></td>
</tr>
<tr>
<td>– incurring electoral campaign expenses totalling $10,000 or more</td>
<td>• Do not allow anyone other than the official agent to pay for electoral campaign expenses.*</td>
<td></td>
</tr>
<tr>
<td>• Ensure that only the official agent accepts contributions.</td>
<td>• Do not accept contributions:</td>
<td></td>
</tr>
<tr>
<td>• Know the election expenses limit for the electoral district. It is published on the Elections Canada website in the Political Participants section.</td>
<td>– from any source other than an individual who is a Canadian citizen or a permanent resident of Canada</td>
<td></td>
</tr>
<tr>
<td>• Ensure that only the official agent or authorized persons incur electoral campaign expenses. The candidate must be authorized in writing to incur election expenses. Any other person must be authorized in writing to incur electoral campaign expenses.</td>
<td>– that exceed an individual’s contribution limit</td>
<td></td>
</tr>
<tr>
<td>• Ensure that all monetary transactions go through the campaign bank account, unless they involve the payment of personal or litigation expenses.</td>
<td>– in cash that exceed $20</td>
<td></td>
</tr>
<tr>
<td>• Issue receipts for each contribution over $20.</td>
<td>• 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.</td>
<td></td>
</tr>
<tr>
<td>• Place election advertising, with a mention that it is authorized by the official agent. For example: “Authorized by the official agent of [candidate’s name].”</td>
<td>• 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.</td>
<td></td>
</tr>
<tr>
<td>• 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.</td>
<td>• Do not accept a loan or loan guarantee from an individual if it exceeds the individual’s contribution limit.</td>
<td></td>
</tr>
</tbody>
</table>

*Exceptions:* A person authorized in writing by the official agent can pay expenses out of petty cash. The candidate can pay their personal expenses, travel and living expenses, and litigation expenses.
<table>
<thead>
<tr>
<th><strong>DO</strong></th>
<th><strong>DON’T</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>After election day</td>
<td></td>
</tr>
<tr>
<td>• If the candidate received 10% or more of the valid votes cast in their electoral district and an auditor was not already appointed, appoint an auditor who is accredited under provincial law to perform accounting services (CPA designation) without delay.</td>
<td>• Do not pay unpaid claims or loans later than 36 months after election day without first obtaining Elections Canada’s or a judge’s authorization.</td>
</tr>
<tr>
<td>• If the campaign obtained paper tax receipts from Elections Canada, return them within 1 month after election day, including unused receipts and copies of receipts that were issued.</td>
<td>• Do not close the campaign bank account until all financial obligations are met, the final reimbursement has been received (if applicable) and any surplus has been disposed of.</td>
</tr>
<tr>
<td>• Provide the Candidate’s Statement of Expenses to the official agent no later than 3 months after election day even if it is a nil statement.</td>
<td></td>
</tr>
<tr>
<td>• Pay all claims and loans within 36 months after election day. After that time, an authorization from Elections Canada or a judge will be required for late payments.</td>
<td></td>
</tr>
<tr>
<td>• Submit the Candidate’s Electoral Campaign Return and related documents within 4 months after election day.</td>
<td></td>
</tr>
<tr>
<td>• Submit all loan, overdraft and line of credit conditions, including repayment schedules, with the candidate’s return.</td>
<td></td>
</tr>
<tr>
<td>• If the campaign had to appoint an auditor, allow them sufficient time before the submission deadline to review financial documents and prepare the audit report.</td>
<td></td>
</tr>
<tr>
<td>• File an updated return within 30 days of paying a claim or loan in full.</td>
<td></td>
</tr>
<tr>
<td>• Dispose of any surplus in compliance with the Canada Elections Act after the campaign has met all its financial obligations. Notify Elections Canada within 7 days of the disposal.</td>
<td></td>
</tr>
<tr>
<td>• Close the campaign bank account after all financial obligations are met and any surplus is disposed of. Provide Elections Canada with the final bank statement.</td>
<td></td>
</tr>
</tbody>
</table>
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 paid leave, 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).

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

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

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

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

**Examples**
1. David, who is not in the business of renting office supplies, lends a photocopier to the campaign office for the duration of the campaign. The official agent has to determine the commercial value of this non-monetary contribution by checking with local suppliers to see how much they would charge for renting similar equipment for the same period. If that amount is greater than $200, a non-monetary contribution must be reported. If it is $200 or less, the contribution is deemed nil and does not have to be reported.
2. Paula, a self-employed individual in the business of providing information technology services, offers to set up the computers in the campaign office and does not charge for the service. This is a non-monetary contribution from Paula. The commercial value is equal to the lowest amount she normally charges for the same kind of service of similar scope.
**Who can contribute?**

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

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

Any money that is used for the campaign out of the candidate’s own funds is a contribution. The only exception is if the money is being used to pay personal expenses (see Chapter 9) or litigation expenses (see Chapter 11) and it is not deposited into the campaign bank account.

If the candidate obtains a loan from a financial institution for the purpose of making a contribution to their own campaign, the loan must be guaranteed by the personal property of the candidate.

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

**Limits on contributions, loans and loan guarantees to a candidate**

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

<table>
<thead>
<tr>
<th>Political entity</th>
<th>2019 annual limit</th>
<th>Limit per election called between Jan. 1 and Dec. 31, 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>In total to all the registered associations, nomination contestants and candidates of each registered party</td>
<td>$1,600*</td>
<td>n/a</td>
</tr>
<tr>
<td>To each independent candidate</td>
<td>n/a</td>
<td>$1,600*</td>
</tr>
</tbody>
</table>

**Notes**

- The contribution limits apply to total contributions, the unpaid balance of loans made during the contribution period, and the amount of any loan guarantees made during the contribution period that an individual is still liable for.
- The sum of these three amounts cannot at any time exceed the contribution limit.

There is an exception to the limits on contributions:

- 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 $1,600* 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 will increase by $25 on January 1 in each subsequent year.
Examples

1. Max decides to contribute $1,600 to the registered party he supports. In addition, he makes a $600 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 $1,600 contribution in her riding to the registered association of the party she supports. Later that year an election is called and Clara makes a $1,600 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 $1,600 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. Trudy is running as a candidate in an election and wants to contribute the maximum amount to support herself. She contributed $2,575 to her nomination campaign in the previous year. In the current year, she contributes $5,000 to her electoral campaign and $1,600 to the registered association in her riding. She also contributes $1,600 to the registered party. With this, Trudy reaches the contribution limit for her electoral campaign and the annual limit on contributions to the registered party and any combination of candidates, registered associations and nomination contestants of the registered party.

   **Note:** These examples use the limits in effect for 2019.

Paid leave for a candidate is not a contribution

An employer can give an employee a paid leave of absence during an election period to allow the person to be a nomination contestant or a candidate. The paid leave is not a contribution.

A paid leave of absence for anyone other than a nomination contestant or a candidate is a contribution.

Volunteer labour is not a contribution

**What is volunteer labour?**

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

Volunteer labour is not a contribution.
Who is eligible to volunteer?

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

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

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

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

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

Examples

1. Nana, who is employed as a teacher, offers to work for the candidate’s campaign in the evenings, making phone calls to party members. This is volunteer labour and therefore is not a contribution.

2. Alex, a self-employed graphic designer, offers to design a flyer for the candidate free of charge. Because Alex is self-employed and normally charges for that service, the flyer design is not volunteer labour. The commercial value of the service has to be recorded as a non-monetary contribution. In this case, the commercial value is the lowest amount Alex normally charges for that service.

3. Beatrice is employed by a corporation and is paid to be on standby every weekend. During these hours, while waiting to be called by her employer, she works on the candidate’s communications strategy for free. This is volunteer labour. However, if the corporation had instructed Beatrice to help the campaign while being paid, the services provided would be an ineligible contribution from the corporation.

Paying volunteers for part of their work

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

Once an agreement is in place, the campaign is liable for the related expenses. The compensation is recorded as an election expense if the work was done or the output of the work was used during the election period. If the output was not used during the election period, the expense is an other electoral campaign expense.

If the campaign gives monetary compensation to volunteers without a prior agreement being in place, it may be considered an inappropriate use of campaign funds that would need to be returned.
Examples

1. Sam works full-time as an administrative officer on the staff of a member of Parliament. When the member runs as a candidate in the next election, Sam takes an unpaid leave of absence to volunteer for the campaign. The candidate offers Sam an honorarium for the hours he will work—a fixed amount of $1,000 for the election period. The official agent puts this agreement in writing at the start of the campaign, and the honorarium is an election expense that has to be reported.

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

Nominal gifts and thank-you parties

The candidate’s campaign can give each volunteer nominal gifts (but not money) up to a total value of $200 and throw a thank-you party without this being considered compensation. The associated expenses are other electoral campaign expenses and are not subject to the election expenses limit.

If the campaign gives gifts to volunteers above the nominal gift threshold, it may be considered an inappropriate use of campaign funds that would need to be returned.

Example

After the election, the campaign holds a pizza party for its volunteers. They are each given a $50 travel bag and a $100 gift card in appreciation of their hard work. The cost of the gifts and thank-you party is an other electoral campaign expense not subject to the election expenses limit.

OGI reference

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

Sponsorship or advertising at a political event is a contribution

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

Example

The candidate’s campaign holds a golf tournament as a fundraiser. The campaign 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 candidate. The campaign does not ask corporations or unions to sponsor a hole because only individuals can make contributions.
## Accepting and recording contributions

Only the official agent can accept contributions to the candidate’s campaign.

<table>
<thead>
<tr>
<th>Contribution</th>
<th>What to do</th>
</tr>
</thead>
<tbody>
<tr>
<td>Anonymous contributions</td>
<td>Anonymous contributions of $20 or less can be accepted.</td>
</tr>
<tr>
<td>Contributions over $20 and up to $200</td>
<td>The contributor’s full first and last names have to be recorded (initials are not acceptable), and a contribution receipt must be issued. To issue a tax receipt, the official agent has to record the contributor’s home address as well.</td>
</tr>
<tr>
<td>Contributions over $200</td>
<td>The contributor’s full first and last names (initials are not acceptable) and home address have to be recorded, and a contribution receipt must be issued.</td>
</tr>
</tbody>
</table>

**Note:** When total contributions from an individual are over $200, their name, partial address and contribution amounts disclosed in the financial return will be published on the Elections Canada website.

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

<table>
<thead>
<tr>
<th>Contribution received</th>
<th>What to keep in mind</th>
</tr>
</thead>
</table>
| Cheque from a joint bank account | • 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. |
| Before candidate’s nomination is confirmed | • Not eligible for a tax receipt. |
| Through an online payment service | • 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 electoral campaign expense. For example: If the campaign receives a $500 contribution through an online payment service and the net deposit to the campaign bank account is $490, the official agent has to record and issue a receipt for a contribution of $500 and record an other electoral campaign expense of $10. |
| From a partnership | • The partnership has to provide the following information in writing:  
  - 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 | • Must be recorded in the individual’s name (not the business name), using the contributor’s home address when an address is required. |

**Note:** It is recommended that campaigns only accept contributions made by way of a traceable instrument.
**Accepting contributions of cryptocurrency**

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

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

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

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

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

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

In all instances, campaigns should be mindful of the rules in the CEA against circumventing contribution rules and watch for unusual amounts or patterns in contributions that they receive.

**OGI reference**

For a detailed discussion of this topic, please refer to Elections Canada’s interpretation note 2018-10, *Cryptocurrencies*, on the Elections Canada website.
Issuing contribution receipts

A receipt has to be issued for each monetary contribution over $20 or non-monetary contribution over $20 that is not deemed nil. Only the official agent can provide official receipts for contributions, including tax receipts.

Tax receipts can be issued only for monetary contributions received within a specified period. The period starts on the day the candidate’s nomination is confirmed by the returning officer. It ends on the day that is one month after election day. Under Canada Revenue Agency rules, contributions received after election day must have been in transit on election day to be eligible for a tax receipt (see their information circular IC75-2R9).

Tax receipts have to be issued on prescribed forms, either paper or electronic.

Paper tax receipts are available from Elections Canada. It is important to keep in mind that if the official agent requests paper tax receipts, these must all be returned (copies of used pages, plus unused and cancelled receipts) to Elections Canada no later than one month after election day.

Alternatively, the official agent may use Elections Canada’s Electronic Financial Return (EFR) software to issue all receipts. It is easy to use and makes paper tax receipts from Elections Canada unnecessary. EFR is free and can be accessed from the Elections Canada website.

Example

Clara contributed $300 to Peter, who announced that he would be running as a candidate in the next election. Once Peter’s nomination was confirmed, Clara made another contribution of $500. Clara will receive a tax receipt for $500, although the total amount she contributed was $800. She must receive an official receipt (not valid for tax purposes) for the other $300.
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 candidate’s return.

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

<table>
<thead>
<tr>
<th>How contribution is made</th>
<th>Date contribution is made</th>
</tr>
</thead>
<tbody>
<tr>
<td>In person</td>
<td>The date the contribution is in the hands of the candidate’s official agent.</td>
</tr>
<tr>
<td>By regular mail</td>
<td>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 campaign should keep the stamped envelope as part of its records.</td>
</tr>
<tr>
<td>Post-dated cheque by any means</td>
<td>The date on the cheque.</td>
</tr>
<tr>
<td>Electronically (e-transfer, credit card, PayPal, etc.)</td>
<td>The date the contributor initiates the transaction. If the transaction is post-dated, the contribution is made on the date specified by the contributor.</td>
</tr>
</tbody>
</table>

Examples

1. On December 23, 2018, Lucy goes to the campaign office and gives a cheque in the amount of $300, dated for the previous day. The official agent deposits the cheque on January 10, 2019. The contribution is made on December 23, 2018. The official agent issues a receipt for 2018, and the amount counts toward Lucy’s 2018 contribution limit.

2. Hassim makes an e-transfer to the candidate’s campaign on December 23, 2018, but the official agent does not process the amount until January 10, 2019. The contribution is made on December 23, 2018. The official agent issues a receipt for 2018, and the amount counts toward Hassim’s 2018 contribution limit.


4. The official agent receives a cheque from Andrew during the election period and deposits it in the campaign bank account. A few days later, when checking the account online, the official 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 other electoral campaign expense. If Andrew issues a new cheque later, the contribution is made on the date associated with the new contribution.
Recording anonymous contributions

If anonymous contributions of $20 or less are collected during an event related to the campaign, the official 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 official agent has to keep track of the total amount collected plus the number of contributors.

Example

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

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

Remitting anonymous contributions that cannot be accepted

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

Ineligible contributions

The official agent is responsible for ensuring that contributions are in accordance with the rules set out in the Canada Elections Act.

The following contributions are ineligible:

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

The official agent must not accept a contribution that exceeds the limit and should not accept any other type of ineligible contribution.

