

INFORMATION FOR ASSOCIATED ENTITIES

This fact sheet relates to associated entities of registered political parties or candidates in State elections. All references to legislation are to the *Electoral Act 1992*. The information in this fact sheet does not replace legislation. If you are concerned about your obligations, you should seek independent legal advice.

There are limitations (caps) on the amount of electoral expenditure that associated entities can incur towards a State election, as well as on the value of political donations that associated entities can accept.

Associated entities need to be aware of the electoral expenditure and political donation caps that apply to the registered political party or candidate they are associated with, as the funds they receive or the expenditure they incur may impact the party or candidate.

Different caps apply to different election participants. Significant penalties apply for failure to comply with these laws.

What is an associated entity?

An **associated entity of a registered political party** is an entity which is controlled by, or operates wholly or to a significant extent for the benefit of, or for the dominant purpose of promoting:¹

- a registered political party in an election, or
- a group (i.e. two or more) of candidates endorsed by the same registered political party.

An associated entity of a registered political party does not include:

- a candidate endorsed by the political party for an election, or
- another political party that is related to a registered political party, or
- if the party is part of another entity, a federal or interstate branch or division of the other entity.

An **associated entity of a candidate** is an entity that:²

- is controlled by the candidate in relation to the election, or
- operates wholly, or to a significant extent, for the benefit of the candidate in relation to the election, or
- operates for the dominant purpose of promoting the candidate in the election.

An associated entity of a candidate does not include an associated entity of a registered political party if the entity is an associated entity of the party because:

- it is controlled by a group of candidates endorsed by the registered political party,
- operates wholly or to a significant extent for the benefit of a group of candidates endorsed by the registered political party, or
- operates for the dominant purpose of promoting, a group of candidates endorsed by the registered political party.

An associated entity of a candidate also does not include an electoral committee, which is a committee established by a registered political party to help elect a candidate in an electoral district.³

Agents and associated entities

If a registered political party or candidate in an election has an associated entity, the agent of the party or candidate must take all reasonable steps to inform the associated entity about the obligations that apply

¹ See section 204(2)

² See section 204A(2)

³ See section 204A(4)

regarding donations, expenditure, reporting and disclosure.⁴

The agent must establish and maintain appropriate systems to support the associated entity to comply with its obligations.

Associated entities and State campaign bank accounts

An associated entity must use the registered political party's or candidate's dedicated State campaign bank account.

For more information on State campaign accounts, refer to the relevant fact sheet:

- [Fact Sheet 1 – State campaign bank account for registered political parties.](#)
- [Fact Sheet 2 – State campaign bank accounts for candidates.](#)

Electoral expenditure caps

Electoral expenditure incurred by an associated entity is taken to be incurred by the registered political party or candidate with which it is associated.

An associated entity's electoral expenditure must be paid out of the State campaign account of the party or candidate.

Any electoral expenditure incurred by the associated entity will count towards the party's or candidate's expenditure cap and will be limited under their cap.

Both the associated entity and party or candidate must ensure they do not exceed the expenditure cap collectively.

For more information on expenditure caps refer to the relevant fact sheet:

- [Fact Sheet 10 – Expenditure caps for registered political parties and endorsed candidates.](#)
- [Fact Sheet 11 – Expenditure caps for independent candidates.](#)

Political donations and donation caps

Political donations received by an associated entity are taken to be received by the registered political party or candidate with which it is associated.

Political donations received by an associated entity must be paid into the State campaign account of the party or candidate within five business days of the donor statement being received.

Political donations received by an associated entity will count towards the party's or candidate's donation cap and will be limited under their cap.

Both the associated entity and party or candidate must ensure they do not exceed the donation cap collectively.

For more information about political donation caps, refer to [Fact Sheet 20](#).

Disclosure obligations of associated entities

For information about an associated entity's disclosure obligations regarding gifts, loans and political donations received, refer to:

- [Fact Sheet 5 – Disclosure of gifts and loans by registered political parties.](#)
- [Fact Sheet 6 – Disclosure of gifts and loans by candidates.](#)

All associated entities must lodge an election summary return to disclose electoral expenditure incurred, even if the return is nil. For information about an associated entity's disclosure obligations regarding electoral expenditure, refer to [Fact Sheet 9](#).

All associated entities must also lodge a periodic return if they were associated with a registered political party or candidate at any time during a reporting period.⁵

For information about periodic return requirements, refer to [Fact Sheet 24](#).

⁴ See section 306B(2)

⁵ See section 294(4)

Record keeping

Associated entities must ensure they keep records for five years.

Records must be kept to demonstrate compliance with all electoral expenditure cap, political donation cap, disclosure, and State campaign account requirements, to the greatest extent practicable.

Further information can be found in [Fact Sheet 21](#).