

# 2024 TERRITORY ELECTION

## *POLITICAL PARTIES AND ASSOCIATED ENTITIES*

## **FINANCIAL DISCLOSURE HANDBOOK**

Information for registered political parties and associated entities about their financial disclosure responsibilities and requirements throughout the 2024 Territory Election.



# INTRODUCTION

The Northern Territory Electoral Commission (NTEC) is an independent agency responsible for conducting Legislative Assembly and local government election in the Northern Territory.

The NTEC administers the *Electoral Act 2004* and its Regulations including the financial disclosure provisions detailed in Part 10 of the Act.

An updated financial disclosure system was introduced in 2020 to ensure elections are transparent and free from external influence. Key requirements include:

- maintaining a Territory Campaign Account
- submitting financial disclosure returns
- disclosing gifts
- ensuring loans are compliant
- disclosing electoral expenditure and remaining within the expenditure cap
- record-keeping requirements.

This handbook is a compilation of factsheets designed to assist political parties and associated entities to meet their financial disclosure obligations.

Electoral participants play a vital role in the democratic process, and it is important that electoral participants are aware of their responsibilities throughout the election.

The NTEC applies a constructive compliance approach to its regulatory activities, providing electoral participants with resources and information to support compliance with their obligations.

Where education does not address non-compliance or where the NTEC believes an offence has been committed, the NTEC can undertake a range of actions to ensure and enforce compliance, including conducting compliance reviews and audits, issuing penalty infringement notices (fines), recovering amounts as debts due to the Northern Territory, and commencing prosecutions.

## Disclaimer

This handbook is a general overview provided by the NTEC and should not substitute legal advice. Unless specified otherwise, all references are to the *Electoral Act 2004*, effective from 1 July 2021. Please consult the legislation and seek independent legal advice as necessary. The *Electoral Act 2004* and Regulations under that Act can be found at <https://ntec.nt.gov.au/about-us/legislation>

## Assistance and enquiries

The NTEC is available to provide general guidance and information about election and disclosure compliance matters. The NTEC will not provide specific legal, financial or other professional advice. All electoral participants should seek their own legal advice if they are in doubt about how the law treats their particular circumstances.

For enquiries, contact Chris Brack, Financial Disclosure and Compliance Manager.

- [disclosure@nt.gov.au](mailto:disclosure@nt.gov.au)
- 08 8999 7618



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## POLITICAL PARTIES

### FINANCIAL DISCLOSURE FACTSHEET

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## Why are there financial disclosure requirements?

Financial disclosure requirements are designed to:<sup>1</sup>

- establish a transparent electoral expenditure and disclosure regime
- increase the transparency of election campaigns
- reduce undue influence in the electoral process
- promote the accountability of, and compliance by, registered parties, elected members, candidates, associated entities, third party campaigners, and donors.

## Definition of a political party

A political party is an organisation (whether incorporated or unincorporated) whose objective or primary activity is promoting the election to the Legislative Assembly of a candidate or candidates endorsed by it.<sup>2</sup>

Parties must register to operate in the Northern Territory by submitting the required form, documents, and payment to the NTEC at least 6 months<sup>3</sup> before a general election. Forms are on the NTEC website.

The party's registered officer must appoint a reporting agent for financial disclosure. If no appointment is in force for a registered party, the registered officer of the party is taken to be the reporting agent.<sup>4</sup>

## Territory Campaign Account (TCA)

Parties must keep a separate bank account with an Authorised Deposit-taking Institution (ADI) for electoral purposes.<sup>5</sup> All election expenditure must be paid from the TCA, and any gifts intended for electoral purposes must be transferred into the TCA as soon as practicable.<sup>6</sup> See Factsheet 8.

## Financial disclosure returns

Parties must submit (for due dates see calendar below):<sup>7</sup>

- electoral and annual gift returns
- electoral expenditure and annual (expenditure) returns.

Nil returns must be submitted if no gifts were received or expenditure incurred during the relevant period.

Approved forms are on the NTEC website. See factsheets 13 and 14 for further information on returns.

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<sup>1</sup> See section 175S

<sup>2</sup> See section 3

<sup>3</sup> See section 156(2)

<sup>4</sup> See sections 184 - 185

<sup>5</sup> See section 213A. For the list of ADIs, see <https://www.apra.gov.au/register-of-authorised-deposit-taking-institutions>

<sup>6</sup> See sections 213B - 213D

<sup>7</sup> See sections 191, 192, 200, 205, 205A

## Gifts (donations)

A gift is when a person or entity gives money, services, expertise, or something else belonging to them to another without expecting equal value in return. Gifts include monetary transactions and non-monetary transactions, known as gifts in kind. It's important to note that the terms 'gift' and 'donation' are used interchangeably and carry the same meaning within this context. Returns must disclose all gifts (including non-monetary gifts) received during the relevant reporting period.

- Factsheet 9 defines gifts, volunteer labour, the gift aggregation period, and record-keeping requirements.
- The *Gifts and Electoral Expenditure Guidelines* provide further guidance.
- Factsheet 10 outlines the federal purposes gift exemption.
- Before 1 August 2024, parties must inform donors who provide over \$1,500 in writing about their requirement to submit a donor return. Factsheet 7 outlines donor requirements.

## Loans

Parties can enter into loans with an Authorised Deposit-taking Institutions (ADI).<sup>8</sup> Parties must only receive a loan of \$1,500 or more from a person or entity (other than an ADI) if certain details are recorded. Factsheet 11 outlines requirements for loans.

## Electoral expenditure

Electoral expenditure from 1 January 2024 to 23 September 2024 must remain within the 2024 Territory Election electoral expenditure cap.<sup>9</sup>

- Factsheet 12 defines electoral expenditure, volunteer labour, and record-keeping requirements.
- The *Gifts and Electoral Expenditure Guidelines* provide further guidance.
- The capped electoral expenditure period is from 1 January 2024 to 23 September 2024. The cap is \$45,600 multiplied by the number of divisions where the party endorses a candidate, with expenditure by parties and their associated entities combined for cap purposes. If a party endorses candidates in all 25 divisions, the overall cap on election expenditure is \$1.14m.

## Record-keeping requirements

Financial records relating to elections must be retained for four years starting on election day, and records relating to annual returns must be retained for 4 years starting the day after the last day when the return must be given to the NTEC.<sup>10</sup> For further details see factsheet 15.

## Offences and Penalties

The NTEC applies a constructive compliance approach to its regulatory activities, providing electoral participants with resources and information to support compliance with their obligations. Where education does not address non-compliance or where the NTEC believes an offence has been committed, the NTEC can undertake a range of actions to ensure and enforce compliance. For further details see factsheet 16.

Version	Date	Author	Changes made
2.0	19 April 2024	Chris Brack, Financial Disclosure and Compliance Manager	Updated for 2024 Territory Election

<sup>8</sup> For the list of ADIs, see <https://www.apra.gov.au/register-of-authorised-deposit-taking-institutions>

<sup>9</sup> See sections 203A-D

<sup>10</sup> See section 220

# 2024 Calendar of Financial Disclosure Returns

## Registered Political Parties / Associated Entities



Northern Territory  
Electoral Commission  
*EVERY VOICE COUNTS*

The Territory Election will be held on 24 August 2024. The returns outlined below are due this calendar year:

Return	Reporting Period	Due	NTEC to Publish
Election gift return – 6 month report	1 July 2023 to 31 December 2023	30 January 2024	ASAP
Election gift return – quarterly report	1 January 2024 to 31 March 2024	10 April 2024	ASAP
Election gift return – quarterly report	1 April 2024 to 30 June 2024	10 July 2024	ASAP
Annual gift return	Financial year – 1 July 2023 to 30 June 2024	30 July 2024	ASAP
Election gift return – report prior to early voting	1 July 2024 to 1 August 2024	6 August 2024	By 9 August 2024
Election gift return after issue of writ	2 August 2024 to 19 August 2024	21 August 2024	By 23 August 2024
Annual (expenditure) return	Financial year – 1 July 2023 to 30 June 2024	29 August 2024	ASAP
Post-election gift return	20 August 2024 to 23 September 2024	3 October 2024	ASAP
Electoral Expenditure (Political Expenditure) Return	1 January 2024 to 23 September 2024	23 October 2024	ASAP

For more information contact Chris Brack,  
Financial Disclosure and Compliance Manager

 [disclosure.ntec@nt.gov.au](mailto:disclosure.ntec@nt.gov.au)

 08 8999 7618

Approved forms for returns and support resources are available at [ntec.nt.gov.au](http://ntec.nt.gov.au)

The electoral expenditure cap is **\$45,600 multiplied by the number of divisions where the party endorses a candidate**. If your party has an endorsed candidate in all 25 divisions, the overall cap on expenditure is \$1.14M.