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

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

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

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

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

<table>
<thead>
<tr>
<th>Examples</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. The official agent deposits a cheque for $625 from a contributor. When he enters the contribution in the books, he notices that the same person has already contributed $1,000 to the candidate’s campaign. Within 30 days, assuming the money has not been spent, the official agent has to issue a cheque for the excess amount, $25, and send it to the contributor. He records a returned contribution of $25.</td>
</tr>
<tr>
<td>2. The official agent receives a cheque for $2,000 from a contributor. As this is obviously an over-contribution, the official agent cannot deposit the cheque. She sends it back to the contributor uncashed, and no reporting is required.</td>
</tr>
<tr>
<td>3. An individual makes a non-monetary contribution to the campaign by offering the use of office space. The official agent later realizes that the commercial value of renting the same office is $1,700, which is higher than the contribution limit. The office has been used during the campaign, so he sends a cheque for the excess amount of $100 to Elections Canada, payable to the Receiver General for Canada. He records a contribution of $1,700, a returned contribution of $100 and an election expense of $1,700.</td>
</tr>
<tr>
<td>4. The official agent receives a notice from Elections Canada a couple of months after election day. It states that a person who contributed $900 to both the registered association and the candidate exceeded the annual limit by $200 with the contribution to the candidate. Since the deposit date of the contribution, the campaign bank account balance had fallen below the ineligible amount of $200 and the funds were therefore used. The official agent must remit $200 within 30 days of becoming aware of the contravention. To obtain funds, she could organize a fundraising event or request that the registered association or the party repay the $200 on the candidate’s behalf. Once the money is available, the official agent sends a cheque for the excess amount to Elections Canada, payable to the Receiver General for Canada. She records a returned contribution of $200.</td>
</tr>
</tbody>
</table>

Note: These examples use the limits in effect for 2019.
Flowchart 1: Returning ineligible or non-compliant contributions

- *A monetary contribution was used if the campaign 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.

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*Flowchart details:

1. **Monetary**
   - Deposited in bank account? **NO**
   - Return to contributor
   - No reporting required
   - Was it used? **YES**
   - Can it be returned to contributor? **YES**
   - Return to contributor
   - Reporting required
   - NO
   - Send cheque for ineligible amount to Elections Canada, payable to Receiver General

2. **Non-monetary**
   - Was it accepted? **YES**
   - Return to contributor
   - Reporting required
   - NO
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. Both the candidate and the official agent have to manage campaign finances properly to ensure that all loans are repaid.

A candidate’s campaign may receive loans from either a financial institution or an individual who is a Canadian citizen or permanent resident. Candidates may also receive loans from their registered party or a registered association of their registered party. Loans from any other person or entity are not permitted.

A written loan agreement must accompany all loans.

Loans from financial institutions

There is no limit to the amount a campaign can borrow from a financial institution. Note however that if the financial institution requires a loan guarantee, only the registered party, a registered association of the party, 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.

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

**Note:** If the candidate obtains a loan from a financial institution for the purpose of making a contribution to their own campaign, the loan must be guaranteed by the personal property of the candidate.

**Example**

The campaign is planning to borrow $16,000 and the bank requires a guarantor for the loan. Because guarantees from individuals are subject to the contribution limit, the campaign needs at least 10 individuals to guarantee the requested amount. Each guarantor is limited to guaranteeing $1,600 of the total loan amount. Alternatively, the candidate’s registered party or a registered association of the same party may guarantee the whole amount.

**Note:** This example uses the limits in effect for 2019.
Loans from the registered party or the registered association

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

Loans from individuals

If an individual obtains a personal loan from a financial institution and lends those funds to a campaign, 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 campaign as long as the total of the individual’s contributions, the unpaid balance of the loan and the amount of any outstanding loan guarantees does not at any time exceed the contribution limit in the calendar year that the loan was made.

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

<table>
<thead>
<tr>
<th>Example</th>
</tr>
</thead>
<tbody>
<tr>
<td>Khaled made a $600 contribution to Christine’s campaign. In addition, he takes out a $1,000 personal loan from his bank and lends it to the campaign. With that, Khaled has reached the annual limit for contributions to any combination of candidates, registered associations and nomination contestants of the registered party.</td>
</tr>
</tbody>
</table>

**Note:** This example uses the limits in effect for 2019.

Types of loans

**Term loan**

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

**Demand loan**

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

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

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

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

The amount of the loan is calculated as follows:

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

**Example**

The campaign bank account has overdraft protection of $1,000. The account goes into overdraft by $200 and the official agent pays back $100 within the same day. Later on that day, the official agent withdraws another $400 from the same account, bringing the highest amount overdrawn during the campaign to $500. The overdraft amount to be reported is $500.

**Loan interest**

Interest incurred on loans is an electoral campaign expense, whether it is paid or accrued.

Interest incurred during the election period is an election expense, while interest incurred before or after the election period is an other electoral campaign expense.

If the interest rate on a loan from an individual is lower than the market interest rate, the official 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 a loan**

Loan repayments may be made any time up to 36 months after election day. Authorization is not required from Elections Canada or a judge before making these payments.


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

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

- What is a transfer?
- What cannot be transferred?
- Administering transfers sent to and by the campaign
- Rules for independent candidates

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.

<table>
<thead>
<tr>
<th>Monetary transfer</th>
<th>Non-monetary transfer</th>
</tr>
</thead>
<tbody>
<tr>
<td>A monetary transfer is a transfer of funds.</td>
<td>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.</td>
</tr>
<tr>
<td></td>
<td>Unlike non-monetary contributions, a non-monetary transfer has to be reported even if its commercial value is $200 or less.</td>
</tr>
</tbody>
</table>

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

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

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

Transfers of expenses are prohibited

It is important to differentiate between the candidate’s electoral campaign expenses and the expenses of the candidate’s registered party. The Canada Elections Act specifies separate expenses limits for the registered party and each of its candidates. The Act prohibits the transfer of expenses without accompanying property or services. Each entity has to report the expenses it incurred for property and services it used during the electoral campaign.
Transfers sent to the candidate’s campaign

The following transfers may be accepted by the candidate’s campaign:

- property, services or funds from the registered party or any registered association of the registered party
- funds from a nomination contestant who participated in the nomination contest in the same electoral district, including funds from the candidate’s own nomination campaign

**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 before an election

The registered party or registered association may transfer funds, property or services to the candidate before the election is called provided the following conditions are met:

- the candidate has appointed an official agent
- in the case of monetary transfers, the official agent has opened a campaign bank account

Transfers after an election

No registered party, registered association or nomination contestant may transfer funds to a candidate after election day, except to pay claims or loans related to the candidate’s electoral campaign.

Therefore, it is important to verify whether a transfer is needed before accepting it.

Transfers sent by the candidate’s campaign

The following transfers may be sent by the candidate’s campaign:

- property, services or funds to their own nomination contestant campaign for the same election
- property, services or funds to a registered electoral district association of the same party or to the registered party

**Examples**

1. Clara won a nomination contest and has started her election campaign. Her official agent transfers funds to Clara’s earlier nomination campaign to pay some outstanding nomination campaign expenses.

2. The candidate’s campaign purchases 1,000 signs for the election. During the election period, 900 signs are installed. After election day, 100 never installed signs and 750 recovered signs are transferred to the registered association. The commercial value of the 850 transferred signs is calculated, and the amount is reported as a transfer to the association.

Independent candidates

An independent candidate may not send or receive any transfers. Any property, services or funds received by an independent candidate, other than to pay personal expenses (see Chapter 9) or litigation expenses (see Chapter 11), are governed by the rules for contributions and loans.
5. Other Cash Inflows

This chapter explains how to report cash inflows to the campaign bank account other than contributions, loans and transfers. It covers the following topics:

- Non-contribution portion of fundraising revenues
- Bank interest
- Refunds from suppliers
- Returned portion of advances
- Proceeds from the sale of assets
- Initial reimbursement of expenses

**Note:** All monies flowing through the campaign bank account have to be reported.

<table>
<thead>
<tr>
<th>Inflow type</th>
<th>Description</th>
<th>Example</th>
</tr>
</thead>
</table>
| Non-contribution portion of fundraising revenues | The inflows for fundraising activities such as ticketed events, auctions and the sale of branded goods often consist of two parts:  
- the contribution portion, and  
- the other inflow, which is the difference between the selling price and the contribution | John Smith holds a ticketed fundraiser in support of his campaign. The ticket price for the fundraiser is $200, and the fair market value of the benefit received is $75. The contribution made by each ticket purchaser is $125.  
The amount to be recorded as other inflow is the fair market value of the benefit received—that is, $75. |
| Bank interest | Interest earned on the campaign bank account is other inflow. | At the end of the month, the bank deposits $1.50 of interest into the campaign bank account. The official agent has to record this amount as other inflow. |
| Refunds from suppliers | If a refund is received from suppliers, the refunded amount is other inflow.  
The refunded amount may also need to be offset from the original election expense or other expense, and classified as an amount not included in election expenses since it is not an expense subject to the limit. | The official agent purchases 20 reams of paper for use in the campaign office, at a total cost of $60. Near the end of the campaign, the official agent returns 5 unused reams of paper and receives a $15 refund from the supplier. The official agent has to record this amount as other inflow.  
The $15 is also offset from the original expense in the expenses section and classified as an amount not included in election expenses. |
<table>
<thead>
<tr>
<th>Inflow type</th>
<th>Description</th>
<th>Example</th>
</tr>
</thead>
<tbody>
<tr>
<td>Returned portion of advances</td>
<td>If the campaign advanced funds for petty cash, travel or other expenses, the unused returned portions are other inflows.</td>
<td>The official agent gives $200 to an authorized person for travel expenses. At the end of the campaign, there is $50 left over and the official agent deposits this amount into the campaign bank account. The official agent records the $50 as other inflow.</td>
</tr>
<tr>
<td>Proceeds from the sale of assets</td>
<td>If the campaign sells any of its assets, the amount received is other inflow.</td>
<td>At the beginning of the campaign, the official agent purchases two brand new computers, at a cost of $2,000. After election day, the official agent sells the two computers for the amount of $1,500. This amount is recorded as other inflow.</td>
</tr>
<tr>
<td>Initial reimbursement of expenses</td>
<td>If applicable, the initial reimbursement of paid election expenses and certain other expenses received from Elections Canada is other inflow.</td>
<td>The candidate received more than 10% of the valid votes cast. Later, the campaign receives the first installment of the reimbursement, which is 15% of the election expenses limit. The official agent has to record the reimbursement as other inflow.</td>
</tr>
</tbody>
</table>
This chapter explains what portion of an amount given during a fundraising activity is a contribution and clarifies when fundraising expenses are election expenses. It covers the following topics:

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

### Determining the contribution amount when contributors receive a benefit

As part of fundraising, a candidate’s campaign might provide a benefit (T-shirt, dinner, etc.) to a contributor in exchange for a contribution. It is important to determine what portion of the money given is a contribution.

Flowchart 2 shows the basic rules for making that calculation.

**Flowchart 2: Basic rules for determining the contribution amount**

![Flowchart](image)

**Note:** Terms used in the flowchart are explained in the sections below.
What is a benefit’s fair market value?

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

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

When is a benefit central?

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

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

When is a benefit significant?

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

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

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

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

**OGI reference**

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

**Examples**

1. In exchange for making a $500 contribution, an individual gets to meet one-on-one with a high-profile candidate. The full amount given is a contribution under the *Canada Elections Act*. **Note:** Under Canada Revenue Agency rules, this contribution is not eligible for a tax receipt because the value of the advantage cannot be determined.

2. The candidate’s campaign rents an inflatable castle as a fundraiser and charges families $30 for admission. The prorated cost of the castle per family, based on expected attendance, is $3. Since the castle is central to the fundraising activity, $3 is deducted from the amount given and the contribution is $27. This is true even though the fair market value does not exceed 10% of the amount given or $75.

3. In exchange for making a $20 contribution, contributors receive a box of chocolates. The cost of the chocolates was $5. Since the value of the chocolates exceeds 10% of the amount given, $5 is deducted from the amount given and the contribution is $15. This is true even though the chocolates are not central to the fundraising activity.

4. Contributors who make a $100 contribution receive a keychain with the party logo. The cost of the keychain was $5. Since the keychain is not central to the fundraising activity and its value does not exceed 10% of the amount given or $75, nothing is deducted from the amount given and the contribution is $100.
**Fundraising expenses**

Most expenses reasonably incurred for property or services used during the election period are election expenses. When it comes to fundraising, some expenses are exceptions to that rule:

- contribution processing fees
- expenses for a fundraising activity, other than promotional expenses

The term “processing fees” means the expenses for processing contributions, which may include bank charges, credit card processing fees, fees for other payment services (such as PayPal), salaries of fundraising staff and salaries for data entry when contributions are received.

While the above expenses related to a fundraising activity are not election expenses, any expense related to promoting the fundraising activity is. Examples include:

- producing and distributing invitations to a ticketed fundraiser
- procuring and distributing promotional items, such as pens or T-shirts
- producing and mailing a letter or pamphlet that solicits contributions
- producing and using a script for telephone calls that solicit contributions

**Activities not directly linked to soliciting contributions**

Expenses incurred by the candidate’s campaign for activities conducted during an election period that are not directly linked to soliciting contributions are also election expenses. In these cases, incurring an expense and accepting a contribution are separate transactions.

Examples of such activities include:

- non-ticketed events held to promote a party, its leader or a candidate, where contributions are also solicited
- door-to-door promotion of a party, its leader or a candidate, where contributions are also solicited (in this case, salaries or other amounts paid to canvassers are election expenses)
- contacting electors by phone or by other means to promote a party, its leader or a candidate, where contributions are also solicited (in this case, salaries paid to staff are election expenses)


Regulated fundraising events

What is a regulated fundraising event?

A regulated fundraising event is an event that:

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

**Note:** Leadership contestants continue to be contestants and prominent attendees after the contest period, until they have fulfilled all their reporting obligations. Ministers also continue to be prominent attendees during an election.

It excludes the following events:

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

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

**Note:** Fundraising events organized after an election or a contest for the benefit of a candidate or a contestant continue to fall under these rules. People continue to be candidates or contestants until they have fulfilled all their reporting obligations.

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

**Examples**

1. Barbara paid the $250 ticket price to attend a wine and cheese organized to benefit a candidate. The guest of honour is a federal Cabinet minister who supports the candidate. This is a regulated fundraising event. Even though Barbara's contribution is only $190 after the benefit is deducted, the event is still regulated because the ticket price was over $200 and part of the payment was a contribution.

2. Mehdi paid the $225 entrance fee to play in a baseball tournament organized to benefit a candidate. The candidate is attending but there will be no prominent attendees from the party. This is not a regulated fundraising event.

3. The candidate’s campaign sells tickets to its fundraising dinner with the party leader for $150 each. Jim buys a table of tickets for $1,200 and brings his family. Even though he paid more than $200 total for himself and his guests, no single person was required to pay over $200 to attend. This is not a regulated fundraising event. This event would be regulated if a person had to buy a whole table.
Flowchart 3: Regulated fundraising events

Fundraising event for a registered party or its affiliated entities: Regulated or not?

Did any person have to contribute or pay over $200 to attend, or to have another person attend?

- NO
- YES

Is any person in Box A attending?

- NO
- YES

As of event day, did the party have at least one sitting MP? Or, if a general election is underway, did it have an MP on dissolution?

- NO
- YES

Is the event listed in Box B?

