

Questions?

Official agents are encouraged to contact Elections Nova Scotia with any questions or concerns related to any areas of Electoral Finance.

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This guide provides high level information regarding fundraising activities. It is not intended as a substitute for the legislation governing this topic. Official agents should refer to the *Elections Act* for exact legal content.

Website: electionsnovascotia.ca



4 Monetary & Non-Monetary Contributions

GUIDE FOR THE OFFICIAL AGENT OF A CANDIDATE



Guide for the Official Agent of a Candidate

Monetary & Non-Monetary Contributions, Donations in Kind

This guide provides summary information to the official agents of candidates running in a provincial election.

Sections 234 to 258 of the *Elections Act* provide detailed information on this topic. In addition, the *Handbook for the Official Agent of a Registered Candidate*, provides additional guidance. Official agents should refer to these documents for more information. In addition, official agents may contact Elections Nova Scotia for additional guidance.

What is a Monetary Contribution?

Most campaigns will focus on monetary contributions. Monetary contributions include several payment methods: personal cheque, personal credit card, personal electronic fund transfer or cash. You cannot accept payments made on corporate credit cards.

What is a Donation in Kind?

A donation in kind is the provision of goods, services or property for the benefit of a candidate. A donation in kind also results when an item is purchased at a discount where the same discount would not be available to an individual that purchased the same item in an open market.

How is a Donation in Kind Valued?

A donation in kind must be valued at fair market value. Fair market value is the amount the item would sell for in an open market between a willing buyer and a willing seller who are independent of each other. In most cases, the provider should be able to provide you documentation confirming the normal selling price.

What is not a Donation in Kind?

A donation in kind does not include personal services or the use of a vehicle volunteered by a person and not provided as part of that person's work or in the service of an employer.

Who can Contribute?

Only individuals who are residents of Nova Scotia can make political contributions including a donation in kind. Except for a spouse, an individual cannot contribute funds that do not belong to them.

Limitations on Contributions?

There are two types of limitations related to contributions.

1. Official agents cannot accept more than \$100 in cash from any contributor in a calendar year.
2. Individuals cannot contribute more than \$5,000 to a registered party, its electoral district associations and its candidates in a calendar year. This includes both **monetary** and **non-monetary** donations.

Is There an Exemption Limit?

An individual is exempt from reporting up to \$50 in donations in kind in a calendar year. However, the official agent must track all donation in kind contributions to ensure an individual does not exceed this limit.

Illegal or Anonymous Contributions?

Anonymous contributions or contributions from organizations (i.e., corporation, partnership, or trade union) cannot be accepted and must be returned to the donor. If the donor cannot be identified, the contribution must be remitted to the Chief Electoral Officer who will transfer it to the Minister of Finance. Form 8-1 must be completed for each returned contribution.

When can an Official Agent for a Candidate Accept Contributions?

Contributions can be received from the time the candidate becomes a registered candidate until the close of the polls on election day. Candidates may register using Form 1-1 at any time with Elections Nova Scotia.

Can Anyone Else Accept Contributions?

Under section 237 of the *Act*, the official agent can appoint a person to accept contributions on his/her behalf. The person must be appointed by the official agent using Form 8-2 before collecting or receiving contributions. However, under no circumstances, can the candidate collect or receive contributions.

What must the Official Agent Record?

The official agent must record the full name, date and residential address (cannot use a PO Box) of each contributor (for both monetary and nonmonetary contributions) together with the amount of the contribution. This information must be recorded in a single ledger. The record keeping method must enable the official agent to track contributions on a cumulative basis.

What must the Official Agent Disclose?

Form 2-3A (monetary and fundraising contributions) and Form 2-3B (statement of donations) must be completed and filed as part of the

election report. The official agent must provide the full name and residential address of contributors who make cumulative contributions (includes all types of contributions) equal to or exceeding \$200. The Chief Electoral Officer is required by law to publish a disclosure statement of the contributors within 120 days of the return of the writ. This disclosure statement is used to comply with the Act. In a non-election year, the disclosure statement is due on March 31.

What Contributions are Eligible to Receive a Tax Receipt?

The official agent of a candidate can only issue tax receipts for monetary contributions received from the time a candidate is officially nominated (which is not the date the election period starts) to the close of polls on election day.

Donated goods and services are not eligible to receive a tax receipt. Donations in kind cannot be made for items that meet the definition of election expenses (s.261(b)).