



INFORMATION SHEET 2

LIMITS ON CONTRIBUTIONS BY INDIVIDUALS UNDER THE *CANADA ELECTIONS ACT*

(Revised March 19, 2004)

DISCLAIMER

These information sheets set out Elections Canada's current interpretation of the *Canada Elections Act* and are issued to assist the public in understanding the Act. The views expressed in information sheets are not law and are not intended to replace the official text of the Act. How the Act applies to any particular case will depend on the individual circumstances of that case. Elections Canada reserves the right to reconsider any interpretations expressed in information sheets, either generally or in light of the actual circumstances of any case, and in accordance with continuing legislative and judicial developments.

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LIMITS ON CONTRIBUTIONS BY INDIVIDUALS

Eligibility

1. Starting January 1, 2004, only individuals who are Canadian citizens or permanent residents may make contributions to registered parties, their registered electoral district associations, leadership and nomination contestants, or to any candidate.¹
2. No individual may make contributions that exceed the following limits.

Contributions to the Various Political Entities of a Registered Party Group

- 2.1 An individual may make contributions that do not exceed a total of \$5,000* **in a calendar year** to a particular registered party and its registered associations, candidates and nomination contestants (the registered party group).²

The \$5,000* may be given to one entity of any particular registered party group or it may be divided among any number of the entities in that group. This is an aggregate cap applying to the total of all contributions given by an individual in that year to all of the registered party, its registered associations, candidates and nomination contestants.

There is a separate cap for each registered party group. Thus, if a contributor wishes to support more than one registered party group, he or she may give a maximum of \$5,000* per year to each registered party group he or she wishes to support.

So long as no fraud is involved, any contribution made to a person who presents himself or herself as seeking the endorsement of a particular registered party is treated as a contribution to that registered party group and must be included in any contribution calculations* for that group.³

¹ S. 404(1), *Canada Elections Act*.

² S. 405(1)(a), *Canada Elections Act*.

³ S. 405(3), *Canada Elections Act*.

Contributions to Candidates Who Are Not Candidates of a Registered Party

- 2.2 Individuals may also make contributions that do not exceed \$5,000* **per election** to a candidate who is not a candidate of a registered party.⁴

Unlike contributions to a registered party grouping, the cap* on contributions to candidates who are not candidates of a registered party applies to all contributions given to a candidate for a particular election. Thus, in calculating how much one has given to a candidate, one includes all the contributions given to that candidate over a number of years for a specific election.

Contributors who wish to support more than one candidate who is not a candidate of a registered party may give a maximum of \$5,000* per election to each candidate.

So long as fraud is not involved, any contribution made to a person who presents himself or herself as seeking to be a candidate who is not endorsed by a registered party is treated as a contribution to that person as a candidate who is not of a registered party.⁵

Determining the Election Against Which a Contribution Should Be Counted

A contribution given to a candidate who is not a candidate of a registered party is treated as a contribution for the election in which the candidate is running (if an election is underway) or, if no election is underway, the next election in which the candidate runs. Once that election has been called, all contributions given to that candidate up to the time when all the statutory duties of the candidate arising out of the election have been completed and the candidate's campaign account has been closed are treated as being for that election.

⁴ S. 405(1)(b), *Canada Elections Act*.

⁵ S. 405(3), *Canada Elections Act*.

Contributions to a Leadership Contestant

- 2.3 Individuals may also give contributions that do not exceed \$5,000* in total **per contest** to the leadership contestants of a registered party in a particular leadership contest.⁶

This is an aggregate cap applying to all the contributions given by one individual to all leadership contestants in the same leadership contest. A contributor may give up to \$5,000* divided as he or she wishes among all the contestants in the same contest.

Similarly to contributions to candidates who are not endorsed by a registered party, the cap* on contributions to persons seeking the leadership of a registered party is calculated on the basis of one contest. Thus, in calculating how much one has given to a leadership contestant (or all of the contestants in the same contest), one includes all the contributions given over a number of years for a specific leadership contest.

Determining the Leadership Contest Against Which a Contribution Should Be Counted

A contribution given to a leadership contestant is treated as a contribution for the leadership contest in which the contestant is then running, or if there is no contest underway, for the next leadership contest in which the contestant runs.

Contributions made to a leadership contestant within 18 months after a leadership contest are treated as contributions for that contest.⁷

Making Contributions to Your Own Campaign

3. A higher cap applies to leadership contestants, nomination contestants or candidates who wish to make contributions to their own campaigns out of their own funds.

⁶ S. 405(1)(c), *Canada Elections Act*.

⁷ S. 405(5), *Canada Elections Act*.

- 3.1 In addition to the contributions which he or she may make as an individual, a person may donate extra money out of his or her own funds to his or her own campaigns as either a candidate for a registered party or a nomination contestant. The total extra contributions made to his or her candidacy and nomination campaign accounts may not exceed \$5,000* per election.⁸
 - 3.2 Similarly, the first \$5,000* that a candidate who is not of a registered party makes to his or her own campaign out of his or her funds is not counted towards his or her contribution cap.⁹
 - 3.3 And, the first \$5,000* that a leadership contestant of a registered party makes to his or her campaign out of his or her own funds is not counted towards his or her contribution cap.¹⁰
4. Even though such contributions need not be included in calculating one's contribution cap, they must, nonetheless, still be reported as a contribution by the political recipient.

Contributions Made by Will

5. None of the above caps apply to contributions made in a will, provided that that testamentary gift is unconditional and non-discretionary.¹¹

Inflation Adjustment

6. All contribution caps will be indexed for inflation. The Chief Electoral Officer will publish each year's contribution caps in the *Canada Gazette*.¹²

⁸ S. 405(4)(a), *Canada Elections Act*.

⁹ S. 405(4)(b), *Canada Elections Act*.

¹⁰ S. 405(4)(c), *Canada Elections Act*.

¹¹ S. 405(2), *Canada Elections Act*.

¹² S. 405.1, *Canada Elections Act*.