- YES
- NO

This is a regulated event

Box A – Prominent attendees
- Party leader
- Interim party leader
- Leadership contestant
- Federal Cabinet minister

Box B – Excluded events
- Leadership debate
- Party or leadership convention
- Donor appreciation event at a party or leadership convention
- Event where guests paid over $200 to attend but no part of the payment was a contribution

This is not a regulated event
Candidate’s role in providing information about a regulated fundraising event

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

If the candidate’s campaign was involved in the event, it may need to provide the party with information so that the party can follow the disclosure rules.

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

Information to provide outside and during a general election

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

### What to send the party for events held outside a general election

**Before the fundraising event**
Provide this information so that the party can publish an event notice 5 days before the event:
- event date, time and location
- name of each entity or person that the event is organized to financially benefit
- name of each prominent attendee whose attendance makes the event a regulated event (e.g. party leader)
- required amount of contribution or payment to attend
- individual to contact for more information about the event

*Note*: Five days’ notice means that if an event is held on a Saturday, the latest day to give notice is Monday of that week.

**After the fundraising event**
Provide this information so that the party can submit a report to Elections Canada within 30 days after the event:
- same information required in an event notice (excluding the individual to contact for event information)
- name of each person or entity that organized the event or part of it
- name, municipality, province or territory, and postal code of attendees aged 18 or older (some exceptions apply*)
What to send the party for events held during a general election

<table>
<thead>
<tr>
<th>Before the fundraising event</th>
<th>After the fundraising event</th>
</tr>
</thead>
<tbody>
<tr>
<td>No information is required</td>
<td>Provide this information for each event held during the election period so that the party can submit a single report to Elections Canada within 60 days after election day:</td>
</tr>
<tr>
<td></td>
<td>• event date, time and location</td>
</tr>
<tr>
<td></td>
<td>• name of each entity or person that the event was organized to financially benefit</td>
</tr>
<tr>
<td></td>
<td>• name of each prominent attendee whose attendance made the event a regulated event (e.g. party leader)</td>
</tr>
<tr>
<td></td>
<td>• required amount of contribution or payment to attend</td>
</tr>
<tr>
<td></td>
<td>• name of each person or entity that organized the event or part of it</td>
</tr>
<tr>
<td></td>
<td>• name, municipality, province or territory, and postal code of attendees aged 18 or older (some exceptions apply*)</td>
</tr>
</tbody>
</table>

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

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

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

Returning contributions for non-compliance with disclosure rules

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

Any of these circumstances may require contributions to be returned:

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

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

This section explains how to manage various fundraising activities.

Sale of branded goods

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

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

Examples

1. To raise funds, the campaign sells T-shirts with the candidate’s 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 candidate buys two T-shirts. The official agent reports two anonymous contributions of $15. No receipt is required.

2. The campaign sells laptop bags with the candidate’s name 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 candidate buys a laptop bag from the candidate’s booth in a mall. The salesperson records the contributor’s name, address and purchase amount. The official agent later records the contribution and issues a receipt for $25.

Expenses

The expenses incurred to produce and distribute branded goods (in other words, promotional materials) that are distributed during an election period are election expenses.

Auctions

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

Donor’s contribution

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

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

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

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

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

**Expenses**

In most cases, when an auction is held during an election period, expenses incurred by the candidate to purchase property or services that will be auctioned are not election expenses, because fundraising expenses are excluded from that definition. However, because expenses for producing and distributing promotional materials are specifically included, if any of the auctioned items promote a party, its leader or a candidate (such as branded goods), the expenses incurred are election expenses.

**Examples**

1. An individual donated a painting to a candidate’s campaign for sale at an auction organized to raise funds for the campaign. 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 campaign.
   - 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 an electoral campaign expense not subject to the election expenses limit.

2. An individual (who is not in the business of selling office furniture) donated an office chair to a candidate’s campaign for sale at an auction organized to raise funds for the campaign. 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 campaign that is deemed to be nil (since the commercial value is $200 or less, and the chair was provided by an individual not in the business of selling chairs).
   - The winning bidder made a monetary contribution equal to the amount paid less the fair market value of the chair: $250 – $150 = $100.
Ticketed fundraising events

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

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

Benefit received

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

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

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

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

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

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

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

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

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

Expenses

When a ticketed fundraising event is held during an election period, most expenses incurred by the candidate are not election expenses because fundraising expenses are excluded from that definition. However, because expenses for producing and distributing promotional materials are specifically included, any such expenses incurred before or during the fundraising event are election expenses. This includes expenses for promoting the event, printing tickets, and producing and distributing promotional items.

Examples

1. A candidate’s campaign holds a ticketed fundraising dinner in a rented venue. Fifty attendees are expected, and tickets are sold at $150 each. The event includes dinner, entertainment, a pen with a logo for each attendee, and hockey tickets as a door prize. The campaign incurs the following expenses:
   - room rental: $500 ($500 / 50 = $10 per attendee)
   - catering, excluding sales taxes and gratuities: $1,500 ($1,500 / 50 = $30 per attendee)
   - live band and audio equipment: $400 ($400 / 50 = $8 per attendee)
   - hockey tickets: $400 ($400 / 50 = $8 per attendee)
   - pen with logo: $10

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

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

   *In this case, the total value of benefits received that are not central to the fundraising dinner (the hockey tickets and pen) exceeds 10% of the amount given ($18 / $150 = 12%). Therefore, the benefit is considered significant and the *de minimis* threshold does not apply. The fair market value of these benefits is deducted from the ticket price.
2. A golf tournament is held during the election period to raise funds for the candidate’s campaign. Participants are charged $300, and 100 individuals are expected to attend. The campaign 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:

<table>
<thead>
<tr>
<th>Participation fee</th>
<th>$300</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less:</td>
<td></td>
</tr>
<tr>
<td>Green fee*</td>
<td>$50</td>
</tr>
<tr>
<td>Cart rental</td>
<td>$40</td>
</tr>
<tr>
<td>Golf shirt**</td>
<td>–</td>
</tr>
<tr>
<td>Prizes**</td>
<td>–</td>
</tr>
<tr>
<td>Contribution amount</td>
<td>$210</td>
</tr>
</tbody>
</table>

*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 \textit{de minimis} threshold applies. The fair market value of these benefits is not deducted from the participation fee.

The $800 promotional expense is an election expense of the candidate, and the balance of the expense for the event is an electoral campaign expense not subject to the election expenses limit.

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

\section*{Other ticketed events}

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

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

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

\section*{Expenses}

When a candidate’s campaign holds this type of event during an election period, the expenses incurred are election expenses because they relate to producing and distributing promotional materials. They are not directly linked to accepting contributions.

\textbf{Note:} Ticketed events held for promotional purposes may still be regulated fundraising events, even if fundraising is not their primary purpose. See the \textit{Regulated fundraising events} section above.
Non-ticketed events

Campaigns 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 candidate are separate transactions. Any contributions received at non-ticketed events are simply contributions at the amount provided.

Expenses

When a candidate’s campaign holds a non-ticketed event during an election period, the expenses incurred are election expenses because they are not directly linked to accepting contributions.

<table>
<thead>
<tr>
<th>Example</th>
</tr>
</thead>
<tbody>
<tr>
<td>The official agent organizes an event one evening during the election period. Light refreshments and appetizers are served while Christine, the candidate, outlines her platform and answers questions. The participants have the opportunity to make a contribution to Christine’s campaign. Any contributions received are recorded at the amount provided. The expenses for the food, beverages, room rental, etc., are election expenses, together with the expense for flyers distributed during the evening.</td>
</tr>
</tbody>
</table>

Draws

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

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

Expenses

For candidates promoting a draw during an election period, the expenses incurred to promote the draw are election expenses, regardless of when the draw occurs.
7. Electoral Campaign Expenses

This chapter takes a broad look at electoral campaign expenses and how they are administered. It covers the following topics:

- What are electoral campaign expenses?
- How do they relate to non-monetary contributions and transfers?
- Who can incur and pay electoral campaign expenses?
- What invoices have to be kept?

**Note:** The official agent is responsible for recording electoral campaign expenses and keeping receipts and invoices, as required by the Canada Elections Act. All supporting documentation will have to be submitted to Elections Canada with the Candidate’s Electoral Campaign Return.

**What are electoral campaign expenses?**

**Definition**

The Canada Elections Act defines an electoral campaign expense of a candidate as an expense reasonably incurred as an incidence of the election, regardless of when the expense was incurred.

There are six categories of electoral campaign expenses:

- election expenses
- candidate’s personal expenses
- candidate’s travel and living expenses
- candidate’s litigation expenses
- accessibility expenses
- other electoral campaign expenses

It is important to understand the differences between the expense categories and the way each is administered. The chart below gives an overview and the next six chapters provide details on each one.
Electoral campaign expenses: overview

<table>
<thead>
<tr>
<th>Electoral campaign expenses</th>
<th>Examples</th>
<th>Who can incur?</th>
<th>Who can pay and from what source?</th>
<th>Spending limit?</th>
<th>Reimbursed in part, if conditions met?</th>
</tr>
</thead>
<tbody>
<tr>
<td>Election expenses</td>
<td>• Election signs</td>
<td>• Official agent</td>
<td>• Official agent from campaign bank account</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td></td>
<td>• Office supplies</td>
<td>• Person authorized in writing by official agent</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Surveys</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Candidate’s personal expenses</td>
<td>• Childcare</td>
<td>• Official agent</td>
<td>• Official agent from campaign bank account</td>
<td></td>
<td>✓</td>
</tr>
<tr>
<td></td>
<td>• Care of a dependant</td>
<td>• Candidate</td>
<td>• Candidate from own funds, including from another source</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Expense related to a disability</td>
<td>• Person authorized in writing by official agent</td>
<td>• Candidate from own funds</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Candidate’s travel and living expenses</td>
<td>• Travel</td>
<td>• Official agent</td>
<td>• Official agent from campaign bank account</td>
<td></td>
<td>✓</td>
</tr>
<tr>
<td></td>
<td>• Lodging</td>
<td>• Candidate</td>
<td>• Candidate from own funds</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Meals</td>
<td>• Person authorized in writing by official agent</td>
<td>• Candidate from own funds</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Candidate’s litigation expenses</td>
<td>• Judicial recounts</td>
<td>• Official agent</td>
<td>• Official agent from campaign bank account</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Extension requests</td>
<td>• Candidate</td>
<td>• Candidate from own funds, including from another source</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accessibility expenses</td>
<td>• Accessible website</td>
<td>• Official agent</td>
<td>• Official agent from campaign bank account</td>
<td></td>
<td>✓</td>
</tr>
<tr>
<td></td>
<td>• Alternative formats</td>
<td>• Candidate</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Renovation</td>
<td>• Person authorized in writing by official agent</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other electoral campaign expenses</td>
<td>• Rent outside election period</td>
<td>• Official agent</td>
<td>• Official agent from campaign bank account</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Contribution processing fees</td>
<td>• Candidate</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Person authorized in writing by official agent</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

1 A person authorized by the official agent can pay petty expenses from the petty cash. The official agent must set the maximum amount that may be paid.
2 The candidate’s personal or litigation expenses can be paid directly by another person or group, with the candidate’s consent. This is considered to be a payment from the candidate’s own funds. It is not a contribution but must still be reported in the candidate’s return.
3 If not repaid by the campaign, this is a contribution from the candidate and is subject to the limit.
What qualifies as an electoral campaign expense?

Electoral campaign expenses include:

- amounts paid
- liabilities incurred
- the commercial value of donated property and services (other than volunteer labour)
- the difference between an amount paid or liability incurred and the commercial value of the property or services (when they are provided at less than their commercial value)

The amount charged to the campaign is an electoral campaign expense. Generally this amount is the commercial value of the property or service received.

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)
- 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)

In other words, commercial value is generally the amount charged in a store for an item or a service.

<table>
<thead>
<tr>
<th>Examples</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. The campaign rents office furniture from an office equipment rental company for four months. The amount charged for the rental is the commercial value, and it is an electoral campaign expense.</td>
</tr>
<tr>
<td>2. Wendell, a self-employed web designer, offers to design the candidate’s website for a discounted price. He charges $400 instead of his regular fee of $700. The commercial value, which is the amount Wendell normally charges for his work (in this case $700), is an electoral campaign expense. The difference between the commercial value and the actual amount paid ($300) is a non-monetary contribution from the web designer.</td>
</tr>
</tbody>
</table>

What does not qualify as an electoral campaign expense?

These penalties under the Canada Elections Act do not count as electoral campaign expenses:

- an administrative monetary penalty imposed on the campaign
- an amount to be paid under a compliance agreement signed with the Commissioner of Canada Elections, solely as a result of that agreement
- an amount to be paid under an undertaking provided to the Commissioner of Canada Elections, solely as a result of that undertaking

This means that the penalties cannot be paid using the candidate’s campaign funds.
Non-monetary contributions and transfers are also expenses

The candidate’s campaign incurs an electoral campaign expense 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.

### When property or services are...

- **Received from an individual at no charge**: The full commercial value is a non-monetary contribution.*
- **Purchased from an individual for less than commercial value**: The difference between the purchase price and the commercial value is a non-monetary contribution.*
- **Received from an affiliated political entity at no charge**: The full commercial value is a non-monetary transfer.**
- **Purchased from an affiliated political entity for less than commercial value**: The difference between the purchase price and the commercial value is a non-monetary transfer.**

*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 is deemed to be nil and no expense has to be reported.

**All non-monetary transfers provided by the registered party or a registered association must be reported, regardless of commercial value.

### Examples

1. After the election is called, Simon donates office supplies—packages of paper, ink cartridges and binders—to the campaign. Buying the same items in the local stationery store would cost $300; therefore, this is the commercial value of the donated goods. The official agent has to record the following: $300 as a non-monetary contribution from Simon and $300 as an election expense.

2. The official agent accepts pamphlets from the registered party. The pamphlets are distributed during the election period. The party pays $2,000 for the pamphlets and provides the official agent with a copy of the original supplier invoice. The official agent has to record the following: a non-monetary transfer of $2,000 from the registered party and an election expense of $2,000.

### Note

Some examples in the handbook use “cost” as the amount of an expense. This is because most purchases are made at a retail price. However, if a campaign pays less than a retail price, the expense to report for the property or service is its full commercial value.
**Who can incur expenses?**

The official agent can incur any type of electoral campaign expense.

The candidate can incur most types of electoral campaign expenses without authorization from the official agent. But they must have written authorization from the official agent to incur election expenses and can only incur the expenses in accordance with that authorization.

Any other person must be authorized in writing by the official agent to incur any type of electoral campaign expense.

**Who can pay expenses?**

Only the official agent can pay electoral campaign expenses in most cases. There are three exceptions:

- The candidate can pay their personal expenses, travel and living expenses, and litigation expenses.
- Any other person or group can pay the candidate’s personal expenses or litigation expenses, with the candidate’s consent.
- A person authorized in writing by the official agent can pay petty expenses for office supplies, postage, courier services and other incidentals from the petty cash. (The official agent must set the maximum amount that may be paid.)

**Note:** A registered agent of a registered party can also incur or pay expenses for the election campaign of the party leader as a candidate.

**Invoices**

All invoices have to be submitted to the official agent.

The candidate should send invoices for their personal expenses, travel and living expenses, or litigation expenses to the official agent only after preparing the *Candidate’s Statement of Expenses*.

If an expense of $50 or more was incurred as an incidence of the election, the official agent must keep a copy of the supplier invoice setting out the nature of the expense. Once it is paid, the official agent must also keep the proof of payment.

