

INFORMATION FOR THIRD PARTIES

This fact sheet relates to individuals and entities who make donations or incur electoral expenditure towards Queensland State elections and by-elections.

Under Queensland's *Electoral Act 1992*, individuals or entities, other than a registered party, an associated entity or a candidate, which engage in particular ways in an election are referred to as 'third parties' and are considered 'election participants' for State elections.

What is a third party?

A third party is an individual or an entity, based in or outside Queensland, who makes donations or incurs expenditure in support of candidates or registered political parties contesting a Queensland State election or by-election.

Does a third party need to be registered?

A third party will need to be registered, or remain an unregistered third party, depending on the amount they spend in electoral expenditure.

Under section 297, a third party **must** register with the ECQ if they spend, or someone they authorise spends, cumulatively more than **\$6,000** in **electoral expenditure**, during the **expenditure cap period** for an election (i.e. 1 August until 6pm on 31 October 2020).

For more information about registering a third party, see [Fact Sheet 12 - Third party registration process](#).

What is electoral expenditure?

Expenditure incurred by a third party will be **electoral expenditure** if the dominant purpose for which the expenditure is incurred is a **campaign purpose** (under section 199(5)).

However, expenditure incurred by a third party is **not** electoral expenditure if the **dominant purpose** for which the expenditure is incurred is for another purpose, even if the expenditure is also incurred for, or achieves, a campaign purpose (under section 199(6)). An example of other purposes for incurring expenditure would be to educate or raise awareness about an issue of public policy.

Electoral expenditure is cumulative, meaning it does not matter whether the expenditure was incurred as a single amount, or in smaller amounts which are aggregated.

For more information, definitions and examples of electoral expenditure, refer to [Fact sheet 5 - Definition of electoral expenditure](#).

When is electoral expenditure incurred?

Electoral expenditure is incurred when the goods or services, for which the expenditure is incurred, are supplied or provided, regardless of when the amount of the expenditure is invoiced or paid. This includes the expenditure incurred to design, produce, print or distribute the goods.

However, if:

- electoral expenditure is incurred to obtain goods; and
- the goods are obtained for the dominant purpose of being used for a campaign; and
- the goods are supplied before the **capped expenditure period** starts, then the electoral expenditure is taken to have been incurred when the goods are **first used for a campaign purpose** during a **capped expenditure period**, regardless of when the amount of the expenditure is invoiced or paid.

Examples

- Electoral expenditure on **advertising** is incurred when the advertisement is broadcast or published and includes the production costs incurred.
- Electoral expenditure on the production and distribution of material containing **election material** is incurred when the material is distributed.

Record keeping

Third parties who incur, or receive as a gift, electoral expenditure will be required to keep **detailed records about their electoral expenditure** to ensure they can demonstrate to the ECQ when the electoral expenditure was incurred. Records should include dates relating to the ordering, delivery, invoicing, payment, publication, broadcast, distribution or first use of item.

Electoral expenditure caps for registered third parties

Third parties are subject to an electoral expenditure cap of:

- **\$87,000 per electoral district**, and
- an **overall cap of \$1 million** in total for a State general election.

What is the expenditure cap period?

For a State general election, the expenditure cap period generally starts on the next business day after the last Saturday in March that is prior to the polling day for the general election; and ends at 6pm on the polling day for the election. However, for this State general election see the relevant dates below.

For a State by-election, the expenditure cap period, starts on the day the writ for the by-election is issued; and ends at 6pm on the polling day for the by-election.

For the **2020 Queensland State general election**, the **expenditure cap period** begins 1 August and ends at 6pm on 31 October 2020.

For information on expenditure cap amounts, refer to [Fact sheet 9 - Expenditure caps for third parties](#).

Disclosure obligations

Under section 263, where a third party receives a gift that is used to incur expenditure for a political purpose (including electoral expenditure) during a disclosure period, it must lodge disclosure returns:

- In **real-time**, disclosure of gifts received of \$1,000 or more and used for a political purpose. (Real-time disclosure is within 7 business days from the date the gift was used);
- In **real-time**, disclosure of gifts to a candidate or a registered political party, that cumulatively is of \$1,000 or more (section 264); and
- (for a registered third party) In an **election summary return** (within 15 weeks after the election) of all electoral expenditure incurred (section 283(1)(d)).

A registered third party is required to lodge an election summary return even if they did not exceed the \$6,000 electoral

expenditure threshold in the expenditure cap period.

Unregistered third parties are only required to submit an election summary return if they incur more than \$6,000 in electoral expenditure, and, therefore, should have been formally registered prior to the election.

ECQ that disclosure requirements have been fully and properly met.

For more information about obligations and processes for third parties and donors, refer to [Handbook 4 - Election and Disclosure Obligations for Third Parties and Donors for State Election and By-elections](#).

Details to be disclosed

For gifts used to incur expenditure for political purposes (section 263) or for gifts made to a registered political party (section 265), details about the gift must be disclosed and include: the amount or value of the gift, the date the gift was made and the relevant particulars of the entity that made the gift.

For electoral expenditure incurred, the following details of each expenditure item is required (section 283):

- the name and business address of the person who supplied the goods or services;
- a description of the goods and services;
- the amount of the expenditure;
- when the expenditure was incurred.

How do third parties lodge a return?

Disclosure returns should be lodged via the ECQ's [Electronic Disclosure System](#) (EDS). Where EDS lodgement is not possible, a paper form can be requested by emailing fad@ecq.qld.gov.au.

Compliance

Third parties have reporting obligations to the ECQ and must keep full and complete records of all transactions for **5 years after the record is made** and made available to the ECQ for inspection.

All electoral participants are subject to ECQ compliance reviews and may be asked to provide evidence to satisfy the