

# Prohibited Donors Scheme Fact Sheet 2



## WHAT IS ELECTORAL EXPENDITURE?

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In addition to political parties, elected members, councillors or candidates, the Prohibited Donor Scheme applies to other types of entities that may incur electoral expenditure (other entities).

A gift made to or for the direct or indirect benefit of other entities to incur electoral expenditure is a kind of political donation. Such donations are regulated in Queensland, and some are prohibited (i.e. political donations from property developers). It is therefore important electoral expenditure is well understood by those entities making, or considering making, political donations in the context of the prohibited donor provisions of the *Electoral Act 1992*.

Electoral expenditure is expenses incurred to support an election campaign, regardless of when the expense is incurred. Electoral expenses are costs helping to advocate for or against a candidate or for or against a political party and can include but in this context, are not limited to:

- broadcasting an advertisement; or
- publishing a journal; or
- publishing an advertisement on the internet; or
- displaying an advertisement at a theatre or other place of entertainment; or
- the cost of producing of an advertisement; or

- the cost of producing material; or
- the cost of producing and distributing material; or
- the cost of holding campaign events; or
- transportation costs during a campaign to get a candidate and campaign staff around the state; or
- carrying out of an opinion poll or other research to promote or influence voting.

As it is a criminal offence to participate in a scheme to circumvent the prohibition laws on political donations, it is important for anyone who incurs electoral expenditure to ensure it is not part of such a scheme. Maximum penalties can be up to 1500 penalty units (\$195,825 as at 1 July 2018) or 10 years in prison.

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### More information about prohibited donors

The rules and requirements applying to prohibited donors are determined in the *Electoral Act 1992* and the *Local Government Electoral Act 2011*, which are available at [www.legislation.qld.gov.au](http://www.legislation.qld.gov.au).

If you have further questions, or would like more information about the obligations relating to the Prohibited Donor Scheme, please visit [www.ecq.qld.gov.au](http://www.ecq.qld.gov.au), or contact ECQ on 1300 881 665 or by emailing [pds@ecq.qld.gov.au](mailto:pds@ecq.qld.gov.au).