If an expense of less than $50 was incurred as an incidence of the election, the official agent must keep a record of the nature of the expense. Once it is paid, the official agent must also keep the proof of payment.

For payments made from the petty cash, the person who is authorized to pay petty expenses has to provide the official agent with the documents mentioned above within three months after election day.
This chapter explains what election expenses are, describes how limits are calculated and applied, and gives examples of typical election expenses. It covers the following topics:

- What are election expenses?
- Who can incur and pay election expenses?
- Limits on election expenses
- Typical election expenses (election advertising, websites and web content, voter contact calling services, other outreach, expenses related to the campaign office and workers)
- Use of existing resources (websites, signs and parliamentary resources)

What are election expenses?

An election expense is:

- any cost incurred or non-monetary contribution received by a candidate to the extent that the property or service that the cost was incurred for, or that was received as a non-monetary contribution, is used to directly promote or oppose a candidate during an election period
- any non-monetary transfer received from a registered party or a registered association of the registered party to the extent that the property or services are used to directly promote or oppose a candidate during an election period

The concept of “directly promoting or opposing a candidate” is not limited to election advertising. It is to be understood broadly and includes expenses for running a campaign, such as office rental, telecommunication services, etc.

This means that most expenses reasonably incurred for property or a service used during the election period are election expenses, unless they:

- fall into another category (see an overview in Chapter 7, Electoral Campaign Expenses)
- are non-promotional fundraising expenses (see Chapter 6, Fundraising)

The election period starts on the day the election is called and ends on election day when the polls close.

Election expenses may be eligible for partial reimbursement. See Chapter 16, Reimbursements and Subsidies, for more information.

Who can incur and pay election expenses?

The official agent or a person authorized in writing by the official agent can incur election expenses. Candidates also need written authorization from their official agent to incur election expenses and can only incur the expenses in accordance with that authorization.

Only the official agent is allowed to pay election expenses, other than petty expenses paid from the petty cash with the official agent’s written authorization.
Limits on election expenses

The *Canada Elections Act* imposes a limit on election expenses to facilitate a level playing field among candidates.

The limit applies to each candidate’s election expenses in the electoral district where they are seeking election. The limit applies to the total of all election expenses, whether paid, unpaid, or accepted as non-monetary contributions or transfers.

The official agent and any person authorized in writing by the official agent to incur expenses all have to respect the election expenses limit. They cannot enter into contracts or incur election expenses that exceed the limit.

The campaign will need an expense approval process to help ensure that the official agent and any authorized persons, including the candidate, are informed and co-operate when incurring expenses. An expense approval process and a campaign budget created at the beginning of the campaign help to manage finances effectively.

Note: A campaign that exceeds its election expenses limit will have its reimbursement reduced based on a sliding scale. See Chapter 16, *Reimbursements and subsidies*, for details.

How are the limits calculated?

The limit amount varies from one electoral district to another. Elections Canada calculates the limit for each electoral district as follows:

1. Expenses limits are based on the number of names appearing on the preliminary lists of electors or on the revised lists of electors for the electoral district, whichever is greater.
2. The *Canada Elections Act* provides for an adjustment for candidates running in electoral districts where there are fewer electors than the national average. In these districts the limit is increased.
3. The *Canada Elections Act* also provides for an adjustment for geographically large electoral districts. If the number of electors per square kilometre of the electoral district is less than 10, the candidate’s expenses limit is increased.
4. The limit is then adjusted by the inflation adjustment factor in effect on the day the election is called.

Notification of election expenses limits

Shortly after an election is called, Elections Canada notifies each returning officer of the preliminary election expenses limit. The returning officer advises each campaign of the preliminary limit.

Approximately one week before election day, Elections Canada notifies the candidates directly of their final election expenses limit. The final election expenses limit may be higher but not lower than the preliminary limit.

Note: During an election, expenses limits are published on the Elections Canada website in the Political Participants section.
Typical election expenses

The following are examples of typical election expenses.

Traditional election advertising

What is election advertising?

Election advertising is the transmission to the public of an advertising message promoting or opposing the election of a candidate during the election period.

Promoting or opposing the election of a candidate may include but is not limited to:

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

Expenses incurred for advertising conducted during the election period, including the expenses for production and distribution, are to be reported as election expenses.

Tagline

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 the official agent.

This authorization has to be mentioned in or on the message—for example, “Authorized by the official agent of John Smith.”

Blackout period

The Canada Elections Act prohibits the transmission of election advertising to the public in an electoral district on election day before the close of all polling stations in the electoral district.

The blackout does not apply to distributing pamphlets or posting messages on signs, posters or banners during that period. Nor does it apply to transmitting a notice of an event that the party leader will attend or an invitation to meet or hear the party leader.

Examples

1. In anticipation of an upcoming election, the official agent purchases flyers before the election is called and distributes them during the election period to promote the candidate. The expense for the flyers—including their design, printing and distribution—is an election expense. The flyers are election advertising and have to include an authorization statement from the official agent.

2. The official agent purchases an advertisement that is broadcast during the election period on the local radio station, promoting the candidate. The expense for the advertisement—including its design, recording and transmission—is an election expense. The advertisement is election advertising and has to include an authorization statement from the official agent.
Election signs

Election signs are election advertising and are subject to the tagline and blackout requirements mentioned above for traditional election advertising. Signs installed before election day do not need to be removed as part of the blackout requirements.

Expenses incurred to obtain election signs for the candidate’s campaign are election expenses. Even if some signs are never installed, the expense to obtain the signs counts toward the election expenses limit.

Sometimes election signs are vandalized or stolen. If the campaign has many affected signs, it may want to report the expense to replace vandalized or stolen signs as an other electoral campaign expense instead of an election expense. This can be done if the campaign:

- replaces the vandalized or stolen signs with signs of the same cost (or, if the signs are more expensive, reports the increase in cost as an election expense)
- files a police report that includes a description of the signs, their location and costs
- keeps the police report and evidence of the vandalism or theft in its records (for example, photographs or a statement from the property owner)

Signs are often used for more than one election. For details, see the Use of existing resources section below.

Note: Because uninstalled signs count toward the election expenses limit, a campaign should be mindful to purchase only the quantity of signs that it intends to install.

Election advertising on the Internet

What qualifies as 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 What is election advertising? above), and
- they have, or would normally have, a placement cost (such as sponsored or boosted content)

For greater certainty, the following are not 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)
- videos posted for free on social media platforms such as YouTube and Instagram
- content posted on the candidate’s website (the ongoing expenses for creating and maintaining a website are not placement costs)

However, any associated expenses are election expenses. See the Websites and web content section below.

Tagline

The official agent has to authorize any election advertising, and this authorization must be 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.
Information to be held in an online registry

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

When a candidate’s campaign purchases election advertising online, to make sure it complies with the law, it should:

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

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

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

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

Note: These rules also apply to partisan advertising conducted by a candidate’s campaign in the pre-election period.

Blackout period

The Canada Elections Act prohibits the transmission of election advertising to the public in an electoral district on election day before the close of all polling stations in the electoral district.

The blackout does not apply to the transmission of a message on the Internet that was placed before the blackout period began and was not changed during that period—for example, an advertisement placed in a weekly online magazine.

However, if an Internet advertisement is actively transmitted to different users daily and the campaign is able to control the transmission date—for example, a paid social media or search engine advertisement—the blackout must be respected.

The blackout also does not apply to transmitting a notice of an event that the party leader will attend or an invitation to meet or hear the party leader.

Examples

1. The candidate’s campaign hires a media firm to place banners on social media platforms during the election period, directing users to a video posted on YouTube. Because the banners have a placement cost and promote the candidate, they are election advertising and have to be authorized by the official agent. They are subject to the blackout on election day. Because there is no placement cost to post the video, it is not election advertising, but all expenses related to designing and developing the video are election expenses.

2. A group page has been created for the candidate on a free social networking site. Volunteers manage the page and post articles related to the candidate’s campaign. This is not election advertising. As long as the volunteers are helping outside their regular working hours and are not self-employed in the business of managing social media, the volunteer labour is not an expense.

3. The official agent hires a media firm to post content on the candidate’s website during an election, promoting the campaign. The content is not election advertising, but all expenses related to designing, developing and posting the content are election expenses.

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.
Websites and web content

Candidates often create websites and social media accounts specifically for their campaigns, either during or in the lead up to an election. Pre-existing websites and social media accounts might also be used to promote the candidate during the election period.

The following table shows when a website or web content that remains online during the election period is an election expense of the candidate, taking into account the purpose of the material.

<table>
<thead>
<tr>
<th>Type of website or web content</th>
<th>Candidate’s election expense</th>
</tr>
</thead>
<tbody>
<tr>
<td>Campaign’s website and social media accounts</td>
<td>The expenses incurred for the campaign website itself—including its design, hosting and maintenance—are election expenses. Expenses to produce and distribute content on the website or social media accounts are also election expenses. Because the site and accounts exist for the purpose of the campaign, all content that is online during the election period counts as an expense, regardless of when it was posted. If content was produced entirely or in part using volunteer labour, only the actual expense incurred by the candidate is an election expense. This may include materials, equipment rental or paid labour.</td>
</tr>
<tr>
<td>Registered association’s website and social media accounts</td>
<td>If the registered association’s website promotes the candidate and stays online during the election period, it is an election expense of the candidate. Elections Canada will accept the current commercial value of an equivalent website as the commercial value of a pre-existing website. The official agent must approve this transfer from the association to the campaign. If the official agent does not wish to have this expense count toward the limit, the website must go offline during the election period. Expenses to produce and distribute content on the website or social media accounts for the purpose of the campaign are also election expenses. Pre-existing content is only an expense if it was posted for the purpose of the campaign or promoted during the campaign.</td>
</tr>
<tr>
<td>Candidate’s personal website and social media accounts</td>
<td>A candidate’s pre-existing personal website is an election expense if it is used for the purpose of the campaign. Elections Canada will accept the current commercial value of an equivalent website as the commercial value of a pre-existing website. Expenses to produce and distribute content on the website or social media accounts for the purpose of the campaign are also election expenses. Pre-existing content is only an expense if it was posted for the purpose of the campaign or promoted during the campaign. The expenses are also non-monetary contributions from the candidate. However, if the candidate did not incur any expenses for the website or web content, there is no expense or contribution to report.</td>
</tr>
<tr>
<td>Parliamentarian’s website and social media accounts</td>
<td>See the Use of parliamentary and other existing resources section below.</td>
</tr>
</tbody>
</table>

Note: The official agent has to report as election expenses all the expenses related to the design, development and distribution of online communications used during an election period, regardless of whether or not they are election advertising.
Examples

1. The candidate’s campaign launches a website two months before the election period. The campaign posts content such as the candidate’s biography, blogs and videos. The election expense to report is the expense to create the website; to maintain and host it during the election period; and to produce all content, whether it was posted before or during the election period.

2. The candidate has a personal Twitter account and continues to tweet from that account during the election period. Sometimes she tweets about her campaign. If the candidate is tweeting for free on her own time, there is no expense to report.

OGI reference

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

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 candidate or any position on an issue with which a 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 candidate

Expenses incurred for voter calls conducted during the election period, including their production and distribution, are election expenses.

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

OGI reference

For a detailed discussion of this topic, please refer to Elections Canada’s interpretation note 2015-11, Application of Election Advertising Rules to Telephone Calls, on the Elections Canada website.
Surveys

Expenses related to surveys or research conducted during the election period are election expenses. Expenses related to surveys or research conducted outside the election period are not election expenses, even if the results of the survey are used during the election.

Example

After the election was called, the official agent engaged Election Polling Inc. for $1,500 to conduct a survey. Once the survey was completed, the official agent issued a cheque from the campaign bank account to pay Election Polling Inc., recorded the amount as an election expense and kept the invoice to submit later with the candidate’s return.

Capital assets

Under the Canada Elections Act, a capital asset is any property with a commercial value of more than $200 that is normally used outside an election period other than for the purposes of an election (for example, computers, software, printing equipment and furniture).

If the candidate’s campaign purchases a capital asset and uses it during the election period, the election expense is the lower of the commercial value of renting a similar asset for the same period or the purchase price.

For non-capital assets such as office supplies, the purchase price must be recorded as an election expense.

Capital assets might be received in the form of a contribution from an individual or a transfer from the registered party or a registered association of the party. In that case, the commercial value of the asset is a non-monetary contribution or transfer. If the asset was used during the election period, the election expense is the lower of the commercial value of renting a similar asset for the same period or the purchase price. The remaining amount, if any, is an other electoral campaign expense.

Note: Amortization may not be used as a method of calculating the commercial value of the use of the asset.

Note: Capital assets acquired during the campaign must be disposed of at the end of the campaign. They must be sold at fair market value, or else transferred to the party or to the registered association in the candidate’s electoral district.

Examples

1. The candidate’s campaign rents two computers from a local office supplier for $500 on the day the election is called. The rental agreement is for two months (61 days), and the election period is 37 days. The cost of renting the computers during the election period is an election expense, and it is calculated as follows: $500 / 61 x 37 = $303.30. The remaining amount, $196.70, is recorded as an other electoral campaign expense.

2. On the day the election is called, the official agent pays $100 at a garage sale for the purchase of a printer for the campaign. The commercial value of renting a similar printer during the election period would have been $150. The official agent records $100 as an election expense since the purchase price, $100, is lower than the rental rate.

3. A volunteer uses his personal laptop to do work for the campaign during the election period. The commercial value of renting a similar laptop for the 37-day period would be $80. This is a non-monetary contribution from the volunteer. However, because the amount is $200 or less and the volunteer is not in the business of providing electronics, the non-monetary contribution is deemed to be nil and there is no expense to report.
Rental of a campaign office
The campaign may rent an office for the candidate’s campaign. The portion of the rent incurred before and after the election period is an other electoral campaign expense. Only the portion of the rent used during the election period is an election expense.

**Example**
The campaign rents an office on March 1, a month before the election is called. The rental agreement is for three months and the rent is $300 a month. The election period is 37 days.

The election expense to be recorded is the rent for the month of April, plus the rent for 7 days in May: $300 + (7 / 31 x $300) = $367.74. The remaining amount, $532.26, has to be recorded as an other electoral campaign expense.

Installation and other office expenses
The expense incurred to install items used during the election period is an election expense even if the installation takes place before the election is called, as long as the item itself is an election expense. Installation expenses cannot be prorated.

Other office expenses include the cost of buying office supplies, such as paper or toner cartridges, or supplying refreshments during meetings.

**Example**
The expense to install any equipment (telephones, computers, fax machines, etc.) is an election expense and cannot be prorated between pre- and post-election periods regardless of when the installation takes place.

The expense for telephone usage, however, will have to be reported as an other electoral campaign expense for the time before and after the election period, while the portion of usage during the election period is an election expense.
Compensation paid to the official agent or other campaign workers

The campaign may choose to pay compensation to the official agent or other campaign workers. In that case, the compensation related to work performed during the election period is an election expense, while the compensation related to work performed after the election period is an other electoral campaign expense.

Note that work performed prior to the election period may also be an election expense if the output of that work is used during the election period. For example, if signs are installed by campaign workers prior to the election being called, any compensation paid would be an election expense.