## ASSOCIATED ENTITIES

### FINANCIAL DISCLOSURE FACTSHEET

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## Why are there financial disclosure requirements

Financial disclosure requirements are designed to:<sup>1</sup>

- establish a transparent electoral expenditure and disclosure regime
- increase the transparency of election campaigns
- reduce undue influence in the electoral process
- promote the accountability of, and compliance by, registered parties, elected members, candidates, associated entities, third party campaigners, and donors.

## Definition of an associated entity

An associated entity is an entity that:<sup>2</sup>

- is controlled by one or more registered parties, or
- operates wholly or to a significant extent for the benefit of one or more registered parties.

Associated entities must register to operate in the Northern Territory by submitting the required form and documents to the NTEC, these are available on the NTEC website.<sup>3</sup>

The associated entity's registered officer may appoint a reporting agent for financial disclosure. However, if there no appointment in force for an associated entity, the financial controller of the entity is taken to be the reporting agent.<sup>4</sup> Financial controller of an associated entity means:<sup>5</sup>

- if the entity or campaigner is a corporation – the secretary of the corporation, or
- if the entity or campaigner is the trustee of a trust – the trustee, or
- otherwise – the person responsible for keeping the financial records of the entity or campaigner.

## Financial disclosure returns due

Associated entities must submit (for due dates see calendar below):<sup>6</sup>

- electoral and annual gift returns
- an electoral expenditure return and an annual (expenditure) return.

Nil returns must be submitted if no gifts were received or expenditure incurred during the relevant period.

Approved forms are on the NTEC website. See factsheets 13 and 14 for further information on returns.

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<sup>1</sup> See section 175S

<sup>2</sup> See section 176

<sup>3</sup> See Part 9A

<sup>4</sup> See sections 184 - 185

<sup>5</sup> See section 176

<sup>6</sup> See sections 191, 192, 200, 208, 209

## Gifts (donations)

A gift is when a person or entity gives money, services, expertise, or something else belonging to them to another without expecting equal value in return. Gifts include monetary transactions and non-monetary transactions, known as gifts in kind. It's important to note that the terms 'gift' and 'donation' are used interchangeably and carry the same meaning within this context.

- Factsheet 9 defines gifts, volunteer labour, the gift aggregation period, and record-keeping requirements.
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- Factsheet 10 outlines the federal purposes gift exemption.

## Loans

Associated entities can enter into loans with an Authorised Deposit-taking Institutions (ADI).<sup>7</sup> Associated entities must only receive a loan of \$1,500 or more from a person or entity (other than an ADI) if certain details are recorded. Factsheet 11 outlines requirements for loans.

## Electoral expenditure

Electoral expenditure from 1 January 2024 to 23 September 2024 must remain within the 2024 Territory Election electoral expenditure cap.<sup>8</sup>

- Factsheet 12 defines electoral expenditure, volunteer labour, and record-keeping requirements.
- The *Gifts and Electoral Expenditure Guidelines* provide further guidance.
- The capped electoral expenditure period is from 1 January 2024 to 23 September 2024. The cap is \$45,600 multiplied by the number of divisions where the party endorses a candidate, with expenditure by parties and their associated entities combined for cap purposes. If a party endorses candidates in all 25 divisions, the overall cap on election expenditure is \$1.14m.

## Record-keeping requirements

Financial records relating to elections must be retained for four years starting on election day, and records relating to annual returns must be retained for four years starting the day after the last day when the return must be given to the NTEC.<sup>9</sup> For further details see factsheet 15.

## Offences and Penalties

The NTEC applies a constructive compliance approach to its regulatory activities, providing electoral participants with resources and information to support compliance with their obligations. Where education does not address non-compliance or where the NTEC believes an offence has been committed, the NTEC can undertake a range of actions to ensure and enforce compliance. For further details see factsheet 16.

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<sup>8</sup> See sections 203A-D

<sup>9</sup> See section 220



# 2024 Calendar of Financial Disclosure Returns

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Northern Territory  
Electoral Commission  
EVERY VOTE COUNTS

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Approved forms for returns and support resources are available at [ntec.nt.gov.au](http://ntec.nt.gov.au)

The electoral expenditure cap is **\$45,600 multiplied by the number of divisions where the party endorses a candidate**. If your party has an endorsed candidate in all 25 divisions, the overall cap on expenditure is \$1.14M.

# ENDORSED CANDIDATES

## FINANCIAL DISCLOSURE FACTSHEET

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## Why are there financial disclosure requirements

Financial disclosure requirements are designed to:<sup>1</sup>

- establish a transparent electoral expenditure and disclosure regime
- increase the transparency of election campaigns
- reduce undue influence in the electoral process
- promote the accountability of, and compliance by, registered parties, elected members, candidates, associated entities, third party campaigners, and donors.

## Definition of an endorsed candidate

An endorsed candidate is a person who has been endorsed by a party to be a candidate in an election.<sup>2</sup> Endorsed candidates must fulfil financial disclosure reporting requirements through their party's reporting agent. Candidates should communicate with their party for guidance on how to fulfil their obligations.

## Territory Campaign Account (TCA)

Parties must keep a separate bank account with an Authorised Deposit-taking Institution (ADI) for electoral purposes.<sup>3</sup> A party must have only one TCA.

If an endorsed candidate directly accepts a donation, instead of the donation being made to the party, the donation must be deposited to the TCA as soon as practicable and reported as a donation to the candidate by the party (details disclosable at a lower threshold - \$200).

All election expenditure must be paid from the Territory Campaign Account (TCA), and any gifts intended for electoral purposes must be transferred into the TCA as soon as practicable.<sup>4</sup> See factsheet 8 for further information.

## Financial disclosure returns due

Reporting agents and/or registered officers of registered parties must submit electoral and annual gift returns on behalf of their endorsed candidates.

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<sup>1</sup> See section 175S

<sup>2</sup> See section 176

<sup>3</sup> See section 213A. For the list of ADIs, see <https://www.apra.gov.au/register-of-authorised-deposit-taking-institutions>

<sup>4</sup> See sections 213B – 213D

## Gifts (donations)

A gift is when a person or entity gives money, services, expertise, or something else belonging to them to another without expecting equal value in return. Gifts include monetary transactions and non-monetary transactions, known as gifts in kind. It's important to note that the terms 'gift' and 'donation' are used interchangeably and carry the same meaning within this context.

- Factsheet 9 defines gifts, volunteer labour, the gift aggregation period, and record-keeping requirements.
- The *Gifts and Electoral Expenditure Guidelines* provide further guidance.
- Before 1 August 2024, parties must inform donors who provide over \$1,500 in writing about their requirement to submit a donor return. Factsheet 7 outlines donor requirements.

## Loans

Parties can enter into loans with an Authorised Deposit-taking Institutions (ADI).<sup>5</sup> Parties must only receive a loan of \$1,500 or more from a person or entity (other than an ADI) if certain details are recorded.<sup>6</sup> Parties must disclose loans of endorsed candidates. Factsheet 11 outlines loan requirements.

## Electoral expenditure

Electoral expenditure from 1 January 2024 to 23 September 2024 must remain within the 2024 Territory Election electoral expenditure cap.<sup>7</sup>

- Factsheet 12 defines electoral expenditure, volunteer labour, and record-keeping requirements.
- The *Gifts and Electoral Expenditure Guidelines* provide further guidance.
- The capped electoral expenditure period is from 1 January 2024 to 23 September 2024. The cap is \$45,600 multiplied by the number of divisions where the party endorses a candidate, with expenditure by parties and their associated entities combined for cap purposes. If a party endorses candidates in all 25 divisions, the overall cap on election expenditure is \$1.14m.

