

1977 Bill 24

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Third Session, 18th Legislature, 26 Elizabeth II

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THE LEGISLATIVE ASSEMBLY OF ALBERTA

# BILL 24

THE ELECTION FINANCES AND CONTRIBUTIONS DISCLOSURE  
ACT

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MR. CHAMBERS

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First Reading .....

Second Reading .....

Third Reading .....

*Bill 24*  
*Mr. Chambers*

# BILL 24

1977

## THE ELECTION FINANCES AND CONTRIBUTIONS DISCLOSURE ACT

(Assented to , 1977)

**H**ER MAJESTY, by and with the advice and consent of the Legislative Assembly of Alberta, enacts as follows:

1. (1) In this Act,
  - (a) "broadcasting undertaking" means a broadcasting undertaking as defined in the *Broadcasting Act* (Canada);
  - (b) "by-election" means an election other than a general election;
  - (c) "campaign period" means the period commencing with the issue of a writ for an election and terminating four months after polling day;
  - (d) "candidate" means a person
    - (i) who is elected to serve in the Assembly, or
    - (ii) who is nominated as a candidate for an electoral division in accordance with *The Election Act*, or
    - (iii) who is nominated by a constituency association of a registered party in an electoral division for endorsement as the official candidate of that party in the electoral division, or
    - (iv) who, on or after the date of the issue of a writ for an election in an electoral division, declares himself to be an independent candidate at the election in the electoral division;
  - (e) "constituency association" with reference to an electoral division means the association or organization endorsed by a registered party as the official association of that party in the electoral division;
  - (f) "contribution" means any money or real or personal property that is provided
    - (i) to a political party, constituency association or candidate, or

## **Explanatory Note**

General: This Bill will require public disclosure of the amounts of contributions received by political parties, constituency associations and candidates and of the identity of major contributors. It will also require disclosure of all expenditures from the contributions collected.

The Bill will impose limits on the amount of individual contributions which may be made. The Bill also contains consequential amendments to *The Alberta Income Tax Act* which will permit deductions from the amount of provincial income tax payable on the basis of political contributions made by the taxpayer.

### **1. Interpretation.**

- (ii) for the benefit of a political party, constituency association or candidate with its or his consent,  
without compensation from that political party, constituency association or candidate;
  - (g) "election" means an election to elect a member to serve in the Assembly;
  - (h) "employee organization" means any organization other than a trade union that bargains collectively for any employees in Alberta and for the purposes of this Act all branches in Alberta of an employee organization are deemed to be one organization;
  - (i) "financial institution" means a chartered bank, a treasury branch, a credit union, a trust company registered under *The Trust Companies Act* or any corporation designated as an approved corporation under *The Trustee Act* that is expressly empowered by statute to accept money for deposit;
  - (j) "general election" means an election in respect of which election writs are issued for elections in all electoral divisions;
  - (k) "person" includes a candidate but does not include a corporation, employee organization or trade union;
  - (l) "polling day" means the day fixed pursuant to *The Election Act* for voting at an election;
  - (m) "registered candidate" means a candidate registered under this Act;
  - (n) "registered constituency association" means a constituency association registered under this Act;
  - (o) "registered party" means a political party registered under this Act;
  - (p) "revised list of electors" with reference to any electoral division means the revised list of electors certified by the returning officer of that electoral division under *The Election Act*;
  - (q) "trade union" means a trade union as defined by *The Alberta Labour Act, 1973* or the *Canada Labour Code*, and that holds bargaining rights for employees in Alberta and for the purposes of this Act all locals in Alberta of a trade union are deemed to be one trade union.
- (2) Corporations that are associated with one another under section 256 of the *Income Tax Act* (Canada) shall be considered as a single corporation for the purposes of this Act but in determining whether and at what time corporations are associated for the purposes of this Act, section 256, subsection (1) of the *Income Tax Act* (Canada) shall be read as though the words "at any time in the year" were struck out.



(3) Nothing done or omitted to be done by a corporation is a contravention of this Act solely because that corporation subsequently becomes associated with any other corporation.

**2.** (1) This Act does not apply to campaigns and conventions carried on or held in relation to the leadership of any registered party or in relation to constituency association nominations for endorsement of official party candidates.

(2) Except as provided in subsection (3), this Act does not apply to funds of a constituency association

(a) held in trust at the commencement of this section, or

(b) raised not more than 30 days after the commencement of this section at or in connection with a fund-raising function organized before the commencement of this section and that are placed in trust,

for the purposes of the constituency association or the future candidacy of any person at an election or a future election campaign of any person.

(3) The trustee or trustees of each trust referred to in subsection (2)

(a) shall, within 60 days after the commencement of this section, report in writing to the Chief Electoral Officer the existence of any trust the value of which exceeds \$2,500,

(b) shall maintain the funds remaining in the trust from time to time on deposit with a financial institution or invest those funds in authorized trustee investments under *The Trustee Act*,

(c) shall not permit funds or other property to be added to the trust other than interest on the amounts on deposit or the income from the investments referred to in clause (b),

(d) shall file with the Chief Electoral Officer on or before the 1st day of April next following the commencement of this section and on or before the 1st day of April in each year thereafter a report of the expenditures or transfers from the trust during the previous year and a statutory declaration of compliance with the provisions of clause (b) and (c), and

(e) when the trust is terminated, shall forthwith notify the Chief Electoral Officer of that fact.