Compensation may include travel and living expenses. If the candidate’s campaign is paying to relocate workers to the electoral district and return them home after the election, the travel costs incurred are other electoral campaign expenses—not election expenses—no matter when the travel occurs. Per diems or lodging paid by the campaign for days during the election period are election expenses.

It is advisable to include a written contract or other documentation with the candidate’s return about any compensation paid, including for travel and living. In the absence of evidence, the payments may be considered an inappropriate use of campaign funds that would need to be returned.

Note: Any amount paid up to $5,000 for the compensation of candidate’s representatives at the polls or at the office of the returning officer when electors receive special ballots is to be reported as a personal expense of the candidate.

Examples

1. The candidate decides to pay a salary of $800 to her official agent for work during the election period. This amount has to be recorded as an election expense.

2. The candidate decides to pay $50 compensation to each of her six representatives at the polls on election day. The total amount paid, $300, has to be recorded as the candidate’s personal expense.

Expenses of volunteers

Unpaid campaign workers are generally providing volunteer labour, which is not an election expense. But expenses for items used by volunteers during the election period (for example, the costs of refreshments, lodging or transportation related to the campaign) are election expenses.

If a volunteer pays for an expense incurred as an incidence of the election, the amount is a non-monetary contribution and an expense. However, if the amount is $200 or less and the individual is not in the business of providing the service, the non-monetary contribution is deemed to be nil and no expense has to be reported.

Examples

1. Late one night during the election period, volunteers help in the campaign office to prepare hundreds of flyers for mailing. The official agent orders pizza and pays $83.50 to the pizza delivery person. The amount of $83.50 is an election expense.

2. A volunteer is driving around in her own car to deliver flyers during the election period. She pays $30 to fill up her car. If the amount is not reimbursed by the campaign, the volunteer made a non-monetary contribution. However, because the amount is $200 or less, the non-monetary contribution is deemed to be nil and no expense has to be reported.
Holiday greeting cards and receptions

Candidates might choose to distribute greeting cards during a holiday season. If the greeting cards are distributed during the election period, they are election advertising and have to be reported as election expenses. If these expenses are not paid by the campaign, then they could be either non-monetary contributions if paid by an individual, or non-monetary transfers if paid by the registered party or a registered association.

If the greeting cards are in transit on the day the election is called and the candidate does not have the ability to stop their delivery, they will not be considered an election expense 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 an election expense.

Holiday season receptions held during the election period are election expenses. If these expenses are not paid by the campaign, then they could be either non-monetary contributions if paid by an individual, or non-monetary transfers if paid by the registered party or a registered association.

Use of parliamentary resources and other existing resources

Candidates’ campaigns commonly make use of existing resources such as signs and office staff. These resources often come from a registered association, and sometimes from a member of Parliament’s office. Their use during the election period is an election expense.

If a member of Parliament uses parliamentary resources during their election campaign, and these resources are not paid by the campaign, their use is a non-monetary contribution from the member and is subject to the contribution limit.

Note: The use of parliamentary resources is governed by other rules as well, including the Members By-law of the House of Commons (available on the Parliament of Canada website).

OGI reference

For a detailed discussion of a related topic, please refer to Elections Canada’s interpretation note 2014-02, The Use of Member of Parliament Resources Outside of an Election Period, on the Elections Canada website.

For details on shared transactions, such as subletting the registered association’s office space, see Chapter 14, Working with Other Entities.

Website and social media accounts of a parliamentarian

Candidates may have websites and social media accounts that are designed and maintained using parliamentary resources.

If the candidate uses the website for the purpose of their campaign, its commercial value—including design, maintenance and hosting—is an election expense. Elections Canada will accept the current commercial value of an equivalent website as the commercial value of a pre-existing website.

Expenses to produce and distribute content on the website or social media accounts for the purpose of the campaign are also election expenses. Pre-existing content is only an expense if it was posted for the purpose of the campaign or promoted during the campaign.
Used signs
If a campaign uses signs in a subsequent election, the amount of the election expense to be recorded is the current commercial value of equivalent signs.

Reused signs also have to be recorded as a non-monetary transfer or contribution received from the entity or individual that had possession of the signs. Generally this is the registered association or the candidate. Keep in mind that contribution and transfer rules apply to these transactions.

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

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

Staff of a parliamentarian
If employees on the staff of a parliamentarian engage in political activities to support the parliamentarian as a candidate during the election period, the salaries of these persons are election expenses of the candidate and, if not paid by the campaign, are non-monetary contributions from the parliamentarian.

However, if the employees work on the candidate’s campaign outside their normal business hours or are on leave, their involvement is volunteer labour and is therefore neither an election expense nor a non-monetary contribution.

Householders issued by members of Parliament
A member of Parliament who is running as a candidate in an election might issue a householder during the election period. This is an election expense and, if not paid by the campaign, a non-monetary contribution from the member.

If a householder is in transit on the day the election is called and the candidate does not have the ability to stop the delivery, it will not be considered an election expense even though the actual delivery will take place during the election period. However, any householder distributed in the 36 days preceding a fixed date election will be considered an election expense.
9. Candidate’s Personal Expenses

This chapter discusses the candidate’s personal expenses and reporting requirements. It covers the following topics:

- What are the candidate’s personal expenses?
- Who can incur and pay the candidate’s personal expenses?
- Typical personal expenses (care and disability expenses, compensation of candidate’s representatives, other personal expenses)

What are the candidate’s personal expenses?

Personal expenses of the candidate include the following types of expenses listed in the Canada Elections Act and reasonably incurred in relation to the candidate’s campaign, both during and outside the election period:

- childcare expenses
- expenses related to the provision of care for a person with a physical or mental incapacity for whom the candidate normally provides such care
- in the case of a candidate who has a disability, additional personal expenses that are related to the disability
- expenses incurred to pay candidate’s representatives at a polling station or at the office of a returning officer, up to a limit of $5,000 set by Elections Canada (amounts over the limit are other electoral campaign expenses)
- other personal expenses—that is, all personal expenses other than those in the preceding categories—up to a limit of $200 set by Elections Canada (amounts over the limit are other electoral campaign expenses)

The candidate’s personal expenses do not count against the election expenses limit. They may be eligible for partial reimbursement. See Chapter 16, Reimbursements and Subsidies, for more information.

**Note:** The candidate’s personal expenses must be new expenses or increases in normally incurred expenses. In other words, they are expenses that the candidate incurred only because there was an election.
Who can incur and pay the candidate’s personal expenses?

Only the candidate, the official agent or a person authorized in writing by the official agent can incur the candidate’s personal expense.

Anyone can pay the candidate’s personal expenses. They can be paid:

- by the official agent from the campaign bank account
- by the candidate using their own funds, including funds provided by another person or group for that purpose
- by any person or group directly, using their own funds, with the candidate’s consent

The following table explains different scenarios for paying personal expenses other than from the campaign bank account.

<table>
<thead>
<tr>
<th>Payment scenario and expense category</th>
<th>What to keep in mind</th>
</tr>
</thead>
<tbody>
<tr>
<td>Candidate pays <strong>any personal expense</strong> and intends to be repaid by the campaign</td>
<td>The campaign has to repay the candidate within 36 months after election day. After that date, the repayment cannot be made without prior authorization from Elections Canada or a judge.</td>
</tr>
<tr>
<td>Candidate or others pay <strong>care or disability</strong> expenses and do not intend to be repaid</td>
<td>The candidate, other person or group makes the payment without going through the campaign bank account. It is not a contribution but must still be reported in the candidate’s return.</td>
</tr>
<tr>
<td>Candidate or others pay <strong>candidate’s representative</strong> expenses and do not intend to be repaid</td>
<td>Same as above. The campaign can accept payments from the candidate and others up to a combined total of $5,000 in this category. Over the limit, the expense is not a personal expense but an other electoral campaign expense.*</td>
</tr>
<tr>
<td>Candidate or others pay <strong>other personal</strong> expenses and do not intend to be repaid</td>
<td>Same as above. The campaign can accept payments from the candidate and others up to a combined total of $200 in this category. Over the limit, the expense is not a personal expense but an other electoral campaign expense.*</td>
</tr>
</tbody>
</table>

*Since an expense over the limit is not categorized as a personal expense, its payment is not exempted from the contribution rules. Paying the expense is a non-monetary contribution, unless the candidate pays with their own funds and is repaid by the campaign.

**Note:** Be careful of the category limits when allowing candidate’s representative or other personal expenses to be paid other than from the campaign bank account. Payment of expenses over the category limit may result in ineligible contributions.
Typical personal expenses

The following are examples of typical personal expenses that the candidate might incur in relation to their campaign.

Childcare

The candidate might engage in campaign activities during the daytime, evenings or weekends. If the candidate would normally be at home caring for a child at these times, the expense for additional childcare incurred as an incidence of the election is a personal expense of the candidate.

**Example**

Raffi, a candidate, has officially launched his campaign for an election that will be held later in the year. He has sole care of his child on weekends. When he goes canvassing one Saturday, Raffi leaves his child with a babysitter for three hours. The expense for the babysitter is a personal expense of the candidate.

Care for a person with a physical or mental incapacity

If the candidate normally provides care for a person with a physical or mental incapacity, additional care might be needed for the times when the candidate is engaged in campaign activities. The expense for additional care is a personal expense of the candidate.

Expenses related to a disability

In the case of a candidate with a disability, the additional expenses related to the disability that are reasonably incurred as an incidence of the election are personal expenses of the candidate.

**Examples**

1. Ana, a candidate, has a disability that requires the services of a caregiver when she travels. The caregiver accompanies Ana on trips in the riding. The expenses of this additional care are personal expenses of the candidate.

2. Boris, a candidate, has a disability that requires him to use accessible forms of transportation. He regularly travels from home to his campaign office and to campaign events using accessible taxis. The expenses for the taxis are personal expenses of the candidate. If his campaign qualifies for a reimbursement, Boris will get a higher reimbursement by correctly reporting the fares as personal expenses rather than travel and living expenses.

**OGI reference**

This topic will be discussed in detail in an upcoming Elections Canada interpretation note, Accessibility Expenses and Disability-Related Personal Expenses, to be published on the Elections Canada website in summer 2019.
Expenses to pay candidate’s representatives

Unremunerated candidate’s representatives at the polls provide volunteer labour, which is not considered an expense and is not reported.

However, if the candidate decides to pay for the compensation of their representatives at the polls or at the office of the returning officer when electors receive special ballots, these expenses are personal expenses of the candidate.

This category has a limit of $5,000 established by Elections Canada. Compensation in excess of the limit is reported as an other electoral campaign expense, must be funded by the campaign and is not eligible for reimbursement.

Other personal expenses

This category includes personal expenses other than those in the preceding categories.

It is the category in which to report items such as costs of dry cleaning, personal grooming or the candidate’s cellphone use. All the items reported must be for expenses that the candidate would not normally incur if there was no election.

This category has a limit of $200 established by Elections Canada. Other personal expenses in excess of the limit are reported as other electoral campaign expenses, must be funded by the campaign and are not eligible for reimbursement.

Example

The candidate makes and receives calls related to the campaign on her own cellphone. The candidate can claim any expenses in excess of her normal cellphone expenses as other personal expenses, to a maximum of $200 in total other personal expenses. Amounts in excess of $200 reasonably incurred as an incidence of the election are reported as other electoral campaign expenses.
This chapter discusses the candidate’s travel and living expenses and reporting requirements. It covers the following topics:

- What are the candidate’s travel and living expenses? What are not?
- Who can incur and pay the candidate’s travel and living expenses?
- Typical travel and living expenses (meals and incidentals, temporary lodging and transportation)

What are the candidate’s travel and living expenses?

The candidate’s travel and living expenses include the following types of expenses reasonably incurred in relation to the candidate’s campaign, both during and outside the election period:

- transportation
- temporary lodging
- meals and incidentals

The candidate’s travel and living expenses do not count against the election expenses limit.

Travel and living expenses incurred for use during the election period may be eligible for partial reimbursement. See Chapter 16, Reimbursements and Subsidies, for more information.

Note: The candidate’s travel and living expenses must be new expenses or increases in normally incurred expenses. In other words, they are expenses that the candidate incurred only because there was an election.

What are not the candidate’s travel and living expenses?

The expenses of campaign workers and volunteers accompanying the candidate on trips during the election period, or assisting the candidate during events, are not the candidate’s travel and living expenses. They are election expenses subject to the limit.

Expenses incurred for return trips of campaign workers and volunteers after the election period are other electoral campaign expenses.

Example

The candidate rents a car to travel in the riding and meet with voters during the election period. The car rental and fuel costs are recorded as travel and living expenses of the candidate. The expenses for the candidate’s lodging and meals during the trip are also travel and living expenses. The candidate travels with his campaign manager, who is a volunteer. The expenses associated with the campaign manager’s lodging and meals during the trip are election expenses.
Who can incur and pay the candidate’s travel and living expenses?

Only the candidate, the official agent or a person authorized in writing by the official agent can incur a candidate’s travel and living expenses.

Only the candidate or their official agent is allowed to pay the candidate’s travel and living expenses. They can be paid:

- by the official agent from the campaign bank account
- by the candidate using their own funds

The following table explains the different scenarios for candidates paying their own travel and living expenses.

<table>
<thead>
<tr>
<th>Payment scenario</th>
<th>What to keep in mind</th>
</tr>
</thead>
<tbody>
<tr>
<td>Candidate pays a travel and living expense and <strong>intends to be repaid</strong> by the campaign</td>
<td>The campaign has to repay the candidate within 36 months after election day. After that date, the repayment cannot be made without prior authorization from Elections Canada or a judge.</td>
</tr>
<tr>
<td>Candidate pays a travel and living expense and <strong>does not intend to be repaid</strong></td>
<td>When candidates use their own funds to pay travel and living expenses, and they are not repaid by the campaign, it is a non-monetary contribution from the candidate to the campaign. The contribution rules apply.</td>
</tr>
</tbody>
</table>

Typical travel and living expenses

The following are examples of typical travel and living expenses that the candidate might incur in relation to their campaign.

Meals and incidentals

The candidate might spend long hours away from home because of the campaign. Additional expenses for the candidate’s meals and incidentals incurred as an incidence of the election are travel and living expenses.

**Example**

The candidate orders a $30 dinner while travelling in the riding because of the campaign. This is a travel and living expense of the candidate. His day-to-day meals consumed at home, on the other hand, are not a travel and living expense because meals are consumed regularly outside the election period.

**Note:** Per diems (daily allowances) cannot be claimed as a candidate’s travel and living expenses. Only actual paid expenses are considered.
Temporary lodging

The candidate might stay in a hotel while travelling in the electoral district for the campaign or might relocate temporarily to the electoral district if they normally live elsewhere. The expense for the candidate’s temporary lodging incurred as an incidence of the election is a travel and living expense.

Transportation

The candidate might need to travel within or outside the electoral district for the campaign, using a vehicle or other method of transportation. The expense for the candidate’s transportation incurred as an incidence of the election is a travel and living expense.

If the candidate uses a personal vehicle for travel, they may submit:

- receipts for gas and other expenses, or
- a mileage log

The mileage log should contain the following information: the date of travel, point of origin, destination, kilometres travelled and purpose of travel. It is recommended that campaigns use the kilometric rates established by the National Joint Council’s Travel Directive to calculate the expense.

