14

REGISTERED POLITICAL PARTIES

Expenditure caps for registered political parties and endorsed candidates

Unless otherwise stated, all references to legislation are to the *Electoral Act 1992* (EA). The information in this fact sheet does not replace legislation. If you are concerned about your circumstances, you should seek independent legal advice.

This fact sheet provides information about expenditure caps for registered political parties and their endorsed candidates contesting state elections and by-elections, as well as the agents and associated entities of the party or candidate.

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 state election.

It is unlawful for a registered political party and their endorsed candidates to exceed their expenditure caps during the capped expenditure period.

The caps apply to electoral expenditure which has a specific meaning for state elections and by-elections. See <u>Fact sheet 7 – Definition of electoral expenditure</u> to understand more about what is not electoral expenditure.

Who do expenditure caps apply to?

Expenditure caps apply to registered political parties and endorsed candidates amongst others.

If a party or candidate has an associated entity, that entity is subject to the same expenditure cap. For further information about associated entities, please refer to Fact sheet 27 — Funding and disclosure overview for associated entities.

When do expenditure caps apply?

Expenditure caps apply to electoral expenditure incurred during a capped expenditure period for an election. The capped expenditure period starts on:

- for the 2028 state general election 27 March 2028
- for a by-election the day the writ for the election is issued.

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 more information about when expenditure is incurred, see <u>Fact sheet 7 – Definition of electoral expenditure</u>.

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What is the expenditure cap amount?

The expenditure cap varies depending upon the type of election and participant.

REGISTERED POLITICAL PARTIES

For the **2028 state general election**, the expenditure cap for a registered political party is:

per electoral district - \$115,156.91

and

in total across Queensland – \$115,156.91 multiplied by the number of electoral districts in which the party endorses a candidate.

For a **by-election**, electoral expenditure incurred by a registered political party will count towards their endorsed candidate's expenditure cap. Political parties and their endorsed candidate must not collectively spend more than the candidate's cap of \$108,898.38.



EXAMPLE

Registered Political Party A endorses candidates in 67 electoral districts for the 2028 state general election. This means that the maximum amount the party can spend in electoral expenditure for the election is \$7,715,512.97 (67 electoral districts multiplied by \$115,156.91).

The maximum amount the party can spend in relation to any 1 of the 67 districts is \$115,156.91.

ENDORSED CANDIDATES

For the 2028 state general election, the expenditure cap is \$72,598.92 for candidates endorsed by a registered political party. This amount is in addition to the \$115,156.91 per electoral district that can be incurred by the party.

For a by-election, the expenditure cap is \$108,898.38 for candidates endorsed by a registered political party. Electoral expenditure incurred by both the candidate and the registered political party counts towards the cap amount.

Elected members

If a Member of Parliament who is a member of a registered political party incurs electoral expenditure during a capped expenditure period but does not nominate as a candidate for the next election, the expenditure will count towards the party's cap for that electoral district.

Electoral expenditure relating to an electoral district

Electoral expenditure relates to an electoral district if the expenditure is incurred for advertising or election material that is communicated to voters in that district and not mainly communicated to voters outside that district.

This does not apply to electoral expenditure incurred to carry out an opinion poll or research. Such expenditure will count equally towards all electoral districts where the party has endorsed a candidate.



EXAMPLES

Example A

Registered Political Party Y purchases \$12,000 in radio advertising from Station 104BAM which broadcasts across 4 electoral districts in Queensland. The party has endorsed a candidate in 3 of these districts.

The cost of the radio advertising is divided between the 3 electoral districts and \$4,000 is counted against the party's capped expenditure amount in each of these districts. Party Y may incur an additional \$111,156.91 in each of the 3 districts.

Example B

Registered Political Party M endorses candidates in 17 electoral districts across the state of Queensland. During the capped expenditure period, Party M. commissions opinion polls to be done in several electoral districts. This costs \$17,000.

The cost of the opinion polling is split across all 17 electoral districts where the party has endorsed a candidate. Assuming no other electoral expenditure has been incurred, the party may incur an additional \$114,156.91 in each of the 17 districts.

Record keeping

All election participants must keep records for 5 years. This is required to demonstrate compliance in relation to all electoral expenditure, disclosure, and reporting requirements. Refer to <u>Fact sheet 4 – Record keeping requirements</u> for more information.

Compliance and penalties

Incurring electoral expenditure which exceeds a registered political party's or candidate's electoral expenditure cap is an offence that carries substantial penalties including potential prosecution.

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 11, division 9 of the EA. The EA is available in full at legislation.gld.gov.au. Participants in the electoral process should ensure they understand their obligations under the EA.

RELATED FACT SHEETS

Fact sheet 4 – Record keeping requirements

Fact sheet 7 – Definition of electoral expenditure

Fact sheet 27 – Funding and disclosure overview for associated entities

Fact sheets can be found on the ECQ website.