

THIRD PARTIES

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 both registered and unregistered third parties participating in local elections and by-elections.

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 third party 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 [Fact sheet 12 – Definition of electoral expenditure](#) to understand more about what is and what is not electoral expenditure.

Who do expenditure caps apply to?

Expenditure caps apply to registered and unregistered third parties, amongst others.

For further information about third parties and the registration requirements for local elections, see [Fact sheet 31 – Funding and disclosure overview for third parties](#).

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 the date it is *incurred* for the purposes of the LGEA. For further information about when expenditure is incurred, see [Fact sheet 12 – Definition of electoral expenditure](#).

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More information

If you need more information relating to Funding, Disclosure and Compliance, please contact ECQ on 1300 881 665 or by emailing fad@ecq.qld.gov.au.



**Electoral
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QUEENSLAND

What is the expenditure cap amount?

For **registered third parties** in a by-election, the expenditure cap amount is equal to the cap amount that would apply to an individual candidate in the by-election.

For registered third parties in a regular quadrennial election or a fresh election, the expenditure cap amount is the same as the cap amount that would apply to an individual mayoral candidate for the local government area where expenditure is incurred.

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

- for the 2024 local government elections – before 14 August 2023
- for a by-election – at the same time the notice for the election is issued.

The expenditure cap for a registered third party applies, and is calculated, separately for each local government area. The expenditure cap for one local government area cannot be aggregated with the cap of another.

For **unregistered third parties**, the expenditure cap amount is **\$6,000**. This cap does not apply separately for each local government area – it is the total cap for the entire election.



EXAMPLES OF CALCULATING EXPENDITURE CAPS

Example A

Registered Third Party A is incurring electoral expenditure to communicate with electors in Local Government Area X during a by-election. One councillor will be elected in the by-election.

The expenditure cap for a councillor candidate in Local Government Area X is \$35,520.

Registered Third Party A may spend up to \$35,520 communicating with electors in Local Government Area X.

Example B

Registered Third Party B is incurring electoral expenditure to communicate with electors in both Local Government Area X and Local Government Area Y during a regular quadrennial election.

The expenditure cap for a mayoral candidate in Local Government Area X is \$35,520. The cap for a mayoral candidate in Local Government Area Y is \$59,000.

Registered Third Party B may spend up to \$35,520 communicating with electors in Local Government Area X, and up to \$59,000 communicating with electors in Local Government Area Y.

While the total expenditure for both Local Government Areas is \$94,520, Registered Third Party B may not redistribute expenditure between areas. In this example, Registered Third Party B cannot spend \$47,260 in each area because the mayoral cap for Local Government Area X is \$35,520.

More information

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 **EXAMPLES – CONTINUED****Example C**

Unregistered Third Party C is incurring electoral expenditure to communicate with electors in Local Government Areas X, Y and Z.

Unregistered Third Party C may only spend up to \$6,000 in total communicating with electors in all three Local Government Areas.

Compliance and penalties

For **registered third parties**, incurring electoral expenditure which exceeds their electoral expenditure cap is a criminal offence under section 123N(2) of the LGEA and a serious integrity offence under schedule 1 of the *Local Government Act 2009* (LGA).

For **unregistered third parties**, incurring electoral expenditure which exceeds their electoral expenditure cap is an offence under section 123O of the LGEA and an integrity offence under schedule 1 of the LGA.

Participating in a scheme to circumvent the electoral expenditure caps is a criminal offence under section 194B of the LGEA and a serious integrity offence under schedule 1 of the LGA.

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.qld.gov.au. Participants in the electoral process should ensure they understand their obligations under the LGEA.

 **RELATED FACT SHEETS**

Fact sheet 6 – Offences and penalties for candidates

Fact sheet 12 – Definition of electoral expenditure

Fact sheet 13 – Expenditure cap calculations

Fact sheet 31 – Funding and disclosure overview for third parties

Fact sheet 34 – Disclosure of electoral expenditure by third parties

Fact sheets are available on the [ECQ website](http://ecq.qld.gov.au).

More information

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