## Record-Keeping Requirements

Financial records relating to elections must be retained for 4 years starting on election day, and records relating to annual returns must be retained for 4 years beginning on the day after the last day when the return must be given to the Commission.<sup>8</sup> For further details see Factsheet 15.

## Offences and Penalties

The NTEC applies a constructive compliance approach to its regulatory activities, providing electoral participants with resources and information to support compliance with their obligations. Where education does not address non-compliance or where the NTEC believes an offence has been committed, the NTEC can undertake a range of actions to ensure and enforce compliance. For further details see factsheet 16.

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<sup>6</sup> See section 190

<sup>7</sup> See sections 203A - D

<sup>8</sup> See section 220

**DONORS****FINANCIAL DISCLOSURE FACTSHEET**

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## Why are there financial disclosure requirements?

Financial disclosure requirements were updated in 2020 to:<sup>1</sup>

- establish a transparent electoral expenditure and disclosure regime
- increase the transparency of election campaigns
- reduce undue influence in the electoral process
- promote the accountability of, and compliance by, registered parties, elected members, candidates, associated entities, third party campaigners, and donors.

## Definition of a donor

A donor is a person or entity that provides a gift (including gifts in kind) to an electoral participant. If a donor provides an aggregate of \$1,500 or more to a candidate or party during a financial year, they must submit a gift return to the NTEC.<sup>2</sup>

- Factsheet 9 defines gifts, volunteer labour, the gift aggregation period, and record-keeping requirements.
- The *Gifts and Electoral Expenditure Guidelines* provide examples and guidance.

## When do donors have to submit gift returns?

Donors providing \$1,500 or more (including gifts-in-kind) to a candidate or registered party over a financial year (1 July to 30 June) must submit a donor return within 60 days of the end of the financial year.<sup>3</sup>

Donor returns are due on:

- 29 August 2024 for gifts from 1 July 2023 to 30 June 2024
- 29 August 2025 for gifts from 1 July 2024 to 30 June 2025.

## What is included in donor returns?

The approved forms for donor returns is on the NTEC website. Returns must include the:

- value of the gift(s)
- date of the gift(s)
- name of the party or candidate who received the gift(s).

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<sup>1</sup> See section 175S

<sup>2</sup> See sections 193, 194

<sup>3</sup> See sections 193, 194

## What obligation do parties and candidates have?

Before 1 August after the end of the relevant financial year, parties and candidates must inform qualifying donors in writing about the requirement to submit a donor return.<sup>4</sup>

## Record-Keeping requirements

Financial records relating to elections must be retained for 4 years starting on election day, and records relating to annual returns must be retained for 4 years beginning on the day after the last day when the return must be given to the Commission.<sup>5</sup> For further details see factsheet 15.

## Offences and Penalties

The NTEC applies a constructive compliance approach to its regulatory activities, providing electoral participants with resources and information to support compliance with their obligations. Where education does not address non-compliance or where the NTEC believes an offence has been committed, the NTEC can undertake a range of actions to ensure and enforce compliance. For further details see factsheet 16.

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<sup>4</sup> See sections 196, 196A

<sup>5</sup> See section 220

# Territory Campaign Account

## Financial disclosure factsheet – Legislative Assembly

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### What is a Territory Campaign Account?

Parties and independent candidates must keep a separate bank account with an Authorised Deposit-taking Institution (ADI) for electoral purposes.<sup>1</sup>

To align with the legislation, the NTEC refers to the account as a Territory Campaign Account (TCA), however the account does not need to meet any naming requirements.

The Territory Campaign Account is used to isolate funds relevant to an election.

### What are TCAs for?

All election expenditure must be paid from the TCA, and any gifts intended for electoral purposes must be transferred directly into the TCA or transferred into the TCA as soon as practicable.<sup>2</sup>

Non-election funds mistakenly transferred into the TCA should be transferred out of the account with the reason noted in the transaction reference details. If gifts received are intended for a federal electoral purpose, the TCA should not be used—see factsheet 10 for further details.

After the electoral expenditure period ends, unused funds can be transferred out of the TCA account.

### TCA requirements for parties

A political party must have only one Territory Campaign Account (TCA) to cover the party and all endorsed candidates.

If an endorsed candidate directly accepts a donation, instead of the donation being made to the party, the donation must be deposited to the TCA as soon as practicable and reported as a donation to the candidate by the party (details disclosable at a lower threshold - \$200).

If you require a credit card and cannot link it to the TCA, it is reasonable to create an additional account that receives transfers only from the TCA account and is not used for any non-election purposes.

### TCA requirements for independent candidates

Independent candidates can create a separate account in their personal banking as their TCA.

Version	Date	Author	Changes made
2.0	19 April 2024	Chris Brack, Financial Disclosure and Compliance Manager	Updated for 2024 Territory Election

<sup>1</sup> See section 213A. For the list of ADIs, see <https://www.apra.gov.au/register-of-authorized-deposit-taking-institutions>

<sup>2</sup> See sections 213B – 213D

# Gifts

## Financial disclosure factsheet – Legislative Assembly

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### What is a gift?

A gift is when a person or entity gives money, services, expertise, or something else belonging to them to another without expecting equal value in return. Gifts include monetary transactions and non-monetary transactions, known as gifts in kind.<sup>1</sup> It's important to note that the terms 'gift' and 'donation' are used interchangeably and carry the same meaning within this context.

Gifts can include:

- monetary donations
- tickets to functions/fundraising events where the ticket price exceeds the costs incurred
- provision of free or discounted goods and services
- free use of premises
- wages paid by an employer whose employee works for an electoral participant
- direct payment by supporters to suppliers for advertising material.

Gifts do not include:<sup>2</sup>

- disposition of property by will
- annual subscriptions paid to a registered party by a person for the person's party membership
- volunteer labour (as defined on page 2)
- parliamentary levies paid to a registered political party.

The definition of a disclosable gift is dependent on the type of electoral participant:<sup>3</sup>

- **Parties and associated entities:** Returns disclose all gifts received during the relevant reporting period. The only exemption is if a gift is for federal purposes – see factsheet 10.
- **Independent candidates:** Gifts solely or substantially for a purpose related to an election are disclosable. A gift to a candidate made privately for the candidate's personal use is not disclosable as a gift. Independent candidates do not need to disclose any personal money spent on their campaign as gifts.
- **Third party campaigners:** Gifts specified by the donor to be used for political expenditures or donations that the third party campaigner reasonably believes the donor intends for political expenditure are disclosable.

The *Gifts and Electoral Expenditure Guidelines* provide further guidance.

<sup>1</sup> Section 3A definition in Act: A **gift** means any disposition of property made by a person to someone else without consideration in money or money's worth or with inadequate consideration, and includes

providing a service for no consideration or for inadequate consideration

<sup>2</sup> See section 3, 3A

<sup>3</sup> See sections 3, 3A

## How are gifts valued?

The value of gifts in kind can be calculated by considering the following:

- recommended retail price for the good/service
- price of comparative goods or services
- fair market value if both sides have reasonable knowledge of the gift and there is no pressure to complete the transaction.

Discounts from suppliers are generally viewed as gifts. However, if the supplier's standard practice is that all bulk purchases receive a discount, the discount is not considered a gift.

## Who can provide gifts?

In the Northern Territory, there are no prohibited donor types or limits on donations from a single source.

## What is volunteer labour?

To be considered as a volunteer, a person must work outside their regular business hours or while on leave.<sup>4</sup> If a person is paid by their usual employer while helping an electoral participant, their work is a gift-in-kind valued at their salary.

It is also a gift-in-kind if a person performs labour as part of their profession or trade or would otherwise be paid in the ordinary course of their work.

**Example:** A professional graphic designer completes 10 hours of design work for an electoral participant for free. Their usual charge-out rate is \$200 per hour; this is disclosable as a gift-in-kind of \$2,000.

## Do internal transfers within/between parties qualify as gifts?

Movements of funds by parties between their Northern Territory branches are not disclosable as gifts. A transfer from a party's federal or interstate branch is disclosable as a gift.

## What are the gift aggregation periods?

Aggregation rules apply to amounts received from the same person or entity. Returns must show the cumulative total amount of gifts received from each person during the gift aggregation period for the return. The aggregation period for election gift returns depends on the type of election, while annual gift returns cover the financial year.<sup>5</sup>

## What defined details need to be collected?

When receiving a donation you must collect the **name** and **address** of the person or entity providing the donation. The address must be the **residential** or **postal** address; **an email address is insufficient**.