## **2. Application.**

## PART 1

### THE CHIEF ELECTORAL OFFICER

**3.** (1) The Chief Electoral Officer, in addition to his other powers and duties under this Act and *The Election Act*,

- (a) may examine all financial statements required to be filed with the Chief Electoral Officer;
- (b) may inquire into or conduct periodic investigations of the financial affairs and records of
  - (i) registered parties and constituency associations, and
  - (ii) registered candidates in relation to election campaigns;
- (c) shall prescribe forms necessary for use under this Act and provide for their printing and distribution.

(2) The Chief Electoral Officer shall after the end of each year prepare a report on the exercise of his functions under this Act and shall transmit the report to the Speaker of the Legislative Assembly who shall thereupon lay the report before the Assembly if it is then sitting or, if it is not then sitting, within 15 days after the commencement of the next ensuing sitting of the Assembly.

**4.** (1) For the purpose of carrying out an inquiry or conducting an examination under this Act, the Chief Electoral Officer has all the powers of a commissioner under *The Public Inquiries Act* as though the inquiry or examination were an inquiry under that Act.

(2) For the purpose of carrying out an inquiry or conducting an examination under this Act, a representative of the Chief Electoral Officer, upon production of his authorization from the Chief Electoral Officer, may at any reasonable time enter any premises referred to in the authorization in which books or documents of a political party, constituency association or candidate relevant to the subject-matter of the inquiry or examination are kept and may examine and make copies of the books or documents or remove them temporarily for the purpose of making copies.

(3) Any information with respect to the affairs of a registered party, registered constituency association or registered candidate that is reasonably required by the Chief Electoral Officer in the course of his duties under this Act shall be provided by the registered party, constituency association or candidate within 30 days after receiving a written request therefor from the Chief Electoral Officer or within such extended period as the Chief Electoral Officer may determine.

**3. Duties of the Chief Electoral Officer.**

**4. Power of Chief Electoral Officer to investigate.**

(4) All records of a registered party, registered constituency association or registered candidate shall be retained by that registered party, registered constituency association or registered candidate for a period of two years following the date upon which the financial statements required under this Act for the period to which the records relate were required to be filed.



**PART 2**  
**REGISTRATION**

5. (1) No political party and no person acting for the political party may accept contributions for the political party or for any constituency association of that party unless the political party is registered under this Act.

(2) Any political party that

- (a) held a minimum of three seats in the Assembly following the most recent election, or
- (b) endorsed candidates nominated in at least 50 per cent of the electoral divisions in the most recent general election, or
- (c) endorses candidates in at least 50 per cent of the electoral divisions following the issue of a writ of election for a general election, or
- (d) at any time, other than during a campaign period, provides the Chief Electoral Officer with the names, addresses and signatures of persons who
  - (i) represent three-tenths of 1 per cent of the number of electors eligible to vote at the last general election,
  - (ii) are currently eligible to vote in an election, and
  - (iii) request the registration of that political party,

is, subject to subsection (3), qualified for registration in the register of political parties.

(3) A political party shall not be registered under this Act unless the Chief Electoral Officer is satisfied that prior to filing an application for registration the party has established a non-profit corporation or trust as a foundation for the purposes of receiving and managing the assets, except the premises, equipment, supplies and other such property required for the administration of the affairs of the party, held by the political party immediately prior to filing the application.

(4) The assets of a foundation established under subsection (3) shall consist of either funds on deposit with a financial institution or authorized trustee investments under *The Trustee Act*.

(5) No funds or other property may be received by or transferred to a foundation after the filing of an application for registration of the political party which established the foundation except for interest on the funds on deposit or the income from the authorized trustee investments referred to in subsection (4).

(6) Each foundation shall file with the Chief Electoral Officer, on or before the 1st day of April next following the commencement of this section and on or before the 1st day of April in each year thereafter, a report of the expenditures of that foundation during the previous year.

**5. Qualifications for registration of political parties.**

**6.** (1) The Chief Electoral Officer shall maintain a register of political parties and, subject to this section, shall register therein any political party that is qualified to be registered and that files with him an application for registration setting out

- (a) the full name of the political party;
- (b) the political party name or the abbreviation thereof to be shown in election documents;
- (c) the name of the leader of the political party;
- (d) the address of the place or places where records of the political party are maintained and of the place to which communications may be addressed;
- (e) the names of the principal officers of the political party;
- (f) the name of the chief financial officer of the political party;
- (g) the name and address of the financial institutions to be used by the political party as depositories for contributions made to that political party;
- (h) the names of the political party's signing officers responsible for each depository referred to in clause (g);
- (i) an indication of the provision of section 5, subsection (2) under which the political party qualified for registration;
- (j) a statement of the assets and liabilities of the political party as of a date not earlier than 90 days prior to the date of its application for registration attested by its chief financial officer.

(2) Upon receipt of an application for registration of a political party, the Chief Electoral Officer shall examine the application and determine if the political party is entitled to be registered and

- (a) if the political party is entitled to be registered, enter it in the register of political parties and so inform the political party, or
- (b) if the political party is not entitled to be registered, so inform the political party with written reasons for the determination.

(3) The Chief Electoral Officer shall not register a political party where, in his opinion, the name or the abbreviation of the name of the party so nearly resembles the name or abbreviation of the name of a registered party as to be likely to be confused with that registered party.

