### **FAQs**

### **Donation disclosure for local government**



#### What is donation disclosure?

Donation disclosure, also called financial disclosure, is making public the details of any donations given to candidates for them to spend or use during an election campaign.

From 1 July 2022, candidates in local government elections and by-elections in the Northern Territory are required to submit information about any donations or loans (whether cash or non-cash donations and loans) that they receive during a certain period (called the disclosure period) for use in their election campaign.

This information must be submitted to the NT Electoral Commission (NTEC) in a campaign donations return **40 days** after the end of the disclosure period. The NTEC will make this information available for public viewing by publishing the information on its website, and having a hardcopy available in its office.

Disclosure and publication of campaign donation information provides greater transparency of the funding of candidates' election campaigns.

### Who has to submit a return for local government elections?

For local government elections in the NT, **only candidates** who receive reportable donations or loans are required to submit a campaign donations return. There is no requirements for donors or lenders, or other participants in election campaigns, to submit a return.

### If I receive no donations or returns, do I still have to submit a return?

No. If a candidate has no donations or loans to disclose, they do not have to submit a return, i.e. there is no need to submit a 'nil return'.

If a candidate receives donations that add up to **less than \$200** from one person or entity, they do not have to submit a return. This is called the threshold amount. Only information about donations above the threshold amount are required to be disclosed in a return.

If a candidates receives loans that add up to **less than \$1,500**, from one person or entity, they do not have to submit a return. This is the threshold amount for loans that have to be disclosed.

### If I spend my own money on my election campaign, do I have to include this in a return?

No. Only donations (whether cash or non-cash donations) are required to be disclosed and therefore included in the campaign donations return. Candidates also do not have to disclose their electoral expenditure.

If a candidate has received a donation or gift in a private capacity, which is not for use in an election, during the disclosure period, this also does not have to be disclosed or included in a return.

## If I take out a personal bank loan to fund my election campaign, do I have to include this in a return?

No, any loans from a recognised financial institution that a candidate arranges for use in their election campaign does not have to be disclosed in a return.

### If I'm a candidate who is not elected, do I still have to submit a return?

Yes. Any candidates, whether elected or not, who receive donations or loans over the threshold during the disclosure period have to submit the details of these in a campaign donation return after the election.

### If I am a candidate and the election is uncontested, do I still have to submit a return?

Yes. If there is the same number of candidates as the number of vacancies for a local government election, this is an uncontested election, and candidates are declared as being elected without the election going ahead.

If there are less candidates than the number of vacancies, this is a failed election, but any accepted candidates in a failed election are declared as being elected without the election going ahead. A supplementary election will need to be held at a later date to fill the remaining vacancies.

Any candidates in uncontested or failed elections who receive donations or loans above the threshold during the disclosure period are still required to submit a campaign donation return.

### If I received a donation or loan, but did not spend it and returned it after the election, do I have to include this in a return?

If a candidate receives a donation or loan over the threshold during the disclosure period, regardless of whether they spent the money or returned it at a later date, they still have to disclose the details of the donation or loan.

If a candidate rejects an offer of a donation or loan, and never receives it, then it does not have to be disclosed.

#### How many returns have to be submitted?

Only **one campaign donation return** is required to be submitted. Donations and loans are to be included in the one return, and there is only one disclosure period to report on.

### How do I submit a campaign donation return?

Candidates must complete the campaign donation return by providing the required details of any donations and loans they receive during the disclosure period. These details include:

- the amount or value of each donation
- the date the donation was made
- the details (name and address) of the donor/s
- the amounts and terms of any loans
- the details (name and address) of the lender/s of the loan.

Campaign donation return forms are on the NT Electoral Commission website.

Once completed, the form should be attached to an email and sent to disclosure.ntec@nt.gov.au.

### What if I do not have the required details to submit my return?

A candidate **must not accept** a donation or loan from a person or entity during the disclosure period if they do not know the details listed above.

If a candidate cannot complete all the required details in their return they must complete the form as much as possible and submit it to the NTEC as an incomplete return. When submitting an incomplete form, a candidate must:

- inform the NTEC that the return is incomplete
- list the information that is missing from the return
- provide a reason why the information is missing from the return
- provide the name and address of any person who the candidate believes may be able to provide the missing information.

### How can I figure out the value of a non-cash donation?

When providing information about any non-cash donations received, candidates will need to record the estimated value of the donation, and this value must be fair and reasonable. Some methods for determining this value are:

- the recommended retail price for the non-cash donation
- the price of comparative goods or services
- expert valuation
- fair market value i.e. a price that an interested buyer and seller would agree upon.

# Do I just have to disclose donations and loans received during the election period, or during my whole campaign?

No. There is a legislated **disclosure period** which is different to the election period or the campaigning period.

The election period starts with the issue of the writ for that election and finishes at the declaration of results. For local government elections the election period is approximately 60 days.

The legislated **disclosure period** that depends on the election type and timing:

- For scheduled general elections the disclosure period begins 1 July in the calendar year immediately preceding the calendar year in which the scheduled general elections are to be held.
- For a non-scheduled general election the disclosure period begins 1 July in the preceding year if the non-scheduled election is to be held in the same year as a scheduled general election. If the non-scheduled general election occurs in a different year to a scheduled general election, then the disclosure period begins 1 July preceding the day which the election is to be held.
- By-elections the disclosure period for a by-election begins on 1 July preceding the day which the election is to be held.

The disclosure period for any local government election always ends 30 days after election day.

### What records do I have to keep?

Candidates are required to keep a copy of any campaign donation returns they have submitted, and must keep this record for 4 years from the submission date.

The NTEC is also required to keep any submitted campaign donation returns for 4 years after the date it was due to be submitted.

### Is there a penalty for not submitting a return if I was required to?

Under section 154 of the *Local Government Act 2019* there are penalties related to the non-compliance of donations disclosure requirements for candidates at local government elections:

- If a candidate receives a donation or loan over the legislated thresholds during the disclosure period, and does not submit a campaign donation return by the due date, the penalty is 100 penalty units.
- If a candidate receives a donation or loan over the legislated thresholds during the disclosure period, and submits an incomplete campaign donation return, and does not inform the NTEC that the return is incomplete (with the required details of the incompleteness), the penalty is 100 penalty units.

If a candidate is charged with either of the above 2 offences, the candidate has to be able to prove they submitted a campaign donation return, or that they informed the NTEC of the required details if they submitted an incomplete return. If a candidate is found to have a reasonable excuse for either of the above 2 offences, this is an acceptable defence.

Please refer to the Attorney-General and Justice <u>penalty units webpage</u> for current values of penalty units.

# Are the donations disclosure requirements for local government elections the same as those for Legislative Assembly elections?

No. The financial disclosure requirements for Legislative Assembly elections require more information than the requirements for local government elections. For Legislative Assembly elections there are multiple returns required, from a variety of participants in the elections (candidates, parties, associated entities and third party campaigners) across multiple disclosure periods.

For local government elections, **only candidates** are required to submit a return, there is only **one return required**, for **one disclosure period**, which is due 40 days after the disclosure period has ended.