Additional defined details must be collected for:<sup>6</sup>

- A gift made on behalf of the members of an unincorporated association other than a registered industrial organisation:

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<sup>4</sup> See section 3A

<sup>5</sup> See Part 10

<sup>6</sup> See section 189



- the name of the association, and
- the names and addresses of the members of the executive committee (however described) of the association.
- A gift out of a trust fund or the funds of a foundation:
  - the name, title or description of the trust fund or foundation, and
  - the names and addresses of the trustees of the fund or foundation.

Records must be kept for at least 4 years from the prescribed date. For further details see factsheet 15.

## What is included in gift disclosure returns?

Approved forms for electoral gift returns and annual gift returns are on the NTEC website. To submit a return, complete the relevant form and send it to [disclosure.ntec@nt.gov.au](mailto:disclosure.ntec@nt.gov.au).

Gift returns must include:

- the total amount of gifts (including gifts-in-kind) received during the relevant period
- the number of persons/entities who made gifts
- the defined details (name and address) of donors who donated over the threshold amount.

Defined details (name and address) must be disclosed for gifts at or above the threshold amount:<sup>7</sup>

- **parties, associated entities and third party campaigners:** \$1,500
- **candidates:** \$200

A *nil* return is required if no gifts are received during the relevant period.

## Can donations be anonymous?

An anonymous donation can be accepted if it is below the prescribed amount. The prescribed amount is:<sup>8</sup>

- **parties, associated entities and third party campaigners:** \$1,000
- **candidates:** \$200.

Aggregation rules continue to apply; returns must show the cumulative total amount of gifts received from each person during the gift aggregation period even if they are received anonymously.

To ensure it is practical to comply with requirements, there is not an expectation that donations/fundraising tickets with a gift value of **less than \$100** have the name and address of buyers recorded to cross-reference against donors for aggregation purposes.

## Donor Returns

Donors providing \$1,500 or more (including gifts-in-kind) to a candidate or registered party over a financial year (1 July to 30 June) must submit a donor return within 60 days of the end of the financial year.<sup>9</sup>

Version	Date	Author	Changes made
2.0	19 April 2024	Chris Brack, Financial Disclosure and Compliance Manager	Updated for 2024 Territory Election

<sup>7</sup> See section 192D

<sup>8</sup> See section 197

<sup>9</sup> See sections 193, 194

# Gifts for a Federal Purpose

## Financial disclosure factsheet – Legislative Assembly

*Disclaimer: This factsheet is a general overview provided by the Northern Territory Electoral Commission (NTEC) and should not substitute legal advice. Unless specified otherwise, all references are to the Electoral Act 2004 (NT), effective from 1 July 2021. Please consult the legislation and seek independent legal advice as necessary.*

### What is a federal purpose?

To ensure transparency in Legislative Assembly elections in the Northern Territory, parties and associated entities must disclose details of all gifts received. A provision has been added to the *Commonwealth Electoral Act 1918 (Cth)* that removes the requirement for gifts received and used for federal purposes to be reported in the Northern Territory, the exemption was created because gifts for federal purposes are not relevant for Legislative Assembly elections in the Northern Territory.<sup>1</sup>

A federal purpose is defined as incurring electoral expenditure or creating or communicating electoral matters for a federal election or federal referendum.

### Who does the exemption apply to?

The exemption applies to:

- parties registered in the Northern Territory and at the federal level (with the Australian Electoral Commission), and any associated entities of those parties.

The exemption does not apply to:

- candidates contesting a Legislative Assembly election in the Northern Territory
- parties registered in the Northern Territory but not at the federal level, and any of their associated entities.

### When does the exemption apply?

Gifts are not disclosable if they:

- go into a designated federal account as soon as practicable and
- are donated for a federal purpose, and
- are spent for a federal purpose.<sup>2</sup>

If funds are intended for a federal purpose but are not spent on a federal purpose, they must be disclosed under Northern Territory disclosure laws.

If a gift is excluded because of this provision, it is not disclosable for election gift returns and annual gift returns.

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<sup>1,2,3</sup> See *Commonwealth Electoral Act 1918 (Cth)* section 314B

## Examples

- A Northern Territory (NT) party (also registered federally) received a \$3,000 gift for a federal referendum, which was transferred into a federal account and spent on the federal referendum. This gift is not disclosable under NT disclosure laws.
- An NT party (which is also registered federally) received a \$5,000 gift for a federal referendum, which was transferred into a federal account. \$1,000 was spent on the federal referendum, with the remaining \$4,000 available for general party use. The remaining \$4,000 is disclosable under NT disclosure laws.
- An NT party (which is also registered federally) received a \$20,000 gift for mixed purposes. \$15,000 was deposited into a federal account and spent on a federal election, \$3000 was deposited into a Territory Campaign Account, and \$2000 was deposited into a party administrative account. Only \$5,000 (the sums of the amount deposited into the Territory Campaign Account and administrative account) are disclosable NT disclosure laws.

Version	Date	Author	Changes made
2.0	19 April 2024	Chris Brack, Financial Disclosure and Compliance Manager	Updated for 2024 Territory Election

# Loans

## Financial disclosure factsheet – Legislative Assembly

*Disclaimer: This factsheet is a general overview provided by the Northern Territory Electoral Commission (NTEC) and should not substitute legal advice. Unless specified otherwise, all references are to the Electoral Act 2004 (NT), effective from 1 July 2021. Please consult the legislation and seek independent legal advice as necessary.*

### What is a loan?

A loan means any of the following:<sup>1</sup>

- an advance of money
- a provision of credit or any other form of financial accommodation
- a payment of an amount for, on account of, on behalf of or at the request of the receiver if there is an express or implied obligation to repay the amount
- a transaction (whatever its terms or form) that in substance effects a loan of money.

If credit is given on a credit card for card transactions, each transaction is taken to be a separate loan.<sup>2</sup>

### Who do the loan provisions apply to?

The loan provisions apply to parties, associated entities and candidates.

### Loans from Authorised Deposit-taking Institutions

Loans can be entered into with Authorised Deposit-taking Institutions (ADI);<sup>3</sup> the name of the ADI and the terms of the loans should be recorded.

### Loans from other sources

Parties and candidates must not receive a loan of \$1,500 or more from a person or entity (other than an ADI) unless the following is recorded:<sup>4</sup>

- The terms of the loans, and
  - if the lender is a registered industrial organisation:
    - the name of the organisation, and
    - the names and addresses of the members of the executive committee (however described) of the organisation.
  - if the lender is an unincorporated body (other than a registered industrial organisation):
    - the name of the body, and

<sup>1</sup> See section 176

<sup>2</sup> See section 190(6)

<sup>3</sup> For the list of ADIs, see

<https://www.apra.gov.au/register-of-authorized-deposit-taking-institutions>

<sup>4</sup> See section 190(2)

- the names and addresses of the members of the executive committee (however described) of the body.
- if the loan was paid out of a trust fund or the funds of a foundation:
  - the names and addresses of the trustees of the fund or foundation, and
  - the title or other description of the trust fund, or the name of the foundation
- if none of these categories apply and the loan is not from an ADI:
  - the name and address of the lender

If a party or candidate accepts a loan without recording the required details the relevant person must pay the Northern Territory Government an amount equal to the loan. The relevant person is:<sup>5</sup>

- If a loan is made to or for a candidate's advantage, the candidate.
- If a loan is made to or for the benefit of a party
  - the party, if the party is a corporation, or
  - the registered officer if the party isn't a corporation.<sup>6</sup>

## When must loan details be disclosed?

Parties and associated entities must disclose details of outstanding loans valued at \$1,500 or more in their annual (expenditure) returns.

Version	Date	Author	Changes made
2.0	19 April 2024	Chris Brack, Financial Disclosure and Compliance Manager	Updated for 2024 Territory Election

<sup>5</sup> See section 190(4) & 190(7)

<sup>6</sup> Corporation has the same meaning as in section 57A of the *Corporations Act 2001 (Cth)*.