(4) Where there is any change in the information required to be provided by subsection (1), clauses (a) to (i), the registered party shall notify the Chief Electoral Of-

**6. Registration of political parties.**

ficer in writing within 30 days of the alteration and, subject to section 10, upon receipt of the notice the Chief Electoral Officer shall vary the register of political parties accordingly.

**7.** (1) No constituency association of a registered party and no person acting for the constituency association shall accept contributions for the constituency association or for the registered party unless the constituency association is registered under this Act.

(2) The Chief Electoral Officer shall maintain a register of constituency associations and, subject to this section, shall register therein any constituency association of a registered party that files with him an application for registration setting out

- (a) the full name of the constituency association and of the registered party by which it is endorsed;
- (b) the address of the place or places where records of the constituency association are maintained and of the place to which communications may be addressed;
- (c) the names of the principal officers of the constituency association;
- (d) the name of the chief financial officer of the constituency association;
- (e) the name and address of the financial institutions to be used by the constituency association as the depositories for all contributions made to the constituency association;
- (f) the names of the constituency association's signing officers responsible for each depository referred to in clause (e);
- (g) a statement of the assets and liabilities of the constituency association as of a date not earlier than 90 days prior to the date of its application for registration attested to by the chief financial officer.

(3) Upon receipt of an application for registration of a constituency association, the Chief Electoral Officer shall examine the application and determine if the constituency association is entitled to be registered and

- (a) if the constituency association is entitled to be registered, enter it in the register of constituency associations and so inform the constituency association, or
- (b) if the constituency association is not entitled to be registered, so inform the constituency association with written reasons for his determination.

**7. Registration of constituency associations.**

(4) Where there is any change in the information required to be provided in subsection (2), clauses (a) to (f), the registered constituency association shall notify the Chief Electoral Officer in writing within 60 days of any such alteration and, subject to section 10, upon receipt of any such notice the Chief Electoral Officer shall vary the register of constituency associations accordingly.

8. Sections 5, 6 and 7 do not apply to any political party or any constituency association until the date named in a notice published by the Chief Electoral Officer in *The Alberta Gazette* as the first day upon which applications for registration of political parties and constituency associations will be received for filing by the Chief Electoral Officer.

9. (1) No candidate at an election and no person acting on behalf of a candidate may

- (a) accept contributions during a campaign period, or
- (b) use any funds, including the funds of the candidate, for the purposes of an election campaign during the campaign period,

unless the candidate is registered under this Act.

(2) The Chief Electoral Officer shall maintain a register of candidates in relation to each election held after this section comes into force and, subject to this section, shall register therein any candidate that is qualified to be registered and that files with him an application for registration setting out

- (a) that the candidate
  - (i) is a member of the Legislative Assembly, or
  - (ii) has been nominated as a candidate for a named electoral division in accordance with *The Election Act*, or
  - (iii) has been nominated by a named constituency association of a named registered party in a named electoral division for endorsement as the official candidate of that party in the electoral division and enclosing with his application a statement to that effect attested by one of the principal officers of the association, or
  - (iv) has, after the date of the issue of a writ for an election in a named electoral division, declared himself to be an independent candidate at the election in that electoral division;
- (b) the full name and address of the candidate;
- (c) the political party affiliation, if any, of the candidate attested to by one of the principal officers of the constituency association;

**8. Effective date.**

**9. Registration of candidates.**

- (d) the address of the place or places where records of the candidate are maintained and of the place to which communications may be addressed;
- (e) the name of the auditor and chief financial officer of the candidate;
- (f) the name and address of the financial institutions to be used by or on behalf of the candidate as depositories for contributions made to that candidate;
- (g) the names of the signing authorities for each depository referred to in clause (f).

(3) A candidate who files an application under subsection (2) after the issue of a writ for an election shall be deemed to be registered on and after the day following the day of filing.

(4) An application under subsection (2) may be filed with the Chief Electoral Officer by registered mail in which case, if it is accepted by the Chief Electoral Officer, it shall be deemed to be filed on the second day after it was mailed.

(5) Where there is any change in the information required to be provided in subsection (2), clauses (a) to (g), the registered candidate shall notify the Chief Electoral Officer in writing within 60 days of any such alteration and, subject to section 10, upon receipt of any such notice the Chief Electoral Officer shall vary the register of candidates accordingly.

**10.** (1) The Chief Electoral Officer may cancel the registration of

- (a) a registered party on an application therefor by the registered party, or
- (b) a registered constituency association on an application therefor by the constituency association and the registered party concerned.

(2) Where

- (a) a registered candidate who was nominated in accordance with *The Election Act* withdraws his candidacy in accordance with that Act, or
- (b) a person who becomes a registered candidate before becoming nominated in accordance with *The Election Act* does not in fact become so nominated,

he shall so notify the Chief Electoral Officer in writing and the Chief Electoral Officer shall cancel the registration of that person.

(3) Where the chief financial officer of a registered party or registered constituency association fails to comply with

**10. Cancellation of registration.**

section 36 or 37, the Chief Electoral Officer may cancel the registration of the registered party or constituency association, as the case may be.

(4) Where the Chief Electoral Officer is for any reason of the opinion that a registered party, constituency association or candidate

- (a) is no longer qualified to be registered, or
- (b) obtained registration on the basis of an application that was false in any material particular,

he may cancel the registration of the registered party, constituency association or candidate.

