

N.B. If you receive a discount of 10% or less, the difference in value is \$200 or less, you only need to record the amount you pay.

Recording and Submitting Returns:

The party treasurer is usually responsible for making sure that the party follows the rules on campaign spending. You need to keep track of the party's spending because you must ensure the limits on spending are not exceeded and you must report to the Commission what you spend so that we can publish it. **For each item of spending, you must record the following information to put in your spending return:**

- ◆ What the spending was for —Leaflets or advertising etc.....
- ◆ Name and address of supplier
- ◆ Amount or value
- ◆ The date you spent the money

You must report your campaign spending to the Commission after the election and it should include the following:

- ◆ Details of your spending
- ◆ Invoices and receipts for items over \$200
- ◆ Declaration by treasurer that the return is complete and correct

Receipt and Payment of Claims - (Invoices):

For Election Purposes:

- ◆ You must obtain all claims/invoices within 30 days of the election date
- ◆ Ensure payment for all claims/invoices within 60 days of the Election date.

N.B. (See Section 44 of the Ordinance).

Payment of invoices are important as invoices which are received or paid outside the specified periods may be an offence under Section 44 (3)- it is important therefore that the above time periods are adhered to concerning the receipt and payment of invoices. Further, if you do not pay an invoice within 60 days, you must then get a court order to be able to do consequently.

Forms:

The Commission has drafted appropriate forms and worksheets which must be used for reporting campaign spending. To assist, explanatory notes are also provided. The forms can be completed and submitted electronically-a signed hard copy must also be submitted to the Commission's Offices.

Deadlines:

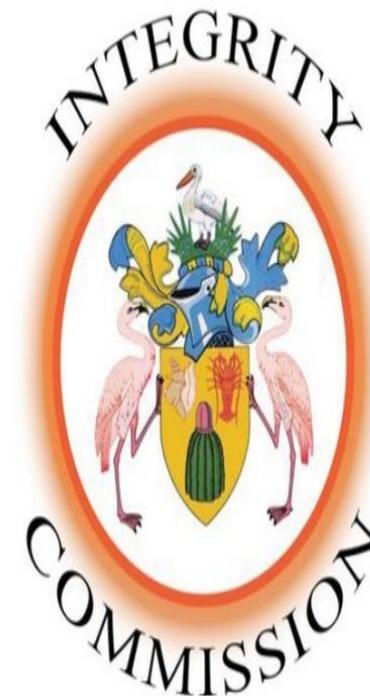
- ◆ The date by which you must report to us depends on how much you spend on your campaign.
- ◆ All political parties that put forward candidates at Election must submit a campaign expenditure return (**See Campaign Expenditure Return Form**):

(a) within three months of the election if their campaign spending was \$250,000 or less,

(b) or within six months if their spending was over \$250,000 (in which case an audit report is required). The dates for submission are therefore as follows:

N.B. If you have any further inquiries in relation to Campaign expenses, please contact the Commission.

TURKS AND CAICOS ISLANDS



POLITICAL FINANCIAL ACTIVITIES: CAMPAIGN EXPENSES GUIDANCE NOTES:

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Political Financial Activities

Guidance Notes: Campaign Expenditure

These guidance notes are part of the Integrity Commission's on-going commitment to assist political parties and help them comply with their statutory responsibilities in relation to campaign expenditure.

Party campaign spending at elections is regulated under the Political Activities Ordinance 2012 (the Ordinance). The guidance note will give you an understanding of the principles of party campaign spending and the rules you need to comply with. Spending by political parties and candidates during the election period will be regulated by the Ordinance and there is a maximum that each party or candidate can spend. **In accordance with Section 46 (8) of the Ordinance, the limits are as follows:**

- ◆ \$30,000 in relation to each electoral district contested by the party (of which there were 10)
- ◆ \$40,000 in relation to the all-islands district (of which there were 5)
- ◆ \$100,000 in relation to each of the parties leaders

Therefore, the maximum any party could spend during the election campaign is potentially a total of \$600,000.

Campaign expenditure by political parties cover those expenses incurred during an election campaign for election purposes i.e. this refers to expenses incurred by a party for elections held in 2012, or 2016.

A detailed list of campaign expenses includes the following: *(See Part 1 of Schedule 4 of the Ordinance)*

- ◆ Party political broadcasts
- ◆ Advertising and publicity material
- ◆ Manifesto/party policy documents
- ◆ Transport
- ◆ Rallies and other events
- ◆ Temporary election staff

N.B. Campaign expenditure can include items or services bought before the election period began, but which are used during it. It can also include items or services given to the party free of charge or at non-commercial discount.

You must include all costs associated with each activity, this includes:

- ◆ Design and distribution costs of producing leaflets.
- ◆ Overheads or administration costs which are associated with each activity
- ◆ Any additional production or other costs incurred which may have been associated with the broadcasts as campaign spending even if you are entitled to party election broadcasts; (value of air time not needed).

Note: Where goods and services are not used exclusively for election purposes, the proportion of the use of goods/services for election purposes must be valued and accounted for under election expenses.

What doesn't count as campaign spending?

There may be a number of expenses that are usually incurred by the party generally and therefore should not be included as spending for election purposes. The following does not count as campaign spending:

- ◆ Permanent or fixed term staff costs where the staff member has a direct employment contract with the party.
- ◆ Ordinary office running costs, except costs that are higher than usual because of campaigning such as telephone bills.
- ◆ You do not need to include volunteer time if their usual employer is not paying them for the time they spend on your campaign or they are using their annual leave.

Notional Spending:

This is the difference in value between the commercial rate, what a supplier would normally charge another customer for the same item or service, and the price you pay. You may find that you pay for items, services or activities at a lower cost than the commercial value e.g. in instances where the supplier supports your campaign. In these circumstances, you must record the **full commercial value** of these items or activities in your election expenses return if:

- ◆ You receive them free of charge or at a non-commercial discount of more than 10% and;
- ◆ The difference in value between the commercial rate and what you pay is over \$200.