



Goods or services provided free of charge or at a discounted rate

- 1.1 Goods or services supplied free of charge or at a discounted rate, which will be used for a purpose that falls within the definition of 'electoral expenditure' under Part 176A of the [Electoral Act 2004](#) (the Act), will be considered electoral expenditure incurred by the recipient of those goods or services:
- The value of the goods or services supplied must be recorded and reported (if applicable) as an amount of electoral expenditure incurred.
 - The difference between the value of the goods or services and the amount actually paid by the recipient must be recorded and reported (if over the threshold) as a gift-in-kind received by the recipient.

Example

- 1.2 If a supplier would normally charge \$6,000 to supply some promotional t-shirts containing electoral matter, but is providing this free of charge to a registered party or candidate, the registered party or candidate will be treated as having:
- incurred electoral expenditure of \$6,000; and
 - received a gift-in-kind of \$6,000 from the supplier.

Example

- 1.3 If a designer would normally charge \$4,000 for design work for posters containing electoral matter, but has given a registered party or candidate a 40 per cent discount, the registered party or candidate will be treated as having:
- incurred electoral expenditure of \$4,000; and
 - received a gift-in-kind of \$1,600 from the designer.
- 1.4 'Electoral matter' is matter that is intended or likely to affect voting at an election (see section 7 of the Act).
- 1.5 Note: volunteer labour would not normally be considered electoral expenditure or a gift. Volunteer labour is considered to be work that a person would not usually perform as part of their profession or trade; see
- [Volunteer labour and gifts-in-kind of employee labour information sheet](#)
- 1.6 If you have been provided goods or services free of charge or at a discounted rate, these are the steps you should go through:
- Determine whether the goods or services will be used for a purpose which falls within the definition of 'electoral expenditure' – if so, go to the next step.
 - Determine the value of the goods or services. The value is the amount the supplier would usually charge for the goods or services.

- (c) The value of the goods or services will be considered electoral expenditure which you have incurred.
- (d) The difference between the value of the goods or services and the amount you actually paid will be considered to be a gift-in-kind.

Disclaimer

This information is intended as a general guide only and should not be substituted for the legislation. You are advised to refer to the legislation and seek your own independent advice if necessary.