

These notes refer to the Political Parties, Elections and Referendums Act 2000 (c.41) which received Royal Assent on 30th November 2000

POLITICAL PARTIES, ELECTIONS AND REFERENDUMS ACT 2000

EXPLANATORY NOTES

COMMENTARY ON SECTIONS

Part IX : Political donations and expenditure by companies

Section 139 and Schedule 19 : Control of political donations by companies

New Section 347E : Special rule for parent company of non-GB subsidiary undertaking

262. *Section 347E* places an obligation on the directors of the holding company to take all such steps as are reasonably open to them to secure that any “subsidiary undertaking” (as defined in section 258 of the Companies Act 1985) that is incorporated or otherwise established outside Great Britain only makes a political donation or incurs political expenditure authorised by a prior resolution of the holding company in general meeting. The holding company resolutions are to be in the same form as required for GB subsidiaries and no subsequent ratification or approval of unauthorised donations or expenditure is permitted.