(5) Where the Chief Electoral Officer cancels the registration of a political party, constituency association or candidate, he shall send written notice of the cancellation, together with his reasons for the cancellation, by registered mail to

- (a) the political party, where the registration of that political party is cancelled, or
- (b) the constituency association and the political party concerned, where the registration of a constituency association is cancelled, or
- (c) the candidate, where the registration of that candidate is cancelled,

and the cancellation is effective on and after the third day following the date of mailing the notice.

(6) A political party, constituency association or candidate notified under subsection (5) may, within 30 days after the mailing of the notice, request the Chief Electoral Officer in writing to review the cancellation.

(7) Where the Chief Electoral Officer receives a written request under subsection (6), he shall, within 48 hours thereafter, review the cancellation and give the political party, constituency association or candidate concerned an opportunity to make representations.

(8) Following the review of a cancellation the Chief Electoral Officer may withdraw or confirm the cancellation of the registration of the political party, constituency association or candidate, as the case may be, and shall,

- (a) where the cancellation involves a political party, give written notification of his decision to the political party, or
- (b) where the cancellation involves a constituency association, give written notification of his decision to the constituency association and the political party concerned, or
- (c) where the cancellation involves a candidate, give written notification of his decision to the candidate.



(9) Where the registration of a political party is cancelled, the registration of the registered constituency associations of that political party are thereby also cancelled and the Chief Electoral Officer shall forthwith give written notification thereof to those constituency associations.

(10) Where the registration of a political party or constituency association is cancelled for failure to comply with section 36 or 37, it may not again apply for registration until the financial statements required by section 36 or 37 that were not filed have been filed with the Chief Electoral Officer.

(11) Where the registration of a political party, constituency association or candidate is cancelled, all funds of the political party, constituency association or candidate not required to pay the outstanding debts of the political party, constituency association or candidate shall be paid over to the Chief Electoral Officer and held by the Chief Electoral Officer in trust for the political party, constituency association or candidate and, if that political party, constituency association or candidate does not again become registered under this Act within a period of one year following cancellation of the registration, the funds shall be paid by the Chief Electoral Officer to the Provincial Treasurer and the funds so paid thereupon form part of the General Revenue Fund.

**11.** (1) All documents filed with the Chief Electoral Officer are public records and may upon request during normal office hours be inspected at the offices of the Chief Electoral Officer.

(2) Copies of any document referred to in subsection (1) may be obtained upon payment for the preparation of the copies at such rates as the Chief Electoral Officer may determine.

**II.** Access to documents.

### PART 3

#### CONTRIBUTIONS

**12.** (1) Any funds held by a person at the commencement of this section with respect to his candidacy at a previous election shall be held by him in trust.

(2) Where a person referred to in subsection (1) is nominated or, in the case of an independent candidate, declares himself to be a candidate, for the general election next succeeding the commencement of this section or at an intervening by-election, he shall, if the amount held in trust exceeds \$2,500,

- (a) within seven days report in writing to the Chief Electoral Officer the existence of the trust,
- (b) maintain the funds remaining in the trust from time to time on deposit with a financial institution or invest those funds in authorized trustee investments under *The Trustee Act*,
- (c) ensure that no funds or other property are permitted to be added to the trust other than interest on the amounts on deposit or the income from the investments referred to in clause (b),
- (d) file with the Chief Electoral Officer not later than six months after polling day a report on the expenditures or transfers from the trust during the campaign period and a statutory declaration of compliance with clause (b) and (c), and
- (e) when the trust is terminated, forthwith notify the Chief Electoral Officer of that fact.

(3) When a person referred to in subsection (1) is not nominated or does not declare himself to be an independent candidate for the general election next succeeding the commencement of this Act, he shall not later than seven days after the day fixed for nominations, transfer or pay the amount held by him in trust pursuant to subsection (1) to

- (a) any registered party, registered constituency association or registered candidate, or
  - (b) a registered Canadian charitable organization as defined in the *Income Tax Act* (Canada), or
  - (c) the Crown in right of Alberta,
- at the option of that person.

**13.** (1) Any funds held by a candidate at the end of a campaign period and which consist of contributions received by him for the purpose of his campaign may be held by the candidate in trust to be expended for his candidacy at a future election.

**12.** Existing funds of candidates.

**13.** Continuing use of campaign funds.

(2) When a person referred to in subsection (1) is not nominated or does not declare himself to be an independent candidate for the general election next succeeding the commencement of this section, he shall, not later than seven days after the day fixed for nominations transfer or pay the amount held by him in trust pursuant to subsection (1) to

(a) any registered party, registered constituency association or registered candidate, or

(b) the Crown in right of Alberta,  
at the option of that person.

**14.** Funds transferred from a foundation under section 5 or a trust under section 2, 12 or 13 to a registered party, registered constituency association or registered candidate are not contributions for the purposes of this Act but shall be recorded as to amount and source by the recipient of the funds.

**15.** (1) All financial contributions accepted by or on behalf of a registered party, registered constituency association or registered candidate shall be paid into an appropriate depository of record with the Chief Electoral Officer.

(2) Where any contribution of other than money, accepted by or on behalf of a registered party, registered constituency association or registered candidate, is converted at any time into money, that amount shall be paid into an appropriate depository of record with the Chief Electoral Officer.

