



Political Parties, Elections and Referendums Act 2000

2000 CHAPTER 41

PART IV

CONTROL OF DONATIONS TO REGISTERED PARTIES AND THEIR MEMBERS ETC.

CHAPTER II

RESTRICTIONS ON DONATIONS TO REGISTERED PARTIES

Permissible donations

54 Permissible donors

- (1) A donation received by a registered party must not be accepted by the party if—
 - (a) the person by whom the donation would be made is not, at the time of its receipt by the party, a permissible donor; or
 - (b) the party is (whether because the donation is given anonymously or by reason of any deception or concealment or otherwise) unable to ascertain the identity of that person.
- (2) For the purposes of this Part the following are permissible donors—
 - (a) an individual registered in an electoral register;
 - (b) a company—
 - (i) registered under the Companies Act 1985 or the Companies (Northern Ireland) Order 1986, and
 - (ii) incorporated within the United Kingdom or another member State, which carries on business in the United Kingdom;
 - (c) a registered party;

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- (d) a trade union entered in the list kept under the Trade Union and Labour Relations (Consolidation) Act 1992 or the Industrial Relations (Northern Ireland) Order 1992;
 - (e) a building society (within the meaning of the Building Societies Act 1986);
 - (f) a limited liability partnership registered under the Limited Liability Partnerships Act 2000, or any corresponding enactment in force in Northern Ireland, which carries on business in the United Kingdom;
 - (g) a friendly society registered under the Friendly Societies Act 1974 or a society registered (or deemed to be registered) under the Industrial and Provident Societies Act 1965 or the Industrial and Provident Societies Act (Northern Ireland) 1969; and
 - (h) any unincorporated association of two or more persons which does not fall within any of the preceding paragraphs but which carries on business or other activities wholly or mainly in the United Kingdom and whose main office is there.
- (3) In relation to a donation in the form of a bequest subsection (2)(a) shall be read as referring to an individual who was, at any time within the period of five years ending with the date of his death, registered in an electoral register.
- (4) Where any person (“the principal donor”) causes an amount (“the principal donation”) to be received by a registered party by way of a donation—
- (a) on behalf of himself and one or more other persons, or
 - (b) on behalf of two or more other persons,
- then for the purposes of this Part each individual contribution by a person falling within paragraph (a) or (b) of more than £200 shall be treated as if it were a separate donation received from that person.
- (5) In relation to each such separate donation, the principal donor must ensure that, at the time when the principal donation is received by the party, the party is given—
- (a) (except in the case of a donation which the principal donor is treated as making) all such details in respect of the person treated as making the donation as are required by virtue of paragraph 2 of Schedule 6 to be given in respect of the donor of a recordable donation; and
 - (b) (in any case) all such details in respect of the donation as are required by virtue of paragraph 4 of Schedule 6 to be given in respect of a recordable donation.
- (6) Where—
- (a) any person (“the agent”) causes an amount to be received by a registered party by way of a donation on behalf of another person (“the donor”), and
 - (b) the amount of that donation is more than £200,
- the agent must ensure that, at the time when the donation is received by the party, the party is given all such details in respect of the donor as are required by virtue of paragraph 2 of Schedule 6 to be given in respect of the donor of a recordable donation.
- (7) A person commits an offence if, without reasonable excuse, he fails to comply with subsection (5) or (6).
- (8) In this section “electoral register” means any of the following—
- (a) a register of parliamentary or local government electors maintained under section 9 of the Representation of the People Act 1983;

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- (b) a register of relevant citizens of the European Union prepared under Part III of the European Parliamentary Elections (Changes to the Franchise and Qualifications of Representatives) Regulations 1994; or
- (c) a register of peers prepared under regulations under section 3 of the Representation of the People Act 1985.

