

# 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)*.