**16.** (1) Any anonymous contribution in excess of \$25 received by a political party, constituency association or candidate registered under this Act shall not be used or expended, but shall be returned to the contributor if the contributor's identity can be established, or, if the contributor's identity cannot be established, the contribution shall be paid over to the Chief Electoral Officer.

(2) The Chief Electoral Officer shall pay any amounts received under subsection (1) to the Provincial Treasurer and the amounts so paid thereupon form part of the General Revenue Fund.

**17.** (1) Contributions by any person, corporation, trade union or employee organization to registered parties, registered constituency associations or registered candidates shall not exceed

(a) in any year,

(i) \$10,000 to each registered party, and

**14. Exemptions.**

**15. Contributions to be deposited.**

**16. Anonymous contributions.**

**17. Limitations on contributions.**

- (ii) \$500 to any registered constituency association, and \$2,500 in the aggregate to the constituency associations of each registered party, and
  - (b) in any campaign period, in addition to contributions authorized under clause (a),
    - (i) \$5,000 to each registered party, and
    - (ii) \$1,000 to any registered candidate, and \$5,000 in the aggregate to the registered candidates of each registered party.
- (2) Where writs for two or more by-elections bear the same date and provide for the same polling day, all the by-elections are deemed to be one election for the purposes of subsection (1), clause (b).
- (3) No contributions may be made during a campaign period to a registered constituency association and no contributions may be made to a registered candidate except during a campaign period.
- (4) Any moneys paid during a campaign period by a candidate out of his own funds for the purposes of his campaign
- (a) are a contribution for the purposes of this Act, and
  - (b) shall be paid into a depository of the candidate on record with the Chief Electoral Officer.

**18.** (1) No registered party, registered constituency association or registered candidate and no person on its or his behalf shall knowingly accept any contributions in excess of the limits imposed by section 17.

(2) Where the chief financial officer learns that any contribution was accepted by or on behalf of the registered party, registered constituency association or registered candidate for whom he acts in excess of the limits imposed by section 17, he shall, within 30 days after learning thereof, advise the Chief Electoral Officer in writing of the fact and circumstances.

**19.** (1) The value of contributions other than money provided to a registered party, registered constituency association or registered candidate is the market value of the contribution at that time.

(2) Where any real or personal property is provided to a political party, constituency association or candidate registered under this Act for a price that is less than the market value at that time, the amount by which the value exceeds the price is a contribution for the purposes of this Act.

**18.** Excessive contributions.

**19.** Valuing contributions of other than money.

**20.** (1) In this section, "fund-raising function" includes any social function held for the purpose of raising funds for the registered party, registered constituency association or registered candidate by whom or on whose behalf the function is held.

(2) The gross income from any fund-raising function shall be recorded by the chief financial officer of the registered party, registered constituency association or registered candidate that held the function or on whose behalf the function was held.

(3) Where an individual charge by the sale of tickets or otherwise is made for a fund-raising function, one-half of the charge shall be allowed for expenses and the balance shall, for the purposes of this Act, be considered a contribution to the registered party, registered constituency association or registered candidate that held the function or on whose behalf the function was held, except that, where the individual charge is \$50 or more, the amount allowed for expenses shall be \$25 and the balance shall be considered as a contribution.

(4) Except as provided in subsection (3), funds raised by a fund-raising function are not contributions for the purposes of this Act.

**21.** Where, at a meeting held on behalf of or in relation to the affairs of a registered candidate, registered party or registered constituency association, money is given in response to a general collection of money solicited from the persons in attendance at the meeting, individual amounts under \$25 given shall be considered not to be contributions for the purposes of this Act but shall be recorded as to the gross amount by the chief financial officer of the candidate, political party or association, as the case may be.

**22.** An annual membership fee paid for membership in a political party or in a constituency association of that party or in both is not a contribution for the purposes of this Act if

- (a) the fee or, where a fee is paid to the party and to a constituency association of that party, the total of those fees, does not exceed \$25, and
- (b) the political party and constituency association each maintain a membership list indicating the amount of the fee or fees paid by each member that is allocated to the political party or constituency association, as the case may be,

but where the fee or total of those fees exceeds \$25, the amount of the excess shall be considered as a contribution.

**20. Fund-raising functions.**

**21. General collections.**

**22. Annual membership fees.**

**23.** (1) Contributions of not more than 10 cents per month by any member of a trade union or employee organization through payroll deductions are not contributions from the member for the purposes of this Act, but any amounts contributed to a registered party, registered constituency association or registered candidate from the funds so collected are contributions from the trade union or employee organization, as the case may be.

(2) Contributions of more than 10 cents per month by any member of a trade union or employee organization through payroll deductions are contributions by the member for the purposes of this Act.

**24.** (1) Any contribution to a registered party, registered constituency association or registered candidate made through any unincorporated association or organization, except a trade union or employee organization, shall be recorded by the unincorporated association or organization as to the individual sources and amounts making up the contribution.

(2) The amounts making up a contribution under subsection (1) that are attributable to any person, corporation, trade union or employee organization are contributions of that person, corporation, trade union or employee organization for the purposes of this Act.

**23. Payroll deductions.**

**24. Contributions from unincorporated groups.**

## **PART 4**

### **COLLECTION OF CONTRIBUTIONS**

**25.** (1) Every political party, constituency association and candidate shall, before filing its application for registration with the Chief Electoral Officer, appoint a chief financial officer.