# Electoral Expenditure

## Financial disclosure factsheet – Legislative Assembly

*Disclaimer: This factsheet is a general overview provided by the Northern Territory Electoral Commission (NTEC) and should not substitute legal advice. Unless specified otherwise, all references are to the Electoral Act 2004 (NT), effective from 1 July 2021. Please consult the legislation and seek independent legal advice as necessary.*

### What is electoral expenditure?

Electoral expenditure, for an election, means expenditure incurred during the capped expenditure period on any of the following:<sup>1</sup>

- (a) publishing, broadcasting, posting or displaying an electoral advertisement during that period in any form and on any platform or at any venue or place during that period;
- (b) producing an electoral advertisement that is published, broadcast, posted or displayed as mentioned in paragraph (a);
- (c) designing or producing any printed electoral matter to which *Part 13, Division 1, Subdivision 2* of the Act applies that is published, communicated or distributed during that period;
- (d) producing or distributing electoral matter that is addressed to particular persons or organisations and is distributed during that period;
- (e) carrying out an opinion poll or other research about the election during that period.

Electoral expenditure:<sup>2</sup>

- includes receiving a relevant item or service as a gift
- must remain within the electoral expenditure cap
- must be reported as GST inclusive, even if the entity is eligible for tax credits.

### Examples of electoral expenditure

Examples of electoral expenditure include the costs of:

- advertising, including production and distribution
- election staff wages
- engaging consultants to run opinion polls or develop a policy platform
- running campaign events

Electoral expenditure does not include the costs of:

- travel and accommodation<sup>3</sup>
- holding any pre-selection or party meetings/conferences
- food and drink costs
- the candidate nomination fee

<sup>1</sup> See section 176A

<sup>2</sup> See section 176A

<sup>3</sup> See section 176A(4)

- running an election office
- ongoing staff
- volunteer costs (see below for clarification)
- accounting and legal fees

The *Gifts and Electoral Expenditure Guidelines* provide further guidance.

## When is expenditure incurred?

Election expenditure is deemed to incur when the services are provided or when the goods are delivered.<sup>4</sup> For example:

- an order of banners was made in February 2023 and received in April 2023. The banners were displayed on 1 August 2024, the printing expense is deemed to incur on 1 August 2024.
- an advertisement is produced in November 2023 but first broadcast on 3 August 2024. The production expense is deemed to incur on 3 August 2024.

## When is volunteer labour electoral expenditure?

To be considered as a volunteer, a person must work outside their usual business hours or while on leave.<sup>5</sup> If a person is paid by their regular employer while helping an electoral participant, their work is a gift-in-kind valued at their salary.

It is also a gift-in-kind if a person performs labour as part of their profession or trade or would otherwise be paid in the ordinary course of their work.

**Example:** A professional graphic designer completes 10 hours of design work for an electoral participant for free. Their usual charge-out rate is \$200 per hour; this is disclosable as a gift-in-kind and electoral expenditure of \$2,000.

## How is expenditure valued?

Expenditure is generally valued at the amount paid with discounts from suppliers viewed as gifts. However, if the supplier's standard practice is that all bulk purchases receive a discount, the discount is not considered a gift.

The value of gifts in kind can be calculated by considering the following:

- recommended retail price for the good/service
- price of comparative goods or services
- fair market value if both sides have reasonable knowledge of the gift and there is no pressure to complete the transaction.

## What is included in electoral expenditure returns?

The approved forms for expenditure returns are on the NTEC website. See factsheets 13 and 14 for further information on returns.

To submit a return, complete the relevant form and send it to [disclosure.ntec@nt.gov.au](mailto:disclosure.ntec@nt.gov.au).

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<sup>4</sup> See section 176A(3)

<sup>5</sup> See section 3A

## When is the capped electoral expenditure period?

There is an electoral expenditure cap for parties, associated entities and candidates.

The capped period is defined as:<sup>6</sup>

- For a general election: starting on 1 January in the year in which the election is to be held and ending 30 days after election day.
- For any other election (including an extraordinary general election): starting on the day of the writ and ending 30 days after election day.

It is an offence to breach the cap or for any person to take actions to circumvent the cap.<sup>7</sup>

## How is the cap calculated?

The NTEC will publish the cap for each election based on the following formula:<sup>8</sup>

- The cap for **parties** is 40,000 monetary units multiplied by the number of divisions a candidate is endorsed. Expenditure by parties and **associated entities** is aggregated for the purposes of the cap.
- For an **independent candidate**, the cap is 40,000 monetary units.
- There is no expenditure cap for **third party campaigners**.

The value of a monetary unit is calculated according to changes to Darwin's Consumer Price Index, as set out in the *Monetary Units Act 2018* (NT). The Department of the Attorney General publishes the value of monetary units each year.<sup>9</sup>

Version	Date	Author	Changes made
2.1	24 June 2024	Chris Brack, Financial Disclosure and Compliance Manager	Reclassification of food and drink costs and election office costs

<sup>6</sup> See section 203A

<sup>7</sup> See sections 203C - 203D

<sup>8</sup> See section 203B

<sup>9</sup> See <https://justice.nt.gov.au/attorney-general-and-justice/units-and-amounts/monetary-units>



# Electoral Returns

## Financial disclosure factsheet – Legislative Assembly

*Disclaimer: This factsheet is a general overview provided by the Northern Territory Electoral Commission (NTEC) and should not substitute legal advice. Unless specified otherwise, all references are to the Electoral Act 2004 (NT), effective from 1 July 2021. Please consult the legislation and seek independent legal advice as necessary.*

### What are electoral returns?

During an election period, election returns are due in addition to annual returns - see factsheet 14 for information on annual returns.

### Who needs to submit annual returns?

Election gift returns and electoral expenditure returns must be submitted by:<sup>1</sup>

- parties
- associated entities
- independent candidates
- third party campaigners

### Contents of returns

Approved forms for returns are on the NTEC website. Election gift returns must include the:

- total amount of gifts (including gifts-in-kind) received during the reporting period
- number of persons/entities who made gifts
- defined details (see Factsheet 9) of donors who donated over the threshold amount (\$1,500 for parties, associated entities and third party campaigners; \$200 for candidates).

Electoral expenditure returns must include the:

- amount of electoral expenditure during the reporting period.

### What if no gifts are received or expenditure incurred?

If no gifts are received or expenditure incurred during the period a *Nil* return must be submitted.

### How are returns submitted?

To submit a return, complete the approved form and send it to [disclosure.ntec@nt.gov.au](mailto:disclosure.ntec@nt.gov.au) by the due date.

If you are unable to complete a return you must prepare the return to the extent possible and submit it by the due date.<sup>2</sup> An amended return can be submitted to correct an error or omission.<sup>3</sup>

<sup>1</sup> See sections 191, 192, 200

<sup>2</sup> See section 221

<sup>3</sup> See sections 223

## Are returns published?

Returns are published on the NTEC website.

## What returns are due for general elections?

Return	Reporting Period	Due
Election gift return – 6 month report	Starting 1 July and ending on 31 December in the year before the year in which the election is to be held  If no annual return has been submitted the starting date is 31 days after the previous general election.	30 January in the election year
Election gift return – quarterly report	Starting on 1 January in the year in which the election is to be held and ending on 31 March of that year	10 April in the election year
Election gift return – quarterly report	Starting on 1 April in the year in which the election is to be held and ending on 30 June of that year	10 July in the election year
Election gift return – report prior to early voting	Starting on 1 July in the year in which the election is to be held and ending on the day the writ is issued	5 days after the writ is issued
Election gift return after issue of writ	Starting on the day after the day the writ is issued and ending 17 days later	20 days after the day the writ is issued
Post-election gift return	Starting 18 days after the day the writ is issued and ending 30 days after election day	40 days after election day
Electoral Expenditure Return	Starting on 1 January in the year in which the election is to be held and ending 30 days after election day	60 days after election day

## What returns are due for by-elections or extraordinary general elections?

Return	Reporting Period	Due
Election gift return – 6 month report	Starting on 1 July preceding the day on which the election is held and ending on the day the writ is issued  If no annual return has been submitted the starting date is 31 days after the previous general election.	5 days after the writ is issued
Election gift return – quarterly report	Starting on the day after the day the writ is issued and ending 17 days later	20 days after the day the writ is issued
Post-election gift return	Starting 18 days after the day the writ is issued and ending 30 days after election day	40 days after election day
Electoral Expenditure Return	Starting from and including the day of the issue of the writ for the election to the end of 30 days after election day	60 days after election day

Version	Date	Author	Changes made
2.0	22 April 2024	Chris Brack, Financial Disclosure and Compliance Manager	Updated for 2024 Territory Election

# Annual Returns

## Financial disclosure factsheet – Legislative Assembly

*Disclaimer: This factsheet is a general overview provided by the Northern Territory Electoral Commission (NTEC) and should not substitute legal advice. Unless specified otherwise, all references are to the Electoral Act 2004 (NT), effective from 1 July 2021. Please consult the legislation and seek independent legal advice as necessary.*

### What are annual returns?

Annual returns must be submitted to disclose activities over the financial year (1 July to 30 June). In an election year, election returns are due in addition to annual returns - see factsheet 13 for information on electoral returns.