Note: A candidate’s travel claim has to be either for actual expenses, such as gas and rental costs, or else for mileage. The claim cannot be for both.
11. Candidate’s Litigation Expenses

This chapter discusses the candidate’s litigation expenses and reporting requirements. It covers the following topics:

- What are the candidate’s litigation expenses?
- Who can incur and pay the candidate’s litigation expenses?

What are the candidate’s litigation expenses?

Litigation expenses are expenses related to the campaign:

- a request or application related to a judicial recount
- an application to a judge related to the financial administration of the campaign (extension requests, relief from the obligation to file a corrected return, payment authorizations, etc.)
- an application to contest the election in the candidate’s electoral district
- an appeal or judicial review related to the requests or applications above

Litigation expenses do not count against the election expenses limit. They are not eligible for reimbursement.

Who can incur and pay the candidate’s litigation expenses?

Only the candidate, the official agent or a person authorized in writing by the official agent can incur the candidate’s litigation expenses.

Anyone can pay litigation expenses of the candidate. They can be paid:

- by the official agent from the campaign bank account
- by the candidate using their own funds, including funds provided by another person or group for that purpose
- by any person or group directly, using their own funds, with the candidate’s consent

The following table explains different scenarios for paying litigation expenses other than from the campaign bank account.

<table>
<thead>
<tr>
<th>Payment source</th>
<th>What to keep in mind</th>
</tr>
</thead>
<tbody>
<tr>
<td>Candidate pays a litigation expense and <strong>intends to be repaid</strong> by the campaign</td>
<td>The campaign has to repay the candidate within 36 months after election day. After that date, the repayment cannot be made without prior authorization from Elections Canada or a judge.</td>
</tr>
<tr>
<td>Candidate or others pay a litigation expense and <strong>do not intend to be repaid</strong></td>
<td>The candidate, other person or group makes the payment without going through the campaign bank account. It is not a contribution but must still be reported in the candidate’s return.</td>
</tr>
</tbody>
</table>

**Note:** After sending the **Candidate’s Statement of Expenses** to the official agent, if the candidate or others pay a litigation expense, the candidate must send details of the expense and proof of payment to the official agent as soon as possible. The official agent will need to submit a revised candidate’s return. See **Additional reporting** in Chapter 15, **Reporting**.
This chapter discusses the campaign’s accessibility expenses and reporting requirements. It covers the following topics:

- What are accessibility expenses?
- What are not accessibility expenses?
- Who can incur and pay accessibility expenses?
- Typical accessibility expenses (accessible website, sign language interpretation, communication products, construction and renovation)

What are accessibility expenses?

Accessibility expenses to accommodate persons with disabilities are:

- any cost incurred by the candidate for property or a service that is used solely to make materials used or activities held during an election period accessible
- the difference between the cost incurred for the property or service to make the materials or activities accessible, and the value of the property or service if the materials or activities had not been accessible
- a non-monetary contribution or transfer received by the candidate that is used solely to make materials used or activities held during an election period accessible
- the difference between the value of a non-monetary contribution or transfer received to make the materials or activities accessible, and the value of the property or service if the materials or activities had not been accessible

Accessibility expenses do not count against the election expenses limit. They may be eligible for partial reimbursement. See Chapter 16, Reimbursements and Subsidies, for more information.

What are not accessibility expenses?

The following are not accessibility expenses:

- an expense related to a candidate’s fundraising activity
- an expense for material used or an activity held outside the election period only
- an expense that the campaign would have incurred for property or a service regardless of whether or not it was accessible
- an expense used for a purpose other than making material or an activity accessible

Note: Expenses incurred by candidates with a disability to support them while they campaign are not accessibility expenses but rather personal expenses. See Chapter 9, Candidate’s Personal Expenses, for more information.
**Who can incur and pay accessibility expenses?**

Only the official agent, the candidate or a person authorized in writing by the official agent can incur accessibility expenses.

Only the official agent is allowed to pay accessibility expenses.

**OGI reference**

This topic will be discussed in detail in an upcoming Elections Canada interpretation note, *Accessibility Expenses and Disability-Related Personal Expenses*, to be published on the Elections Canada website in summer 2019.

**Typical accessibility expenses**

The following are examples of typical accessibility expenses that the campaign might incur.

**Accessible websites**

A fully accessible campaign website is one that can be properly read by a screen reader, allows for navigation using a keyboard, gives the same information in alternative formats, uses adequate colour contrast, and so on.

Additional expenses to create an accessible website, to convert an inaccessible website, or to make some features accessible during the election period are accessibility expenses.

See the World Wide Web Consortium’s *Web Content Accessibility Guidelines* for internationally recognized standards.

**Example**

The campaign creates a website for use during the election period and pays to run accessibility diagnostics on the site. When the diagnostics show that several web pages need to be recoded for accessibility, the campaign hires a web designer to make the improvements. The diagnostics tool and web designer fees are accessibility expenses.

**Sign language interpretation**

The campaign might have a sign language interpreter at events where the candidate is speaking or at locations where information is being offered, so that events and information are accessible to people who are deaf or hard of hearing.

The expense for interpretation services that make material or an activity accessible during the election is an accessibility expense.

**Note:** If an activity is directly linked to fundraising (for example, a ticketed fundraiser or auction), the expense for accommodation is not an accessibility expense. It is an other electoral campaign expense.
## Communication products in adapted or alternative formats

Campaigns often distribute or publish communication products in print, audio, video and other formats. To make a communication accessible, the campaign may need to add an alternative format or adapt an existing format. For example, printed products can be reproduced in braille, large text and audio; audio can be transcribed into text; and video can be captioned or transcribed into text.

The expense to add or adapt communication products to make them accessible during the election is an accessibility expense.

<table>
<thead>
<tr>
<th>Example</th>
</tr>
</thead>
<tbody>
<tr>
<td>The campaign produces a video promoting the candidate for $1,000. The production cost includes captioning that makes the video accessible to persons who are deaf or hard of hearing. The video would have cost $900 to produce without the captions. As a result, the financial agent reports an election expense of $900 and an accessibility expense of $100 ($1,000 – $900).</td>
</tr>
</tbody>
</table>

## Construction and renovation

Some buildings do not have level access or may be temporarily inaccessible to persons with a mobility impairment. The campaign might construct a temporary ramp for their campaign office to provide wheelchair access or make other renovations that provide access to persons with a disability.

The expense for construction or renovations to make material or an activity accessible during the election is an accessibility expense.

<table>
<thead>
<tr>
<th>Example</th>
</tr>
</thead>
<tbody>
<tr>
<td>The campaign office is in a building that has three steps before the entrance. To make the office accessible to wheelchair users, the campaign hires a contractor to build a wooden ramp. The cost of materials and labour is $300. This is an accessibility expense.</td>
</tr>
</tbody>
</table>
This chapter discusses electoral campaign expenses other than election, personal, travel and living, litigation and accessibility expenses. It provides examples of typical expenses in this category. It covers the following topics:

- What are “other” electoral campaign expenses?
- Partisan advertising during the pre-election period
- Compensation paid to the candidate
- Fundraising expenses
- Unused inventory
- Interest on loans before and after the election period
- Cost of preparing reports

**What are “other” electoral campaign expenses?**

Certain electoral campaign expenses that are reasonably incurred as an incidence of the election are not to be included as election expenses or any other specific category of expense, and are not subject to the expenses limit. These expenses are called “other” electoral campaign expenses.

**Property or services used before or after the election**

Expenses for property or services used before or after the election period are only electoral campaign expenses to the extent that they were incurred as an incidence of the election.

When property or a service is used before the election is called, the campaign should ask: if the candidate was not planning to participate in a future election, would the expense have been incurred? If the answer is no, and the expense is not a personal expense (see Chapter 9) or a travel and living expense (see Chapter 10), then it is an other electoral campaign expense.

When property or a service is used after election day, the campaign should ask: did the expense reasonably serve some purpose related to the election? If the answer is yes, and the expense is not a personal expense (see Chapter 9), a travel and living expense (see Chapter 10) or a litigation expense (see Chapter 11), then it is an other electoral campaign expense.

**Examples**

1. The campaign rents an office on March 1, a month before the election is called. The rental agreement is for three months and the rent is $300 a month. The election period is 37 days, starting from April 1. The portion of the rent that has to be recorded as an other electoral campaign expense is $532.26. That is the amount remaining after the election expense, $367.74, is subtracted from the rent total. Calculation: $900 – ($300 + (7 / 31 x $300)) = $532.26.

2. After election day, the candidate invites volunteers to a thank-you party. Although the event is outside the election period, the expense is incurred as an incidence of the election. Accordingly, the expense has to be reported as an other electoral campaign expense.
Who can incur and pay “other” electoral campaign expenses?

The official agent, the candidate or a person authorized in writing by the official agent can incur other electoral campaign expenses.

Only the official agent is allowed to pay other electoral campaign expenses, other than petty expenses paid from the petty cash with the official agent’s written authorization.

Typical “other” expenses

Partisan advertising during the pre-election period

Candidates may conduct advertising to promote themselves or oppose other candidates in the months before an election period begins.

When this advertising takes place in the year of a fixed-date general election, starting from June 30 until the election period begins, it is called partisan advertising. Unlike registered parties, candidates are not subject to a limit on their partisan advertising expenses.

The expense to distribute advertising before the election period is an other electoral campaign expense rather than an election expense. The expense to produce the advertising is also an other electoral campaign expense, as long as the advertising is not also distributed during the election period.

Note: A candidate must not collude with a registered party by engaging in partisan advertising to help the party circumvent its partisan advertising expenses limit.

Compensation paid to the candidate

Reasonable compensation may be paid to the candidate from the campaign bank account. It is an other electoral campaign expense.

It is advisable to include a written contract or other documentation with the candidate’s return about any compensation paid because, in the absence of evidence, the payment of salaries may be considered an inappropriate use of campaign funds that would need to be returned.

Fundraising expenses

Some fundraising expenses are other electoral campaign expenses rather than election expenses, even if the fundraising takes place during the election period. See Fundraising expenses in Chapter 6, Fundraising, for more information.

Note: Expenses associated with the production and distribution of advertising and promotional materials related to a fundraising activity are election expenses to the extent that the advertising and promotional materials are used during the election period.

Example

The campaign holds a ticketed fundraising dinner during the election period. The expenses incurred for the venue rental, food, drinks and entertainment are other electoral campaign expenses. The expenses incurred to promote the event are election expenses.
**Unused inventory**

After election day, the candidate’s campaign may have promotional items that were never used during the election period and remain in inventory.

The expense for these unused items is not an election expense but an other electoral campaign expense. This is the case except for unused election signs, which are always treated as election expenses. See **Election signs** in Chapter 8, **Election Expenses**, for more information.

Unused inventory should be sold at commercial value, or transferred to the registered association or the registered party.

<table>
<thead>
<tr>
<th><strong>Example</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>During the election period, 18,000 flyers are distributed and 2,000 remain in the campaign office unused. The purchase price of the 2,000 flyers is reported as an other electoral campaign expense.</td>
</tr>
</tbody>
</table>

**Interest on loans before and after the election period**

Interest accrued on loans before and after the election period is an other electoral campaign expense.

**Preparation of reports**

Expenses associated with fulfilling the various reporting obligations set out in the **Canada Elections Act** are other electoral campaign expenses.

<table>
<thead>
<tr>
<th><strong>Example</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>The expense for a courier service used two months after election day to send the candidate’s return has to be reported as an other electoral campaign expense.</td>
</tr>
</tbody>
</table>
This chapter discusses how transactions are regulated when the candidate’s campaign engages in shared activities or shares expenses with other candidates, a registered association or the registered party. It covers the following topics:

- Shared expenses
- Prohibition on transferring expenses
- Property or services provided by the party or registered association
- Typical shared activities (leader’s tour; campaigning by parliamentarians or another candidate; use of the registered association’s resources)

### Shared expenses

Campaigns might decide to share the expenses of certain activities during the election period, such as a speaking tour from a senator or another candidate. These expenses must be authorized in advance by the official agents of each campaign.

Each campaign that participates in a shared activity must pay a reasonable allocation of the expense and report its share as an election expense. One campaign may not pay the expenses of another because transfers between campaigns are not allowed.

### Expenses cannot be transferred

It is important to differentiate between the candidate’s electoral campaign expenses and the expenses of the candidate’s registered party. The *Canada Elections Act* specifies separate expenses limits for the registered party and each of its candidates.

The Act prohibits the transfer of expenses without accompanying property or services. Each entity has to report the expenses that it incurred for property and services used to promote that entity in the campaign.

### Property or services provided by the party or registered association

Candidates may receive property or services from their registered party or a registered association of the party, such as signs and riding service packages. These can be received as non-monetary transfers or can be paid by the candidate’s campaign.

If the property or service is being paid by the candidate’s campaign, a copy of the original supplier invoice as well as the invoice from the party or association must be included with the candidate’s return. The documentation should confirm the amount reported in the candidate’s return.

For details on property or services already in place, including used signs and existing websites, see the [Use of existing resources](#) section in Chapter 8, *Election Expenses*.

### Examples

1. The candidate’s registered party purchases signs from Signs Inc. for $1,500 and resells them to the candidate’s campaign for $1,500. The party has to provide a copy of the original supplier invoice from Signs Inc. for $1,500, as well as an invoice from the party for $1,500.

2. The registered party creates a web page on its site for each candidate. The commercial value of creating the web pages is $150 per candidate. Each candidate has to report a non-monetary transfer and an expense of $150.
Typical shared activities

The following are examples of typical activities where various entities work together and might share expenses.

Leader’s tour

The party leader’s tour expenses are election expenses of the party and may not be election expenses of the candidates. In addition to the expenses of transportation, the party has to include the expenses of all other related items, such as meals, refreshments, salaries of party staff assigned to the tour, and communications equipment rented for the media.

If the candidate’s campaign incurs expenses to attend the leader’s tour event, such as transporting campaign staff to the event, these are expenses of the candidate.

**Note:** If a leader attends a candidate event unrelated to the leader’s tour, the expenses are those of the candidate, not of the party. Any incremental expenses incurred by the leader to attend such an event are reported as a transfer from the party to the candidate’s campaign.

**Example**

The leader’s tour has planned stops in Toronto and Ottawa on Thursday and Friday. A candidate asks the party leader to join an event in Hamilton on Thursday night. The incremental expenses for the party leader to attend the Hamilton event, such as added travel expenses, are a transfer from the party to the candidate’s campaign.

Campaigning by parliamentarians or another candidate

If a federal or provincial parliamentarian or another candidate campaigns on behalf of the candidate, the expenses related to that person’s involvement in the campaign are election expenses and have to be authorized in advance by the official agent or a person authorized in writing by the official agent.

Any expense incurred in relation to the campaign has to be reimbursed using campaign funds or accepted as a non-monetary contribution if paid by an eligible contributor, or as a non-monetary transfer if paid by the party or a registered association of the party.

In the event that a parliamentarian or another candidate has travelled to a particular destination for purposes unrelated to the election and campaigns on behalf of the candidate while there, any incremental expenses incurred to assist with the campaign are election expenses.
Use of the 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.