(2) Where a chief financial officer appointed pursuant to subsection (1) ceases for any reason to hold that office, the political party, constituency association or candidate, as the case may be, shall forthwith appoint another chief financial officer.

**26.** The chief financial officer of a registered party, registered constituency association or registered candidate is responsible, with respect to the affairs of the party, constituency association or candidate that appointed him, for ensuring that

- (a) proper records are kept of all receipts,
- (b) contributions are placed in a depository on record with the Chief Electoral Officer,
- (c) proper receipts are completed and dealt with in accordance with this Act,
- (d) the financial statements as required by sections 36 and 37 are filed with the Chief Electoral Officer in accordance with this Act, and
- (e) contributions of other than money are valued and recorded in accordance with this Act.

**27.** No contribution shall be accepted by a registered candidate otherwise than through his chief financial officer or other person on record with the Chief Electoral Officer as authorized to accept contributions.

**28.** (1) Where any person, on behalf of a registered party, registered constituency association or registered candidate, accepts in any year

- (a) a single contribution in excess of \$25, or
- (b) contributions from a single source in any year, excluding any campaign period or part thereof in that year, that exceed in the aggregate \$25, or
- (c) contributions from a single source in any campaign period that exceed in the aggregate \$25,

the chief financial officer shall record all such contributions including the name and the address of the contributor.

(2) All contributions referred to in subsection (1) accepted on behalf of a registered party, registered constituency

**25.** Chief financial officers.

**26.** Duties of chief financial officers.

**27.** Receipt of candidates' contributions.

**28.** Records of contributions.

association or registered candidate during a campaign period shall be recorded separately from other contributions accepted during that year.

(3) Every registered party, registered constituency association and registered candidate under this Act shall file with the Chief Electoral Officer

- (a) within the period during which a financial statement must be filed relating to a campaign period, a return setting out
    - (i) the total amount of all contributions not exceeding \$25 received during the campaign period,
    - (ii) the total amount of all contributions received during the campaign period which exceed \$25 but did not exceed \$250 in the aggregate from any single contributor, and
    - (iii) the individual amounts contributed and the name and address of each contributor where the contributions of that contributor during the campaign period exceed an aggregate of \$250;
  - (b) within the period during which an annual financial statement must be filed, a return setting out
    - (i) the total amount of all contributions not exceeding \$25 received during the year,
    - (ii) the total amount of all contributions received during the year which exceeded \$25 but did not exceed \$250 in the aggregate from any single contributor, and
    - (iii) the individual amounts contributed and the name and address of each contributor where the contributions of that contributor during the year exceeded an aggregate of \$250.
- but excluding any information included in a return under clause (a).

**29.** Every registered party, registered constituency association and registered candidate shall issue or cause to be issued receipts as required by the Chief Electoral Officer for every contribution accepted.

**30.** (1) Subject to section 23, no person, corporation, trade union or employee organization shall contribute to any registered party, registered constituency association or registered candidate funds not actually belonging to that person, corporation, trade union or employee organization, or any funds that have been given or furnished to the person, corporation, trade union or employee organization by any persons or groups of persons or by a corporation, trade union or employee organization for the purpose of making a contribution thereof to that registered party, registered constituency association or registered candidate.

**29. Receipts.**

**30. Dummy contributors.**

(2) No registered party, registered constituency association or registered candidate and no person on its or his behalf shall solicit or knowingly accept any contribution contrary to the provisions of subsection (1).

(3) Where the chief financial officer learns that any contributions received by or on behalf of the registered party, registered constituency association or registered candidate for whom he acts was made contrary to subsection (1), he shall, within 30 days after learning that the contribution was made contrary to subsection (1), advise the Chief Electoral Officer in writing of the fact and circumstances.

**31.** (1) No registered party, registered constituency association or registered candidate shall, directly or indirectly,

(a) knowingly accept contributions from any person normally resident outside Alberta, from any corporation that does not carry on business in Alberta or from a trade union or employee organization other than a trade union or employee organization as defined in this Act, or

(b) contribute or transfer funds to any political party, constituency association or candidate not registered under this Act, except that during an election under the *Canada Elections Act* a registered party may transfer to a federal political party registered under the *Election Expenses Act* (Canada) an amount not exceeding, in the aggregate, \$100 for each candidate at a federal election in a federal electoral district in Alberta who is endorsed as a candidate by that federal party.

(2) In subsection (1) "during an election" has the meaning given to it in the *Canada Elections Act*.

(3) Where the chief financial officer learns that any contribution was accepted by or on behalf of the political party, constituency association or candidate for whom he acts from any person normally resident outside Alberta or from any corporation that does not carry on business in Alberta, or from any trade union or employee organization other than a trade union or employee organization as defined in this Act, he shall, within 30 days after learning thereof, advise the Chief Electoral Officer in writing of the fact and circumstances.

**32.** No registered party, registered constituency association or registered candidate may accept funds from a federal political party registered under the *Election Expenses Act* (Canada) except that during a campaign period a registered party may accept from such a federal political party

**31.** Out-of-province contributions.

**32.** Funds from federal parties.

an amount not exceeding, in the aggregate, \$100 for each registered candidate endorsed by that registered party and those funds are not contributions for the purposes of this Act but shall be recorded as to source and deposited in an appropriate depository on record with the Chief Electoral Officer.