55 Payments etc. which are (or are not) to be treated as donations by permissible donors

- (1) The following provisions have effect for the purposes of this Part.
- (2) Any payment out of public funds received by a registered party shall (subject to section 52(1)(a) and (b)) be regarded as a donation received by the party from a permissible donor.
- (3) Any donation received by a registered party shall (if it would not otherwise fall to be so regarded) be regarded as a donation received by the party from a permissible donor if and to the extent that—
 - (a) the purpose of the donation is to meet qualifying costs incurred or to be incurred in connection with a visit by any member or officer of the party to a country or territory outside the United Kingdom, and
 - (b) the amount of the donation does not exceed a reasonable amount in respect of such costs.
- (4) In subsection (3) “qualifying costs”, in relation to any member or officer of the party, means costs relating to that person in respect of—
 - (a) travelling between the United Kingdom and the country or territory in question, or
 - (b) travelling, accommodation or subsistence while within that country or territory.
- (5) Any exempt trust donation received by a registered party shall be regarded as a donation received by the party from a permissible donor.
- (6) But any donation received by a registered party from a trustee of any property (in his capacity as such) which is not—
 - (a) an exempt trust donation, or
 - (b) a donation transmitted by the trustee to the party on behalf of beneficiaries under the trust who are—
 - (i) persons who at the time of its receipt by the party are permissible donors, or
 - (ii) the members of an unincorporated association which at that time is a permissible donor,shall be regarded as a donation received by the party from a person who is not a permissible donor.

56 Acceptance or return of donations: general

- (1) Where—
 - (a) a donation is received by a registered party, and
 - (b) it is not immediately decided that the party should (for whatever reason) refuse the donation,

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all reasonable steps must be taken forthwith by or on behalf of the party to verify (or, so far as any of the following is not apparent, ascertain) the identity of the donor, whether he is a permissible donor, and (if that appears to be the case) all such details in respect of him as are required by virtue of paragraph 2 of Schedule 6 to be given in respect of the donor of a recordable donation.

(2) If a registered party receives a donation which it is prohibited from accepting by virtue of section 54(1), or which it is decided that the party should for any other reason refuse, then—

- (a) unless the donation falls within section 54(1)(b), the donation, or a payment of an equivalent amount, must be sent back to the person who made the donation or any person appearing to be acting on his behalf,
- (b) if the donation falls within that provision, the required steps (as defined by section 57(1)) must be taken in relation to the donation,

within the period of 30 days beginning with the date when the donation is received by the party.

(3) Where—

- (a) subsection (2)(a) applies in relation to a donation, and
 - (b) the donation is not dealt with in accordance with that provision,
- the party and the treasurer of the party are each guilty of an offence.

(4) Where—

- (a) subsection (2)(b) applies in relation to a donation, and
 - (b) the donation is not dealt with in accordance with that provision,
- the treasurer of the party is guilty of an offence.

(5) For the purposes of this Part a donation received by a registered party shall be taken to have been accepted by the party unless—

- (a) the steps mentioned in paragraph (a) or (b) of subsection (2) are taken in relation to the donation within the period of 30 days mentioned in that subsection; and
- (b) a record can be produced of the receipt of the donation and—
 - (i) of the return of the donation, or the equivalent amount, as mentioned in subsection (2)(a), or
 - (ii) of the required steps being taken in relation to the donation as mentioned in subsection (2)(b),

as the case may be.

(6) Where a donation is received by a registered party in the form of an amount paid into any account held by the party with a financial institution, it shall be taken for the purposes of this Part to have been received by the party at the time when the party is notified in the usual way of the payment into the account.

57 Return of donations where donor unidentifiable

(1) For the purposes of section 56(2)(b) the required steps are as follows—

- (a) if the donation mentioned in that provision was transmitted by a person other than the donor, and the identity of that person is apparent, to return the donation to that person;

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- (b) if paragraph (a) does not apply but it is apparent that the donor has, in connection with the donation, used any facility provided by an identifiable financial institution, to return the donation to that institution; and
 - (c) in any other case, to send the donation to the Commission.
- (2) In subsection (1) any reference to returning or sending a donation to any person or body includes a reference to sending a payment of an equivalent amount to that person or body.
- (3) Any amount sent to the Commission in pursuance of subsection (1)(c) shall be paid by them into the Consolidated Fund.