### Who needs to submit annual returns?

Annual gift returns must be submitted by (within 30 days after the end of the financial year):<sup>1</sup>

- Parties
- Associated entities
- Independent candidates

Annual (expenditure) returns must be submitted by (within 60 days after the end of the financial year):<sup>2</sup>

- Parties
- Associated entities

Donors must submit an annual donor return.<sup>3</sup>

If a party registers partway through a year, returns required for the part of the year it was registered.<sup>4</sup>

### What is included in returns?

Approved forms for returns are on the NTEC website.

Annual gift returns must include the:

- total amount of gifts (including gifts-in-kind) received during the financial year
- number of persons/entities who made gifts
- defined details (see factsheet 9) of donors who donated over the threshold amount (\$1,500 for parties, associated entities and third party campaigners; \$200 for candidates).

Annual (expenditure) returns must include the:

- amount received by or on behalf of the party/associated entity during the financial year
- amount paid by or on behalf of the party/associated entity during the financial year
- details of outstanding loans of \$1,500 or more.

<sup>1</sup> See sections 205A, 207, 209

<sup>2</sup> See sections 205, 208

<sup>3</sup> See sections 193, 194

<sup>4</sup> See section 206

The annual donor return must include the:

- value of the gift(s)
- date of the gift(s)
- name of the party or candidate who received the gift(s).

## What if no relevant financial activity occurs?

If no gifts are received or expenditure incurred during the financial year a *Nil* return must be submitted.

## How are returns submitted?

To submit a return, complete the approved form and send it to [disclosure.ntec@nt.gov.au](mailto:disclosure.ntec@nt.gov.au) by the due date.

If you are unable to complete a return you must prepare the return to the extent possible and submit it by the due date.<sup>5</sup> An amended return can be submitted to correct an error or omission.<sup>6</sup>

## Are returns published?

Returns are published on the NTEC website.

Version	Date	Author	Changes made
2.0	19 April 2024	Chris Brack, Financial Disclosure and Compliance Manager	Updated for 2024 Territory Election

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<sup>5</sup> See section 221

<sup>6</sup> See sections 223

# Record-Keeping

## Financial disclosure factsheet – Legislative Assembly

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### How long do records need to be kept?

If a person makes or obtains an article that is or includes a record relating to a matter particulars of which are, or could be, required to be stated in a return relating to an election, the person must keep the record for at 4 years from election day.<sup>1</sup>

If a registered party or associated entity makes or obtains an article that is or includes a record relating to a matter particulars of which are, or could be, required to be stated in an annual return, the party or entity must keep the record 4 years from when the date the return was due.<sup>2</sup>

If a person, registered party or associated entity (the transferor) would, in the normal course of business or administration, transfer to someone else a required record:<sup>3</sup>

- the transferor is taken not to have contravened the subsection by transferring the record, and
- the person to whom the record is transferred must keep the record for the period for which the transferor would have been required to keep the record if the record had not been transferred.

These requirements are in addition to other legislative requirements, such as maintaining tax records.

Version	Date	Author	Changes made
2.0	19 April 2024	Chris Brack, Financial Disclosure and Compliance Manager	Updated for 2024 Territory Election

<sup>1</sup> See section 220(1)

<sup>2</sup> See section 220(2)

<sup>3</sup> See section 220(3)

# Offences and Penalties

## Financial disclosure factsheet – Legislative Assembly

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### What are the offences and penalties?

The NTEC applies a constructive compliance approach to its regulatory activities, providing electoral participants with resources and information to support compliance with their obligations. Where education does not address non-compliance or where the NTEC believes an offence has been committed, the NTEC can undertake a range of actions to ensure and enforce compliance.

Act	Offence	Applies to	Maximum Penalty
Section 175R	Failure to register and incur expenditure or receive a gift	Associated entity Third party campaigners	<b>Individual:</b> 200 penalty units (\$35,200) or 12 months imprisonment or both <b>Body Corporate:</b> 1,000 penalty units (\$176,000)
Section 196	Party does not advise a donor about the obligation to make returns	Political party	500 penalty units (\$88,000)
Section 196A	Candidate does not advise a donor about the obligation to make returns	Candidate	100 penalty units (\$17,600)
Section 203C	Breach of expenditure cap	Political party Associated entity Candidate	<b>Registered party:</b> 1500 penalty units (\$264,000) <b>Associated entity:</b> 1500 penalty units (\$264,000) <b>Candidate:</b> 300 penalty units (\$52,800) or 18 months imprisonment or both
Section 203D	Circumvent expenditure cap	All persons and organisations	Up to 10 years imprisonment
Section 213E	Failure to use campaign account in accordance with the Act	Political party Candidate	<b>Individual:</b> 200 penalty units (\$35,200) or 12 months imprisonment or both <b>Body Corporate:</b> 1000 penalty units (\$176,000)
Section 215(1)	Fail to submit return in specified time	Political party Associated entity Candidate Third-party campaigners Donor	<b>Individual:</b> 200 penalty units (\$35,200) or 12 months imprisonment or both <b>Body Corporate:</b> 1000 penalty units (\$176,000) PLUS NTEC, under section 2 of the Electoral Regulations Act 2004 (NT), can issue an infringement notice up to: <b>Individual:</b> 10 penalty units (\$1,760) <b>Body Corporate:</b> 50 penalty units (\$8,800)

Act	Offence	Applies to	Maximum Penalty
Section 215(2)	Incomplete return	Political party Associated entity Candidate Third-party campaigners Donor	<b>Individual:</b> 200 penalty units (\$35,200) or 12 months imprisonment <b>Body Corporate:</b> 1000 penalty units (\$176,000) PLUS NTEC, under section 2 of the Electoral Regulations Act 2004 (NT), can issue an infringement notice up to: <b>Individual:</b> 10 penalty units (\$1,760) <b>Body Corporate:</b> 50 penalty units (\$8,800)
Section 215(2A)	Failure to keep records	Political party Associated entity Candidate Third-party campaigner Donor	<b>Individual:</b> 200 penalty units (\$35,200) or 12 months imprisonment <b>Body Corporate:</b> 1000 penalty units (\$176,000) PLUS NTEC, under section 2 of the Electoral Regulations Act 2004 (NT), can issue an infringement notice up to: <b>Individual:</b> 10 penalty units (\$1,760) <b>Body Corporate:</b> 50 penalty units (\$8,800)
Section 215(3)	Submit a return that is false or misleading	Political party Associated entity Candidate Third-party campaigner Donor	<b>Individual:</b> 200 penalty units (\$35,200) or 12 months imprisonment <b>Body Corporate:</b> 1000 penalty units (\$176,000)
Section 215(4)	Provide another person, who is required to give a return, with false or misleading information	Political party Associated entity Candidate Third-party campaigner Donor	<b>Individual:</b> 200 penalty units (\$35,200) or 12 months imprisonment <b>Body Corporate:</b> 1000 penalty units (\$176,000)
Section 218(1)	Contravening an investigation notice	Any person	<b>Individual:</b> 200 penalty units (\$35,200) or 12 months imprisonment <b>Body Corporate:</b> 1000 penalty units (\$176,000)
Section 218(2)	Providing false or misleading information in an investigation	Any person	<b>Individual:</b> 200 penalty units (\$35,200) or 12 months imprisonment <b>Body Corporate:</b> 1000 penalty units (\$176,000)

Version	Date	Author	Changes made
2.0	19 April 2024	Chris Brack, Financial Disclosure and Compliance Manager	Updated for 2024 Territory Election



# Compliance Reviews

## Financial disclosure factsheet – Legislative Assembly

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### What are the purposes of compliance reviews?