**33.** A registered party, and any of its registered constituency associations or registered candidates, may transfer to or accept from each other funds or real or personal property and all such funds or real or personal property so accepted by the registered party, registered constituency association or registered candidate shall not be considered as contributions for the purposes of this Act but shall be recorded as to source and any funds accepted shall be deposited in an appropriate depository on record with the Chief Electoral Officer.

**33.** Transfers within parties.

## **PART 5**

### **LOANS**

**34.** (1) A registered party, registered constituency association or registered candidate

- (a) may borrow money only from a financial institution, and
- (b) shall record all loans and the terms thereof and shall report accordingly to the Chief Electoral Officer.

(2) Any payment

- (a) in respect of a loan to which subsection (1) applies, and

- (b) made by other than the borrower

shall be considered a contribution by the person, corporation, trade union or employee organization or the unincorporated association or organization that made the payment unless that person, corporation, trade union or employee organization or the unincorporated association or organization is reimbursed by the borrower prior to the filing by the borrower of the financial statement next required to be filed pursuant to section 36 or 37.

(3) This section does not apply to the borrowing of money by a registered candidate for purposes unrelated to his campaign.

**35.** (1) Any person, corporation, trade union, employee organization or unincorporated association or organization may sign, co-sign or otherwise guarantee or provide collateral security for any loan, monetary obligation or indebtedness on behalf of or in the interest of any registered party, registered constituency association or registered candidate.

(2) Where a person, corporation, trade union, employee organization or any unincorporated association or organization acting pursuant to subsection (1) is required to make any payment on behalf of or in the interest of any registered party, registered constituency association or registered candidate, the payment shall be considered a contribution by the person, corporation, trade union or employee organization or the unincorporated association or organization that made the payment unless that person, corporation, trade union or employee organization or the unincorporated association or organization is reimbursed by the borrower prior to the filing by the borrower of the financial statement next required to be filed pursuant to section 36 or 37.

(3) This section does not apply to payments made on behalf of a registered candidate for purposes unrelated to his campaign.

**34. Borrowing.**

**35. Guarantees.**

## **PART 6**

### **AUDIT**

**36.** (1) The chief financial officer of every registered party and registered constituency association shall, on or before the 31st day of March next following the commencement of this section and on or before the 31st day of March in each year thereafter, file with the Chief Electoral Officer financial statements of assets and liabilities and of receipts and payments or transfers for the previous year of the political party or constituency association for which he acts, excluding campaign receipts and payments or transfers relating to an election during a campaign period.

(2) Where a political party or constituency association becomes registered under this Act within the last four months of any year, the financial statement filed with its application for registration shall be deemed compliance with subsection (1) in relation to that year.

**37.** (1) The chief financial officer of every registered party, registered constituency association and registered candidate shall, within six months after polling day, file with the Chief Electoral Officer a financial statement of receipts and payments or transfers of the political party, constituency association or candidate for which he acts relating to the election during the campaign period.

(2) In relation to a by-election, subsection (1) applies only to registered parties and registered constituency associations that received contributions or made payments or transfers in relation to that by-election and to registered candidates at that by-election.

(3) This section also applies to any registered candidate

(a) who withdraws his candidacy, or

(b) who, having been registered before becoming nominated, does not in fact become nominated,

with respect to the period during which he is registered.

**38.** (1) Subject to subsection (3) and (4), where the chief financial officer of a registered candidate fails to file a financial statement as required by section 37, the Chief Electoral Officer shall transmit a report to that effect to the Speaker of the Legislative Assembly who shall thereupon lay the report before the Assembly if it is then sitting or, if it is not then sitting, within 15 days after the commencement of the next ensuing sitting and, if the statement of the registered candidate has not yet been filed in the interim the registered candidate, in addition to any other penalty for which he may be liable,

**36.** Filing of annual financial statements.

**37.** Filing of financial statements for election campaigns.

**38.** Effect of non-compliance.

- (a) if he was not declared elected, is ineligible to stand as a candidate at any election, and
- (b) if he was declared elected, is ineligible to sit or vote in the Assembly.

(2) Where a registered candidate who was declared elected remains ineligible to sit or vote in the Assembly pursuant to subsection (1) for a period of 60 days, the seat of that registered candidate, subject to subsection (3), thereupon becomes vacant.

(3) A registered candidate who was declared elected may, at any time not exceeding 60 days after the Speaker tables the report of the Chief Electoral Officer under subsection (1), apply to the Supreme Court of Alberta for relief and the Court may

- (a) dispense with compliance with section 37 if it considers that the non-compliance is due to circumstances beyond the control of the candidate, or
- (b) extend the time for compliance with section 37 where it finds mitigating reasons for non-compliance with that section but
  - (i) during the extended period of time the candidate remains ineligible to sit or vote in the Assembly, and
  - (ii) the seat of the candidate becomes vacant if he fails to comply with that section within the extended period of time or such additional extended periods of time as the Court may by order allow, or
- (c) declare the candidate not to be ineligible to sit or vote by reason of non-compliance with section 37 if it is satisfied that, at the time of the application, the necessary financial statement has been filed, or
- (d) refuse the application.

(4) A registered candidate who was not declared elected may, at any time, apply to the Supreme Court of Alberta for relief and the Court may

- (a) dispense with compliance with section 37 if it considers that the non-compliance is due to circumstances beyond the control of the candidate, or
- (b) declare the candidate not to be ineligible to stand as a candidate at any election by reason of non-compliance with section 37 if it is satisfied that, at the time of the application, the necessary financial statement has been filed, or
- (c) refuse the application.