Forfeiture of certain donations

58 Forfeiture of donations made by impermissible or unidentifiable donors

- (1) This section applies to any donation received by a registered party—
- (a) which, by virtue of section 54(1)(a) or (b), the party are prohibited from accepting, but
 - (b) which has been accepted by the party.
- (2) The court may, on an application made by the Commission, order the forfeiture by the party of an amount equal to the value of the donation.
- (3) The standard of proof in proceedings on an application under this section shall be that applicable to civil proceedings.
- (4) An order may be made under this section whether or not proceedings are brought against any person for an offence connected with the donation.
- (5) In this section “the court” means—
- (a) in relation to England and Wales, a magistrates' court;
 - (b) in relation to Scotland, the sheriff; and
 - (c) in relation to Northern Ireland, a court of summary jurisdiction;
- and proceedings on an application under this section to the sheriff shall be civil proceedings.

59 Appeal against order under section 58

- (1) Subsection (2) applies where an order (“the forfeiture order”) is made under section 58 by a magistrates' court or a court of summary jurisdiction in Northern Ireland.
- (2) The registered party may, before the end of the period of 30 days beginning with the date on which the forfeiture order is made, appeal to the Crown Court or, in Northern Ireland, to a county court.
- (3) An appeal under subsection (2) shall be by way of a rehearing; and the court hearing such an appeal may make such order as it considers appropriate.
- (4) Subsections (3) and (4) of section 58 apply in relation to a rehearing on an appeal under subsection (2) as they apply in relation to proceedings under that section.
- (5) Where an order is made under section 58 by the sheriff, the registered party may appeal against the order to the Court of Session.

60 Supplementary provisions about orders under section 58

- (1) Provision may be made by rules of court—
 - (a) with respect to applications or appeals to any court under section 58 or 59,
 - (b) for the giving of notice of such applications or appeals to persons affected,
 - (c) for the joinder, or in Scotland sisting, of such persons as parties,
 and generally with respect to the procedure under those sections before any court.
- (2) Subsection (1) is without prejudice to the generality of any existing power to make rules.
- (3) Any amount forfeited by an order under section 58 or 59 shall be paid into the Consolidated Fund.
- (4) Subsection (3) does not apply—
 - (a) where an appeal is made under section 59(2) or (5), before the appeal is determined or otherwise disposed of; and
 - (b) in any other case—
 - (i) where the forfeiture was ordered by a magistrates' court or a court of summary jurisdiction in Northern Ireland, before the end of the period of 30 days mentioned in section 59(2); or
 - (ii) where the forfeiture was ordered by the sheriff, before the end of any period within which, in accordance with rules of court, an appeal under section 59(5) must be made.
- (5) In the case of a registered party which is not a body corporate—
 - (a) proceedings under section 58 or 59 shall be brought against or by the party in its own name (and not in that of any of its members);
 - (b) for the purposes of any such proceedings any rules of court relating to the service of documents apply as if the party were a body corporate; and
 - (c) any amount forfeited by an order under section 58 or 59 shall be paid out of the funds of the party.

Evasion of restrictions on donations

61 Offences concerned with evasion of restrictions on donations

- (1) A person commits an offence if he—
 - (a) knowingly enters into, or
 - (b) knowingly does any act in furtherance of,
 any arrangement which facilitates or is likely to facilitate, whether by means of any concealment or disguise or otherwise, the making of donations to a registered party by any person or body other than a permissible donor.
- (2) A person commits an offence if—
 - (a) he knowingly gives the treasurer of a registered party any information relating to—
 - (i) the amount of any donation made to the party, or
 - (ii) the person or body making such a donation,
 which is false in a material particular; or

- (b) with intent to deceive, he withholds from the treasurer of a registered party any material information relating to a matter within paragraph (a)(i) or (ii).