A post-election financial disclosure compliance review will be conducted to:

- ensure fairness and transparency in the electoral system by verifying gifts and expenditure
- maintain public confidence in the integrity of the NT's election disclosure scheme.

These objectives are achieved by:

- undertaking reviews on a selection of electoral participants in a standardised and equitable manner.
- validating data provided in gift and expenditure returns and requesting further information as required from relevant participants.
- determining whether electoral participants are complying with the rules set out in Part 10 of the Act, including using a Territory Campaign Account and appropriately managing anonymous gifts and loans.

### How are reviews conducted?

The NTEC may engage an external auditor to complete the review.

A notice will be sent to selected electoral participants. The request may include, among other items:<sup>1</sup>

- access to bank records/receipts and accounting system data
- an interview
- other documentation.

### Are the results of the review published?

NTEC will publish a summary report on the NTEC website, the report will comply with all relevant privacy requirements.

Version	Date	Author	Changes made
2.0	19 April 2024	Chris Brack, Financial Disclosure and Compliance Manager	Updated for 2024 Territory Election

<sup>1</sup> See section 216

# Gifts and Electoral Expenditure

## Financial disclosure guidelines – Legislative Assembly

*Disclaimer: This factsheet is a general overview provided by the Northern Territory Electoral Commission (NTEC) and should not substitute legal advice. Unless specified otherwise, all references are to the Electoral Act 2004 (NT), effective from 1 July 2021. Please consult the legislation and seek independent legal advice as necessary.*

### Purpose

The *Gifts and Electoral Expenditure Guidelines* provide further guidance on what are considered as gifts and electoral expenditure. The guidelines are non-exhaustive and cover common activities; if an activity is not in the guidelines it does not mean it is excluded. Electoral expenditure includes receiving an item or service in the form of a gift. The NTEC are happy to answer any questions and provide further clarification.

All electoral participants are encouraged to seek their own legal advice if they are in doubt about how the law treats their particular circumstances.

For more information, contact Chris Brack, Financial Disclosure and Compliance Manager.

disclosure@nt.gov.au / 08 8999 7618

### Areas covered in the guidelines

- advertising
- attending events
- business activities
- consultants and external professionals
- crowdfunding
- food and drink
- fundraisers
- miscellaneous
- offices
- political party activities
- staffing and volunteers
- travel and accommodation

### Advertising

The costs of advertising activities are considered as election expenditure and include:

- Australia Post costs (stamps)
- campaign banners/bunting
- campaign car decals (advertising on vehicles)
- campaign photoshoots
- campaign t-shirts
- catering for campaigning events
- cinema ads
- delivery/courier costs for material distribution
- direct mail advertising
- election campaign website
- election-specific business cards
- filming/editing costs
- flyers/brochures
- how-to-vote cards
- magazine advertising
- market stall fees
- party/candidate campaign launch
- printing election material
- printing newspaper ads

- radio ads
- SMS costs
- social media advertising/boosting
- translation services
- TV advertising

Guidance includes:

- If a third party campaigner pays for advertising/materials that have a party logo and/or are consistent with the format of party advertisements, the party needs to declare the expenditure as a gift-in-kind.
- Third party campaigners can endorse and support electoral participants. However, it must be clear to a reasonable person that their campaign material represents the views of the third party campaigner and not an party or candidate. Otherwise, costs are considered as electoral expenditure of the party or candidate.
- If advertising becomes unusable and is not distributed, the production costs are not considered as electoral expenditure. For example, how-to-vote cards that are no longer able to be distributed due to a change of preferences.
- The costs of materials disclosed under a previous election are not discloseable for the next election. For example if the costs of an A-frame sign were disclosed under the previous election, the expenditure does not need to be re-disclosed.
- The costs of labels to display updated authorisation details are disclosable as electoral expenditure.
- For parties, if car decals, party t-shirts, or marquees include election messaging or are only used during the election period, they are considered as election expenditure. If the primary purpose of the items is not for the election and they have generic party branding, they are not considered as election expenditure.
- It is a gift in kind if a person performs labour as part of their profession or trade or would otherwise be paid in the ordinary course of their work. For example a graphic designer designing a candidate's election materials at no cost is a gift in kind.
- The costs of creating and maintaining an election campaign website are considered election expenditure.
- If advertising promotes more than one independent candidate, the expenditure is apportioned equally between the candidates being promoted, regardless of who paid for the advertising.

Discounts from suppliers are generally viewed as gifts. However, if the supplier's standard practice is that all bulk purchases receive a discount, the discount is not considered as a gift.

## Examples

<u>Scenario</u>	<u>Gift</u>	<u>Electoral Expenditure</u>
100 spots for election ads are purchased on a local TV station at a total value of \$10,000. Any customer who buys at least 100 ads gets 10% off, so the total cost is \$9,000.	Nil	\$9,000
A candidate orders \$4,000 worth of flyers. The distributor supports the candidate and offers a 50% discount, only charging \$2,000.	\$2,000 gift in kind	\$4,000

A supporter directly pays a bus company \$1,500 for election ads for a candidate.	\$1,500 gift in kind	\$1,500
The local cinema provides free advertising worth \$2,000 (50 showings, commercial price is \$40 per showing) during the campaign period.	\$2,000 gift in kind	\$2,000
A party volunteer, who is a professional graphic designer, completes \$2,000 worth (10 hours at a standard charge-out rate of \$200 per hour) of design work for free on electoral ads and pamphlets.	\$2,000 gift in kind	\$2,000
A political party has generic branded T-shirts with the party logo and colours. During the electoral period, \$1,000 worth of shirts are purchased.	N/A	Nil
A political party purchases and distributes \$1,500 worth of T-shirts for the election, with election-specific wording such as 'Candidate for...'	N/A	\$1,500
Volunteers produce an election ad for no cost. The camera operator does \$1,000 worth of work (10 hours at \$100 per hour), and the producer provides \$3,000 worth of work (15 hours at a charge-out rate of \$200 per hour).	\$4,000 gift in kind	\$4,000
\$3,000 worth of flyers have been produced to promote an endorsed candidate. However, before they are distributed, the candidate withdraws, and the flyers are destroyed.	N/A	Nil
Mass SMS messages are sent to potential voters for \$5,000 (\$0.05 per message).	N/A	\$5,000
A third party campaigner pays \$5,000 for the ads of a registered party.	\$5,000 gift in kind	\$5,000

## Attending events and providing gifts

- If an electoral participant pays to attend a community event the entry fee is not considered to be electoral expenditure.
- Site fees for shows/events during the capped period (1 Jan – 23 Sept) are classified as electoral expenditure, even if the electoral participant has a site every year.
- If a gift is given in return for the opportunity to speak at a local event, the value of the gift is considered electoral expenditure.
- If an electoral participant gives a gift to a local event with the intention of promoting the electoral participant's campaign or gaining favour with voters, the value of the gift is considered as electoral expenditure.

## Business Activities

- Investment income is not disclosable as a gift.
- Australian Tax Office Business Activity Statement payments are not disclosable as a gift or electoral expenditure.

## Consultants and External Professionals

The costs of the following consultant activities are considered as electoral expenditure:

- conducting an opinion/push poll
- developing a policy platform for the election
- researching the positions/candidates of another electoral participant
- researching election issues
- activities that influence voters or inform them about how to communicate with voters.

The costs of the following consultant/external professional activities are not considered as electoral expenditure:

- accounting fees
- legal fees
- auditor fees
- costs of drafting a new/updated party constitution.

### Examples

Scenario	Gift	Electoral Expenditure
Paying a consultancy \$2,000 to run focus groups on electoral issues	N/A	\$2,000
A consultant develops a policy platform document for the election for free. Value of the work is \$5,000 (25 hours at a charge-out rate of \$200 per hour).	\$5,000	\$5,000
Paying an accountant \$5,000 to manage party finances.	N/A	Nil

## Crowdfunding

Crowdfunding is the practice of funding a project or venture by raising monetary contributions from a large number of people, typically via the internet. **The same disclosure rules apply to crowdfunding as with any other electoral gifts.** The technology can present additional risks, such as verifying donors' identity or refusing a gift when it is made anonymously, which may be challenging. When setting up a donation page, candidates must clearly inform potential donors of the disclosure conditions and ensure enough information is collected via the platform to satisfy disclosure requirements.