(5) An application to the Court under this section shall be made by originating notice naming the Chief Electoral Officer as respondent.

(6) The decision of the Court is final and not subject to appeal.

(7) Where a subsequent election takes place within six months after polling day, the provisions of section 37 and this section apply with all necessary modifications to the first election as though the polling day for the subsequent election was the polling day of the first election.



## **PART 7**

### **PROHIBITIONS, OFFENCES AND PROSECUTIONS**

**39.** No person shall obstruct any person carrying out an inquiry or examination under this Act or withhold from him or conceal or destroy any books, papers, documents or things relevant to the subject-matter of the investigation or examination.

**40.** No person shall knowingly make a false statement in any application, return, financial statement or other document filed with the Chief Electoral Officer under this Act.

**41.** No person shall knowingly give false information to a chief financial officer or other person authorized to accept contributions.

**42.** (1) The chief financial officer of a registered party, registered constituency association or registered candidate who contravenes section 36 or 37 is guilty of an offence and liable on summary conviction to a fine of not more than \$1,000.

(2) Where any contravention of section 36 or 37 is committed by a chief financial officer of a registered party, registered constituency association or registered candidate, the political party or constituency association or candidate for which the chief financial officer acts is also guilty of an offence and liable on summary conviction,

- (a) in the case of a registered party, to a fine of not more than \$5,000, and
- (b) in the case of a registered constituency association or registered candidate, to a fine of not more than \$1,000.

**43.** Every corporation, trade union or employee organization that contravenes any of the provisions of this Act is guilty of an offence and liable on summary conviction to a fine of not more than \$10,000.

**44.** Every person, political party or constituency association that contravenes any of the provisions of this Act for which contravention no fine is otherwise provided, is guilty of an offence and liable on summary conviction to a fine of not more than \$1,000.

**45.** (1) Where the Chief Electoral Officer is satisfied that any person, corporation, trade union or employee organization has made one or more contributions in excess

**39. Obstruction.**

**40. False documents.**

**41. False statements.**

**42. Failure to provide audited statements.**

**43. Offences by corporations, trade unions or employee organizations.**

**44. General offences.**

**45. Penalties.**

of an amount permitted under this Act, the Chief Electoral Officer may by written notice require that person, corporation, trade union or employee organization to pay a penalty in an amount named in the notice and being equivalent to the amount by which the contribution or contributions exceeded the amount permitted under this Act.

(2) All penalties collected under this section shall be paid by the Chief Electoral Officer to the Provincial Treasurer and become part of the General Revenue Fund.

**46.** (1) A prosecution for an offence under this Act may be instituted against a political party, constituency association, trade union or employee organization in the name of the political party, constituency association, trade union or employee organization and for the purposes of any such prosecution, a political party, constituency association, trade union or employee organization shall be deemed to be a person.

(2) Any act or thing done or omitted by an officer, official or agent of a political party, constituency association, trade union or employee organization within the scope of his authority to act on behalf of the political party, constituency association, trade union or employee organization shall be deemed to be an act or thing done or omitted by the political party, constituency association, trade union or employee organization.

**47.** No prosecution shall be instituted under this Act without the consent of the Chief Electoral Officer.

**48.** (1) *The Alberta Income Tax Act is amended by adding after section 8.5 the following heading and section:*

**Political Contributions**

**8.6** (1) In this section,

- (a) “registered candidate” means a person who is a registered candidate under *The Election Finances and Contributions Disclosure Act*;
- (b) “registered constituency association” means a registered constituency association under *The Election Finances and Contributions Disclosure Act*;
- (c) “registered party” means a political party that is a registered party under *The Election Finances and Contributions Disclosure Act*.

(2) In respect of the aggregate amount of contributions under *The Election Finances and Contributions Disclosure Act* contributed by a taxpayer during the taxation year to a registered party, registered constituency association or reg-

**46.** Proceedings against political parties, constituency associations, trade unions and employee organizations.

**47.** Restrictions on prosecution.

**48.** Consequential. This amendment will permit deductions from the amount of provincial income tax payable based on the amount of political contributions made by the taxpayer.

istered candidate, that taxpayer, if resident in Alberta on the last day of the taxation year, may deduct from the amount of tax which he would otherwise be required to pay under this Act an amount equal to

- (a) the lesser of
  - (i) \$75, and
  - (ii) 75 per cent of the amount contributed, if the aggregate amount of contributions by the taxpayer does not exceed \$100, or
- (b) the lesser of
  - (i) \$300, and
  - (ii) \$75 plus 50 per cent of the amount contributed in excess of \$100, if the aggregate amount of contributions by the taxpayer exceeds \$100 but does not exceed \$550, or
- (c) the lesser of
  - (i) \$500, and
  - (ii) \$300 plus 33-1/3 per cent of the amount contributed in excess of \$550, if the aggregate amount of contributions by the taxpayer exceeds \$550,

or the amount of the tax payable, whichever is the lesser.

(3) Payment of each amount that is included in the aggregate amount of contributions in respect of which a deduction is claimed under subsection (1) shall be proved by filing with the Provincial Treasurer receipts therefor signed on behalf of the registered party, registered constituency association or registered candidate, as the case may be.

*(2) This section applies to the 1978 and subsequent taxation years.*

**49.** This Act comes into force on a date or dates to be fixed by Proclamation.