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

If the registered association charges:

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

For the use of its capital assets (computers, 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 capital 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.

Use of the registered association’s online contribution system

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

If a contribution is processed through the registered association’s website to the association’s bank account:

- the contribution is made to the registered association and counts toward the combined limit for contributions to registered associations, candidates and nomination contestants
- the association issues the receipt and transfers the contribution amount to the candidate’s campaign
- the official agent reports the amount as a transfer from the association

Keep in mind that the registered association’s website is an election expense of the candidate if it remains online during the election period. See **Websites and web content** in Chapter 8, **Election Expenses**, for more information.
Use of the registered party’s online contribution system

The registered party may set up a system on its website to collect online contributions to candidates, acting only as an intermediary.

If a contribution to the candidate is processed through the party website:

- the contribution is made to the candidate and counts toward the limit for contributions to candidates, not to the registered party
- the party sends the contribution amount, less the actual fees charged by the payment processing company, to the candidate’s campaign (the party cannot deduct any additional amount)
- the party also sends supporting documents that show the contributor’s name, contribution amount, date the contribution was made, and so on
- the official agent reports the full amount given as a contribution from the individual and issues a receipt
- the official agent reports the processing fee as an other electoral campaign expense

Example

Bernice makes a $50 contribution to a candidate using the registered party’s online contribution system. The payment processing company charged a $1 transaction fee, so the registered party sends the candidate’s campaign $49 and details about the contribution. The official agent records a contribution of $50 from Bernice and an other electoral campaign expense of $1. The official agent issues a receipt to Bernice for $50, keeping in mind that the receipt is only valid for tax purposes if the contribution was made after the candidate was confirmed and no later than election day.

OGI reference

For a detailed discussion of this topic, please refer to Elections Canada’s interpretation note 2018-06, Online Contributions Made to Candidates Through the Registered Party, on the Elections Canada website.
This chapter describes the financial reports that must be completed and submitted by set deadlines under the Canada Elections Act. It covers the following topics:

- Reporting obligations after election day
- Additional reporting
- Reporting gifts and other advantages
- Submitting reports to Elections Canada
- Requesting a filing deadline extension

**Note:** Financial forms and instructions are available on the Elections Canada website.

### Reporting obligations after election day

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

<table>
<thead>
<tr>
<th>Reports and documents</th>
<th>Description</th>
<th>Who is responsible</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>1 month after election day</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Official tax receipts</strong></td>
<td>Applies to paper tax receipts obtained from Elections Canada. Does not apply to tax receipts prepared using the Electronic Financial Return (EFR) software.</td>
<td>Official agent</td>
</tr>
<tr>
<td>All unused and copies of used receipts, if applicable</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>3 months after election day</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Candidate’s Statement of Expenses</strong> <em>(EC 20220)</em></td>
<td>The statement lists the candidate’s personal, travel and living, and litigation expenses that were reasonably incurred in relation to the campaign and have not been reimbursed by the campaign. It must be completed even if the expenses were nil.</td>
<td>Candidate</td>
</tr>
<tr>
<td>Signed, with all supporting documents</td>
<td></td>
<td>Official agent</td>
</tr>
<tr>
<td><strong>4 months after election day</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Contributions to a Candidate at an Election—Information Return</strong> <em>(T2093—CRA)</em></td>
<td>The official agent must use the electronic form available on the CRA website to report contributions received and receipted. A link to the form is posted on the Elections Canada website.</td>
<td>Official agent</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Submitted to Canada Revenue Agency</td>
</tr>
<tr>
<td><strong>Candidate’s Electoral Campaign Return</strong> <em>(EC 20120)</em></td>
<td>The candidate’s return includes the following:</td>
<td></td>
</tr>
<tr>
<td>Signed, with all supporting documents</td>
<td>• campaign information and declaration, signed by the candidate and the official agent</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• revenues and other inflows</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• expenses and other outflows</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• unpaid claims and loans</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• financial summary</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Official agent</td>
</tr>
</tbody>
</table>
## Reporting obligations after election day (continued)

<table>
<thead>
<tr>
<th>Reports and documents</th>
<th>Description</th>
<th>Who is responsible</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Auditor’s report</strong> (if applicable)*</td>
<td>After the official agent has completed the candidate’s return, the auditor has to examine the candidate’s financial records and give an opinion in a report as to whether the candidate’s return presents fairly the information contained in the financial records on which it is based.</td>
<td>Official agent</td>
</tr>
<tr>
<td><strong>Auditor’s invoice</strong> (if applicable)*</td>
<td>Prepared and signed by the auditor.</td>
<td>Auditor and official agent</td>
</tr>
<tr>
<td><strong>Checklist for Audits</strong> (EC 20011) (if applicable)*</td>
<td>The auditor’s report has to include a completed checklist for audits in the prescribed form.</td>
<td>Auditor and official agent</td>
</tr>
<tr>
<td><strong>Candidate’s Statement of Expenses</strong> (EC 20220) (if applicable)*</td>
<td>The official agent must submit the expenses statement, together with the Candidate’s Electoral Campaign Return.</td>
<td>Official agent</td>
</tr>
<tr>
<td><strong>Candidate’s Statement of Gifts or Other Advantages Received</strong> (EC 20053) (if applicable)*</td>
<td>The candidate has to submit this report if they received certain gifts or other advantages during a prescribed period.</td>
<td>Candidate</td>
</tr>
<tr>
<td></td>
<td>See the Reporting gifts and other advantages section below.</td>
<td></td>
</tr>
</tbody>
</table>

*Required if contributions totalling $10,000 or more were accepted, electoral campaign expenses totalling $10,000 or more were incurred, or the candidate received 10% or more of the valid votes cast in their electoral district. (Note that transfers to affiliated political entities are not electoral campaign expenses.)

It is very important to give the auditor enough time to properly audit the Candidate’s Electoral Campaign Return before the deadline.
Additional reporting

In some cases, the reporting obligations do not end soon after election day. The campaign might still have unpaid claims or loans, or need to correct an error in the candidate’s return. The following table summarizes these additional reporting requirements.

Reports in this table must be submitted to Elections Canada.

<table>
<thead>
<tr>
<th>Reports and documents</th>
<th>Description</th>
<th>Deadline</th>
<th>Who is responsible</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Candidate’s Electoral Campaign Return (EC 20120)</strong></td>
<td>Corrected or revised, as requested by the candidate or official agent The candidate or the official agent may become aware of a need to make a correction or report new transactions in a return that has been filed. In that case, the candidate or the official agent has to submit a written request for authorization to file a corrected or revised return.</td>
<td>30 days after the correction or revision was authorized</td>
<td>Official agent or candidate</td>
</tr>
<tr>
<td>Corrected or revised, as requested by Elections Canada</td>
<td>On review, Elections Canada may request the official agent to correct or revise the candidate’s return.</td>
<td>Within a period specified by Elections Canada</td>
<td>Official agent</td>
</tr>
<tr>
<td>Updated after the final payment of a claim or loan</td>
<td>The official agent must send an updated Candidate’s Electoral Campaign Return indicating the source of funds used to pay the claim or loan.</td>
<td>30 days after a claim or loan is paid*</td>
<td>Official agent</td>
</tr>
</tbody>
</table>

| **Candidate’s Statement of Unpaid Claims and Loans 18 or 36 Months After Election Day (EC 20003)** | Statement as of 18 months after election day The statement is required if the campaign still has unpaid claims and loans 18 months after election day.                                                  | 19 months after election day                 | Official agent                      |
| Statement as of 36 months after election day               | The statement is required if the campaign still has unpaid claims and loans 36 months after election day.                                                                                                   | 37 months after election day                 | Official agent                      |

*Claims and loans must be paid within 36 months after election day. Authorization is required from Elections Canada or a judge to pay claims or loans more than 36 months after election day.
### Reporting gifts and other advantages

#### When to report gifts and other advantages

| Definition | A gift or other advantage is money, property or services provided without charge or at less than commercial value.  
**Note:** This definition excludes monetary or non-monetary contributions or transfers, as defined in the *Canada Elections Act* and in the chapters of this handbook. |
| Important to know | **Once a person becomes a candidate, there are restrictions on the gifts and other advantages that they may accept.**  
- Gifts or other advantages received from any one person or entity that exceed a total of $500 have to be disclosed.  
- A candidate may not accept any gift or other advantage that might be seen to have been given to influence them as a member of Parliament. However, a candidate may accept a gift or other advantage given by a relative or as a normal expression of courtesy or protocol.  
  - A relative is a person related to the candidate by marriage, common-law partnership, birth, adoption or affinity.  
  - An affinity is a relationship other than by blood, especially a relationship by marriage or adoption.  
  - A common-law partnership is the relationship between two persons who are cohabiting in a conjugal relationship that has lasted for at least one year.  
  - A normal expression of courtesy or protocol is an expected act of showing thanks or politeness, such as gift exchanges with foreign delegates or the celebration of events such as holidays and birthdays. |
| Reporting gifts and other advantages | **The candidate is required to report gifts received between:**  
  - the date of winning the nomination contest or the day the election is called (whichever is earlier), and  
  - the day the elected candidate becomes a member of Parliament or withdraws from the election, or election day (if the candidate is not elected)  
**The candidate is responsible for filing the *Candidate’s Statement of Gifts or Other Advantages Received* (EC 20053).**  
- The statement must be sent directly to Elections Canada within four months after election day or after a notice of withdrawal of the writ is published.  
- This document is confidential, except when required for enforcement purposes. |
Submitting reports to Elections Canada

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

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

| Note: Using EFR to complete or update the Candidate’s Electoral Campaign Return makes reporting much easier because EFR validates the entries and creates a submission file with the required fields populated. |

<table>
<thead>
<tr>
<th>How to submit reports to Elections Canada</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Online</strong></td>
</tr>
<tr>
<td>1. Log in to the Political Entities Service Centre or create a new account at csep-pesc.elections.ca.</td>
</tr>
<tr>
<td>2. Click on the Electronic Financial Returns tab.</td>
</tr>
<tr>
<td><strong>Campaign return</strong></td>
</tr>
<tr>
<td>• Upload the submission files created by the EFR software (in PDF and XML formats) and any supporting documents.</td>
</tr>
<tr>
<td>• Follow the on-screen steps to apply digital consent and submit the return.</td>
</tr>
<tr>
<td><strong>Any other report</strong></td>
</tr>
<tr>
<td>• Sign the pages requiring signature and scan the report.</td>
</tr>
<tr>
<td>• Upload the report (in PDF format) and any supporting documents.</td>
</tr>
</tbody>
</table>

| **Mail or fax**                          |
| 1. Sign the pages requiring signature. |
| 2. Send the reports to Elections Canada by courier, mail or fax. |
| 3. Send supporting documents to Elections Canada by courier or mail. |
| **Address**                              |
| Elections Canada                         |
| 30 Victoria Street, Gatineau, Quebec K1A 0M6 |
| **Fax**                                  |
| Political Financing                      |
| 1-888-523-9333 (toll-free)               |
| 1-819-939-1803                           |

| Notes                                     |
| • It is recommended that the campaign keep a copy of all documents submitted. |
| • The campaign can print a confirmation of its submission and track the status of its financial return in the Political Entities Service Centre. |
Requesting a filing deadline extension

Reports eligible for an extension

The *Canada Elections Act* specifies deadlines for submitting reports. The official agent or the candidate may apply for an extension if they cannot submit a report on time.

If only a few invoices or receipts are missing, campaigns should submit the mandatory documents on time and send the missing documentation later.

The following table explains which reports are eligible for an extension and from whom.

<table>
<thead>
<tr>
<th>Candidate reports—extension requests</th>
<th>Extension from Elections Canada</th>
<th>Additional extension from Elections Canada</th>
<th>Extension from a judge</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Candidate’s Electoral Campaign Return</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Original submission, including the auditor’s report (if required)</td>
<td>Yes</td>
<td>No</td>
<td>Yes</td>
</tr>
<tr>
<td>Updated after the final payment of a claim or loan at any time after election day</td>
<td>Yes</td>
<td>No</td>
<td>Yes</td>
</tr>
<tr>
<td>Corrected or revised, as requested by the candidate or the official agent</td>
<td>Yes</td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td>Corrected or revised, as requested by Elections Canada</td>
<td>No</td>
<td>No</td>
<td>No*</td>
</tr>
<tr>
<td><strong>Candidate’s Statement of Unpaid Claims and Loans 18 or 36 Months After Election Day</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Statement as of 18 months after election day</td>
<td>Yes</td>
<td>No</td>
<td>Yes</td>
</tr>
<tr>
<td>Statement as of 36 months after election day</td>
<td>Yes</td>
<td>No</td>
<td>Yes</td>
</tr>
</tbody>
</table>

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

**Note:** If an elected candidate does not meet certain filing requirements, a possible consequence is that they will be unable to continue to sit or vote in the House of Commons until the documents are submitted or an extension is granted.
Submitting a request for an extension

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

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

Elections Canada will grant an extension unless the official 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 or if the official agent or candidate is unable to file the required documents within the extended period, the candidate or the official agent may apply to a judge for an extension.
This chapter explains who is eligible for reimbursements or subsidies that Elections Canada distributes after election day and how the amounts are calculated. It covers the following topics:

- Reimbursement of expenses and candidate’s return of overpayments
- Auditor’s subsidy

### Reimbursements and overpayments

#### Who is eligible to receive a reimbursement?

The *Canada Elections Act* provides for a partial reimbursement of paid election expenses and certain other expenses if the conditions for reimbursement are met.

A candidate’s campaign is eligible for reimbursement if the candidate:

- was elected or received at least 10% of the valid votes, and
- filed the *Candidate’s Electoral Campaign Return*, the auditor’s report and the *Checklist for Audits* within the original or extended filing deadline

#### What is reimbursable?

The electoral campaign expenses listed below are reimbursable. They must have been paid either from the campaign bank account or, in the case of some personal expenses, from the candidate’s own funds or another source of funds.

<table>
<thead>
<tr>
<th>Expense category</th>
<th>Reimbursement rate</th>
<th>Maximum reimbursement</th>
</tr>
</thead>
<tbody>
<tr>
<td>Election expenses</td>
<td>60%</td>
<td>60% of the election expenses limit in the electoral district</td>
</tr>
<tr>
<td>Personal expenses:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- childcare, care for a person with a physical or mental incapacity, or expenses related to a candidate’s disability</td>
<td>90%</td>
<td>No maximum</td>
</tr>
<tr>
<td>- remuneration of candidate’s representatives</td>
<td>60%</td>
<td>$3,000 (60% of $5,000, which is the limit set by the Chief Electoral Officer for these expenses)</td>
</tr>
<tr>
<td>- other personal expenses</td>
<td>60%</td>
<td>$120 (60% of $200, which is the limit set by the Chief Electoral Officer for these expenses)</td>
</tr>
<tr>
<td>Travel and living expenses for use during the election period</td>
<td>60%</td>
<td>No maximum</td>
</tr>
<tr>
<td>Accessibility expenses</td>
<td>90%</td>
<td>$5,000</td>
</tr>
</tbody>
</table>
Reduction of reimbursement amount

If the candidate’s election expenses exceeded the election expenses limit, the reimbursement amount is reduced as follows:

- by one dollar for every dollar that exceeds the limit by less than 5%
- by two dollars for every dollar that exceeds the limit by 5% or more but by less than 10%
- by three dollars for every dollar that exceeds the limit by 10% or more but by less than 12.5%
- by four dollars for every dollar that exceeds the limit by 12.5% or more

How the reimbursement is paid

Elections Canada authorizes the reimbursement in two installments:

- Initial reimbursement: After election day, once it is confirmed that the candidate received at least 10% of the valid votes or was elected, an installment amounting to 15% of the election expenses limit is paid.
- Final reimbursement: After Elections Canada auditors have reviewed the candidate’s return and confirmed that it complies with the Canada Elections Act, any remaining amount is paid.