To receive gifts of the prescribed amount or more, you must know the name and address of the person or entity providing the donation and believe the details you have been provided are true. The address must be the **residential** or **postal** address; **an email address is insufficient**. The prescribed amount is:<sup>1</sup>

- **parties, associated entities and third party campaigners:** \$1,000
- **candidates:** \$200

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<sup>1</sup> See section 197

If multiple small donations from the same source add up to the prescribed amount, identifying details must be provided.

Regardless of the platform used, you must be able to provide the name and address of donors and believe them to be true. When selecting crowdfunding platforms, you must complete your own research. In March 2024, NTEC conducted preliminary research, as outlined below.

- MyCause and Chuffd: name and residential address fields can be set as mandatory and even when donors elect to be anonymous, the data is passed on to the organiser.
- GiveNow: Terms and Conditions state they cannot support the collection of political donations.
- GoFundMe: residential addresses field is not mandatory.
- Patreon: names or residential address fields are not mandatory, only requirement to donate is a username.

## Food and Drink

Food and drink costs are not discloseable as electoral expenditure.

## Fundraisers

Examples of fundraisers include auctions, fundraising dinners and raffles. Guidance includes:

- The gift amount of a ticket is considered to be the total amount paid minus the cost of holding the event. For example if tickets cost \$100 for a dinner, and the cost of holding the event is \$20 per head, the gift value is \$80 per ticket.
- If a prize/running costs are donated, the donation is reportable as a gift in kind.
- The costs of holding a fundraiser/raffle are not discloseable as election expenditure.
- Each ticket is regarded as a separate transaction. Tickets below the prescribed value can be considered anonymous gifts. However, there is a requirement for gifts to be compared to other gifts for aggregation purposes. The prescribed amount is:<sup>2</sup>
  - **parties, associated entities and third party campaigners:** \$1,000
  - **candidates:** \$200
- Defined details (name and address) must be disclosed for donors who provide gifts at or above the threshold amount during the relevant period:<sup>3</sup>
  - **parties, associated entities and third party campaigners:** \$1,500
  - **candidates:** \$200
- To ensure it is practical to comply with requirements, there is not an expectation that donations/fundraising tickets with a gift value of **less than \$100** have the name and address of buyers recorded to cross-reference against donors for aggregation purposes
- The costs associated with receiving donations, such as website fees or card surcharges, are not discloseable as electoral expenditure.

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<sup>2</sup> See section 197

<sup>3</sup> See section 192D

- Note: If you are holding a raffle, you must comply with any requirements under the Gaming Control Act 1993. <https://nt.gov.au/industry/gambling/gambling/lotteries-community-gambling/conditions-on-lotteries-raffles-games>

## Examples

Scenario	Gift	Electoral Expenditure
For a raffle, 500 tickets are sold at \$10 each, so \$5,000 cash has been received. A \$1,000 prize was donated and there are no other event costs.	\$1,000 prize and \$4,000 for tickets (\$5,000 minus event costs of \$1,000)	Nil
A fundraising dinner is held, and the venue caters for the event for free (\$2,000 value). 100 tickets are purchased for \$100 each - \$10,000 total received.	\$2,000 for catering and \$8,000 for tickets (\$10,000 minus the \$2,000 cost of the event)	Nil
\$100 is paid to a crowdsourcing website to collect donations for the election.	N/A	Nil

## Miscellaneous

The following costs are not considered to be electoral expenditure:

- capital expenditure, such as the purchase of cars, trailers or phones
- dry cleaning
- candidate nomination fee
- insurance
- leasing a post office box
- penalties, fines, late fees or administration fees
- software such as database or accountancy software.

## Offices and Office stationary

The following costs are considered as electoral expenditure:

- postage and other distribution costs.

The following costs are not considered as electoral expenditure:

- rent, utilities, and mortgage costs of the party headquarters
- the rent, utilities and setup costs of an election office
- office stationery such as printer cartridges, paper, envelopes, and pens
- unbranded kits for staff/volunteers. They are only disclosable if they have election messaging.

## Political Party Activities

The following are disclosable as gifts:

- monthly donations in addition to a party membership
- donations from the national branch of a party or the branch of another state
- company sponsorship.

The following are not disclosable gifts:

- parliamentary levy (compulsory levy on sitting members)
- party membership (unless above standard membership costs of \$100-\$200)
- movement of funds between NT branches of a party.

The following are not discloseable as electoral expenditure, any gifts are reportable:

- costs of holding a pre-selection meeting or party meeting during the election period
- costs of holding a party conference or election-specific conference
- candidate nomination fee.

### Examples

Scenario	Gift	Electoral Expenditure
When purchasing a party membership, a person commits to donating an extra \$10 a month.	\$10 per month	N/A
The national branch makes a \$10,000 donation to a party	\$10,000	N/A

## Staffing and Volunteers

Examples of staffing/volunteer activities include attending polling locations, canvassing, carrying out party administration activities, designing election advertising, and scrutineering. Guidance includes:

- To be considered a volunteer, a person must work outside their usual business hours or while on leave. If a person is paid by their regular employer while helping an electoral participant, their work is a gift-in-kind valued at their salary.
- It is also a gift-in-kind if a person performs labour as part of their profession or trade or would otherwise be paid in the ordinary course of their work.
- The salary of ongoing staff is not considered an electoral expenditure. However, any overtime they are paid for election activities or time-in-lieu accrued is counted as election expenditure.
- The salary of staff hired for the election is considered an electoral expenditure. This includes fixed-term employees and casual staff.
- When determining whether a staff member is considered as ongoing or for the election the duration and purpose of the role are considered.
- Food and drink costs for staff/volunteers are not considered as electoral expenditure.



- Staff and volunteer travel and accommodation costs are not considered as electoral expenditure. However, if over \$1,000 in value is provided from a single source, they are reportable as gifts.
- The purchase and ongoing costs of phones and laptops for staff/volunteers to use during the election are not considered as electoral expenditure.

## Examples

Scenario	Gift	Electoral Expenditure
An election campaign manager is hired for a fixed term to work on election activities.	N/A	Salary incurred during the capped expenditure period (1 Jan - 23 Sept)
Ongoing staff position to manage party administration.	N/A	Nil
A supporter directs their staff member to assist an electoral participant in campaigning activities for 2 weeks. The staff member is paid \$2,000 during this period.	\$2,000 gift in kind	\$2,000
A casual staff member is paid \$200 by a candidate to distribute how-to-vote cards on polling day.	N/A	\$200
A third party campaigner pays a casual staff member \$200 to distribute how-to-vote cards on polling day to electoral participants.	\$200 gift in kind from the third party campaigner	\$200
Volunteers (unpaid) distribute how-to-vote cards on polling day.	Nil	Nil
\$300 was spent on food and drink for election volunteers.	N/A	Nil
\$200 is spent on a phone for a volunteer coordinator	N/A	Nil
A party volunteer who is a professional graphic designer completes 10 hours of design work for an electoral participant for free. Their usual charge-out rate is \$200 per hour; this is disclosable as a gift-in-kind of \$2,000.	\$2,000 gift-in-kind	\$2,000

## Travel and Accommodation

Examples of travel and accommodation activities include car hire, flights, fuel costs, hotel accommodation, and food and drink. Guidance includes:

- Travel and accommodation costs are not discloseable as electoral expenditure. However, if a single source provides \$1,000 or more of value as gifts during the relevant period then that is discloseable as a gift.
- If an electoral participant or their staff/volunteer are given use of a car (outside their own ownership), then the value of the gift is considered to be the hire rate or daily market rate for a comparable car. It only needs to be recorded as a gift if the value provided from that source is \$1,000 or more over the relevant period.

## Examples

Scenario	Gift	Electoral Expenditure
Car rental provider provides free use of a rental car (RRP \$200 per day) for 10 days	\$2,000	Nil
A party pays to fly in a campaign volunteer from interstate at a cost of \$1,500	Nil	Nil
Candidate uses their own car for campaigning	Nil	Nil

Version	Date	Author	Changes made
2.1	24 June 2024	Chris Brack, Financial Disclosure and Compliance Manager	Reclassification of food and drink costs and election office costs



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