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INDIVIDUAL CANDIDATES

Electoral expenditure caps

Unless otherwise stated, all references to legislation are to the *Local Government Electoral Act 2011* (LGEA). The information in this fact sheet does not replace legislation. If you are concerned about your obligations, you should seek independent legal advice.

This fact sheet provides information about expenditure caps for individual candidates participating in local elections and by-elections as well as agents and associated entities.

COMPLIANCE WARNING

Failure to comply with electoral expenditure caps is an offence that carries substantial penalties. It is a serious integrity offence under the *Local Government Act 2009* and a criminal offence under the *Local Government Electoral Act 2011*.

What are expenditure caps?

Expenditure caps are limitations on the amount of electoral expenditure that can be incurred during the capped expenditure period for a local election.

It is unlawful for a candidate to exceed their expenditure cap during the capped expenditure period.

The caps only apply to electoral expenditure, which has a specific meaning for local elections and by-elections. See <u>Fact sheet 12 – Definition of electoral expenditure</u> to understand more about what is and what is not electoral expenditure.

Who do expenditure caps apply to?

Expenditure caps apply to all candidates.

If a candidate has an associated entity, that entity is also subject to the same expenditure cap. For further information about associated entities, refer to <u>Fact sheet 37 – Funding and disclosure overview for associated entities</u>.

When do expenditure caps apply?

Expenditure caps apply to electoral expenditure that is incurred during the capped expenditure period for an election.

For future elections, the capped expenditure period will start on:

- for a by-election the day the notice for the election is issued
- for the 2028 local government elections 30 August 2027 (subject to change)

The capped expenditure period ends at 6pm on election day.

The date electoral expenditure is paid for or invoiced is not necessarily when it is *incurred*. For further information about when expenditure is incurred, see <u>Fact sheet 12 – Definition of electoral expenditure</u>.







What is the expenditure cap amount?

The expenditure cap varies across each local government area on a sliding scale with reference to the number of electors. The cap also varies based on whether the candidate is contesting a mayoral or councillor position.

For future elections, the ECQ will publish a notice of the expenditure cap amounts for candidates on its website. This will be available:

- for a by-election the day the notice for the election is issued
- for the 2028 local government elections before 30 August 2027

The capped expenditure period ends at 6pm on election day.

The ECQ will also provide each candidate with a notice of their expenditure cap amount as soon as practicable after their nomination is certified.

For further details about how expenditure cap amounts are calculated, see Fact sheet 13 – Expenditure cap calculations.

Compliance and penalties

Incurring electoral expenditure which exceeds a candidate's electoral expenditure cap is a criminal offence under section 123N(2) of the LGEA. Participating in a scheme to circumvent the electoral expenditure caps is also a criminal offence under section 194B of the LGEA. Both are serious integrity offences under schedule 1 of the Local Government Act 2009.

Penalties include imprisonment, fines, and disqualification from being a councillor. Twice the amount of the excess expenditure may also be recovered by the ECQ as a debt to the State.

For further information

This fact sheet mainly refers to part 6, division 4 (Caps on electoral expenditure) of the LGEA. The LGEA is available in full at legislation.gld.gov.au. Participants in the electoral process should ensure they understand their obligations under the LGEA.



RELATED FACT SHEETS

Fact sheet 37 – Funding and disclosure overview for associated entities

Fact sheets are available on the **ECQ website**.