The reimbursement cheque is payable to the official agent and must be deposited into the campaign bank account.

If the candidate, another person or group paid some of the candidate’s personal expenses other than through the campaign bank account:

- the official agent must send the candidate the reimbursement (60% or 90%) related to those personal expenses
- this can be done after the initial or final reimbursement, but in any case the official agent must set aside enough of the reimbursement to repay the candidate

Note: The official agent may designate another person or entity (for example, the registered party) to receive the initial and final reimbursements by submitting an assignment agreement to Elections Canada. The designee may then need to send the candidate the reimbursement of personal expenses described above.

Returning an overpayment

If the total of expenses eligible for reimbursement is less than the initial reimbursement, the official agent is responsible for returning the overpayment to Elections Canada by cheque from the campaign bank account, payable to the Receiver General for Canada.

Once Elections Canada completes the review of the candidate’s return, it will inform the official agent about the amount to be returned.

Example

The candidate’s election expenses limit was $100,000 for the recent election. Because the candidate received 10% of the valid votes, the first installment of the reimbursement is issued. The amount is 15% of $100,000—that is, $15,000. However, the candidate’s expenses eligible for reimbursement were only $7,000 at 60% ($4,200) and $1,500 at 90% ($1,350). The candidate is entitled to receive a reimbursement of $5,550.

The official agent has to return the difference between the reimbursement payment and the eligible amount ($15,000 – $5,550 = $9,450) to Elections Canada by issuing a cheque from the campaign bank account, payable to the Receiver General for Canada.
Additional payment

If an amended candidate’s return is filed with Elections Canada after the initial return is filed, and the amount of expenses eligible for reimbursement increases as a result of the amendment, the candidate may qualify for an additional payment. However, this reimbursement is paid only if the candidate qualified for the initial reimbursement.

Auditor’s subsidy

The candidate’s auditor will receive a subsidy from Elections Canada, paid directly to the auditor. Once Elections Canada receives the Candidate’s Electoral Campaign Return, auditor’s report, Checklist for Audits and auditor’s invoice, and once it has reviewed the candidate’s return, it authorizes the auditor’s subsidy payment.

How the subsidy is calculated

The auditor’s subsidy is calculated as follows:

- the amount indicated on the auditor’s invoice to a maximum of $2,193* or 3% of the candidate’s election expenses—whichever is less
- a minimum of $365.50*

*These amounts have been adjusted for inflation from the base amounts of $1,500 and $250. They are in effect for elections held between April 1, 2019, and March 31, 2020.

Note: If the auditor’s subsidy is less than the total fee charged by the auditor, the difference is an other electoral campaign expense, and the candidate’s campaign is responsible for paying the remaining amount.

Example

The official agent submits the auditor’s invoice for $500 with the Candidate’s Electoral Campaign Return and other required documents. The total amount of the candidate’s election expenses is $7,200. The auditor is entitled to receive 3% of that amount as a subsidy payment. However, 3% of $7,200 ($216) is less than the minimum amount payable. Accordingly, Elections Canada will authorize payment of the minimum amount of $365.50.

The official agent has to pay the remaining $134.50 to the auditor from campaign funds or arrange to have the registered association or party pay the fee on behalf of the campaign.
This chapter explains the rules for administering the campaign’s unpaid claims and loans at different times after the election. It covers the following topics:

- Repaying claims and loans within 36 months
- Repaying claims and loans after 36 months
- Requesting authorization for a payment
- Reporting unpaid claims and loans

Repaying claims and loans within 36 months

Claims and loans must be paid within 36 months after election day.

If the campaign pays a claim or loan after the original return is filed and up to 36 months after election day:

- the official agent does not require authorization from Elections Canada or a judge before paying it
- after the final payment of each claim or loan, the official agent has to file an updated Candidate’s Electoral Campaign Return within 30 days of the payment
- the updated return must indicate the source of funds used to pay the claim or loan

**Example**

The campaign still has 10 unpaid claims after filing the candidate’s return. Later that year, it receives its reimbursement from Elections Canada and uses the funds to pay 8 claims in full and 2 claims in part. Within 30 days, the official agent files an updated return to report the final payment of the 8 claims. The next year, the campaign receives a transfer from the registered association and makes the final payments on the last 2 claims. The official agent files another updated return within 30 days.

**Note:** A campaign with many unpaid claims may wish to pay them in groups so that it can submit fewer updates. It cannot wait until the end of the 36 months to report on all final payments made since the return was filed.

Repaying claims and loans after 36 months

If a claim or loan is still unpaid 36 months after election day:

- the official agent or the candidate has to seek authorization from Elections Canada or a judge before paying it
- after the final payment of the claim or loan, the official agent has to file an updated Candidate’s Electoral Campaign Return within 30 days of the payment
- the updated return must indicate the source of funds used to pay the claim or loan

Elections Canada may impose any terms or conditions it considers appropriate on the authorized payment.
**Requesting authorization for a payment**

The following persons may submit a written application to be paid or to pay a claim or loan later than 36 months after election day:

- the claimant or lender
- the official agent
- the candidate

The application should be made using the *Request for Authorization to Pay an Unpaid Claim or Loan* form on the Elections Canada website.

The request should include the campaign’s bank account statement, showing that the campaign has sufficient funds to make the payment.

**Reporting unpaid claims and loans**

The candidate’s campaign will have to provide different updates on the status of payments if the campaign has unpaid claims or loans after filing the original *Candidate’s Electoral Campaign Return*.

For details about reporting unpaid claims and loans, see the *Additional reporting* table in Chapter 15, *Reporting*. 
18. Disposing of Surplus

This chapter explains what a surplus of campaign funds is, the rules for disposing of a surplus after all financial obligations have been met, and how to report the disposal. It covers the following topics:

- What is a surplus?
- Transfer or sale of capital assets
- Notice of surplus from Elections Canada
- If the official agent is aware of a surplus
- How to dispose of a surplus
- Repayment of a surplus to independent or non-affiliated candidates

What is a surplus?

The surplus amount of electoral funds is the amount by which the candidate’s electoral revenues exceed the total of the candidate’s electoral campaign expenses paid from the campaign bank account and transfers made by the candidate’s campaign.

\[
\text{Surplus} = \text{Electoral revenues} - (\text{Electoral campaign expenses} + \text{Transfers})
\]

The amount of the surplus should equal the money left in the campaign bank account after all the financial obligations have been met.

<table>
<thead>
<tr>
<th>Electoral revenues</th>
<th>Electoral campaign expenses</th>
<th>Transfers made</th>
</tr>
</thead>
<tbody>
<tr>
<td>Monetary contributions made to the candidate</td>
<td>For the purpose of calculating the surplus, this includes all expenses paid using funds from the campaign bank account</td>
<td>Any funds the candidate’s campaign transfers to:</td>
</tr>
<tr>
<td>Reimbursements received for expenses paid from the campaign bank account</td>
<td></td>
<td>the registered party or a registered association of the party</td>
</tr>
<tr>
<td>Any other amount deposited into the campaign bank account that was received by the candidate for their electoral campaign and is not repayable, including transfers from political entities</td>
<td></td>
<td>the candidate themself as a nomination contestant in respect of the same election</td>
</tr>
</tbody>
</table>

**Note:** Surplus only relates to transactions that went through the campaign bank account. If some personal or litigation expenses were paid using outside funds, exclude them from the calculation. If applicable, also subtract from electoral revenues the related reimbursement that was paid to the candidate.
Transfer or sale of capital assets

A capital asset is any property with a commercial value of more than $200 that is normally used outside an election period other than for the purposes of an election.

If the campaign has any capital asset whose acquisition constitutes an electoral campaign expense, the official agent must either:

- transfer the asset to the registered party or the registered association of that party in the candidate’s electoral district, or
- sell the asset at fair market value and include the funds in the surplus disposal

Notice of estimated surplus from Elections Canada

After Elections Canada reviews the candidate’s return and pays the final reimbursement and auditor’s subsidy, it may determine that the candidate has a surplus of electoral campaign funds. Elections Canada sends a notice about the estimated amount of the surplus to the candidate’s official agent.

The official agent has to dispose of the surplus within 60 days of receiving the notice.

If the official agent is aware of a surplus

If the official agent is aware of a surplus of electoral funds but has not yet received a notice from Elections Canada, the official agent has to dispose of the estimated surplus within 60 days after:

- receiving the final reimbursement, or
- filing the candidate’s return, if the candidate did not receive a reimbursement

How to dispose of a surplus

If the candidate was:

- endorsed by a registered party, surplus funds have to be transferred to the registered party or to a registered association of that party in the candidate’s electoral district
- an independent or non-affiliated candidate, surplus funds have to be transferred to Elections Canada by cheque payable to the Receiver General for Canada

The official agent has to report the disposal by submitting the Candidate’s Statement of Surplus / Amended Campaign Return form within seven days after disposing of the surplus.

The official agent might also use this form to report financial transactions that occurred since the original candidate’s return was submitted. Elections Canada will treat new transactions reported in the Candidate’s Statement of Surplus / Amended Campaign Return as a request to correct or revise the Candidate’s Electoral Campaign Return and will update the return accordingly.

Note: Elections Canada publishes the notice referring to the disposal of the surplus on its website.

For details about closing the candidate’s campaign, please see Closing the candidate’s campaign in Chapter 1, Reference Tables and Timelines.
Repayment of a surplus to independent or non-affiliated candidates

A candidate who is running as an independent or non-affiliated candidate, and who had disposed of a surplus to Elections Canada in a previous election, can apply to have the surplus repaid.

The surplus will be repaid to the candidate's campaign if:

- the candidate is running in their first election since they disposed of the surplus, or
- the candidate ran in one or more intervening by-elections but was not endorsed by a registered party at the first of those by-elections
19. By-elections Superseded by a General Election

This chapter describes the differences in administering a campaign when one or more by-elections are superseded by a general election. It covers the following topics:

- How a by-election is superseded and when it is deemed to have taken place
- Appointing an official agent and auditor, and opening a bank account
- Limits on contributions, loans and loan guarantees for by-elections
- Limit on election expenses
- Reimbursement of expenses and reporting
- Transfers to the campaign for the general election

Note: The political financing rules in this chapter apply only to a candidate whose nomination was confirmed for a by-election that has been or will be superseded by a general election.

How a by-election becomes superseded

When a vacancy occurs in the House of Commons, a by-election must be called within six months, unless the vacancy occurs less than 9 months before a fixed-date general election. The election period must be between 37 and 51 days.

If a by-election is underway when a general election is called, the by-election writ is withdrawn and is superseded by the writ for the general election. In such a case, Elections Canada publishes a notice of withdrawal of the by-election writ.

By-election deemed to have taken place

In the case of a superseded by-election, the by-election is deemed to have taken place on the day that the notice of withdrawal of the writ is published.

Appoint an official agent and auditor, and open a bank account

Candidates in a by-election must appoint an official agent before incurring expenses or accepting contributions, loans or transfers. They must open a separate bank account to be used exclusively for the by-election campaign.

Candidates who also decide to run in the general election will need to appoint an official agent—who could be the same person as for the by-election—and open a separate bank account to be used exclusively for the general election campaign.

Note: The financial transactions of a by-election campaign and a general election campaign must be managed separately.
Limits on contributions, loans and loan guarantees for by-elections

The table below displays the limit on contributions, loans and loan guarantees as it applies to a superseded by-election.

<table>
<thead>
<tr>
<th>Political entity</th>
<th>2019 annual limit</th>
<th>Limit per election called between Jan. 1 and Dec. 31, 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Candidates endorsed by a registered party</td>
<td>$1,600*</td>
<td>n/a</td>
</tr>
<tr>
<td>Independent candidates</td>
<td>n/a</td>
<td>$1,600*</td>
</tr>
</tbody>
</table>

**Notes**

- The contribution limits apply to total contributions, the unpaid balance of loans made during the contribution period, and the amount of any loan guarantees made during the contribution period that an individual is still liable for. The sum of these three amounts cannot at any time exceed the contribution limit.
- Independent candidates may accept contributions, loans and loan guarantees up to the contribution limit from eligible contributors for the by-election. In addition, they may accept contributions, loans and loan guarantees up to the contribution limit from the same contributors for the general election. This is because, in the case of independent candidates, the contribution limit applies not per year, but per election.
- Once confirmed, candidates can issue tax receipts for the contributions they receive.
- All contributions received by confirmed candidates in the by-election can later be transferred and used for the general election.

There is an exception to the limits on contributions:

- Candidates, whether they are independent or endorsed by a registered party, can make contributions, loans and loan guarantees of up to $5,000 in total to their campaign in the by-election, as well as another $5,000 in total to their campaign in the general election. A candidate is also permitted to give an additional $1,600* 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.

For a complete reference guide on contribution limits, see the *Limits on contributions, loans and loan guarantees* table in Chapter 1, *Reference Tables and Timelines.*
Limit on election expenses

Candidates in the by-election are subject to the applicable election expenses limit. When a by-election is superseded, the limit is not affected by the fact that the length of the election period has been reduced.

**Note:** Depending on the relative lengths of the by-election and the general election, the election expenses limit for the general election may be different. Candidates and their official agents must ensure that they respect the election expenses limits for both elections.

Reimbursement of expenses and reporting

All confirmed candidates in a superseded by-election are deemed to have received 10% of the valid votes and are entitled to receive an initial reimbursement equal to 15% of the election expenses limit.

Candidates must file their return within four months after the notice of withdrawal of the writ is published. As is the case for all elections, they will be eligible for a total reimbursement equal to 60% of their paid election expenses and 60% or 90% of certain other expenses.

Candidates whose final reimbursement amount is less than the initial reimbursement paid to their campaign will need to return the overpayment (for details, see Chapter 16, *Reimbursements and Subsidies*).

**Note:** Expenses are eligible for reimbursement only once, either in relation to the by-election or the general election.

Transfers to the campaign for the general election

The *Canada Elections Act* allows for the transfer of any money from the by-election account (including the initial reimbursement) to the general election account of the candidate.

The *Canada Elections Act* also allows for the transfer of property or services acquired for the by-election to the campaign for the general election (even if the candidate is not in the same electoral district, for example as a result of redistribution). The ability to transfer property and services is important as it allows the campaign for the general election to account for such things as signs and office facilities that continue to be used from one election to the other.

The same property or services may be used during both elections. In that case, expenses for property or services transferred to the campaign for the general election are subject to the election expenses limit for both elections, if they meet the definition of an election expense.

**Example**

A by-election is superseded by the call of a general election. A candidate’s campaign has purchased signs for the by-election and now transfers them to the candidate’s general election campaign. The expenses are election expenses for both campaigns.