



# Political Parties and Elections Act 2009

## 2009 CHAPTER 12

### PART 2

#### POLITICAL DONATIONS ETC AND EXPENDITURE

##### *Donations etc*

#### **9 Declaration as to source of donation**

- (1) In section 54 of the 2000 Act (permissible donors), in subsection (1) (circumstances in which party may not accept donation), after paragraph (a) there is inserted—
- “(aa) in the case of a donation of an amount exceeding £7,500, the party has not been given a declaration as required by section 54A; or”.
- (2) After that section there is inserted—

##### **“54A Declaration as to source of donation**

- (1) Where a person (P) causes an amount exceeding £7,500 to be received by a registered party by way of a donation, a written declaration must be given to the party—
- (a) by P, if P is an individual, or
- (b) if not, by an individual authorised by P to make the declaration, stating, to the best of the individual’s knowledge and belief, whether or not subsection (2) applies to the donation.
- (2) This subsection applies to the donation if—
- (a) a person other than P has provided, or is expected to provide, money or any other benefit to P with a view to, or otherwise in connection with, the making of the donation, and
- (b) the money, or the value of the benefit, is more than £7,500.

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*Status: This is the original version (as it was originally enacted).*

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- (3) Where a declaration under this section contains a statement to the effect that subsection (2) applies to the donation, it must also—
- (a) state whether or not, in the opinion of the person making the declaration—
    - (i) subsection (4) of section 54 applies to the donation;
    - (ii) subsection (6) of that section applies to it;
  - (b) if the person’s opinion is that neither of those subsections applies to the donation, give the person’s reasons for that opinion.
- (4) A declaration under this section must also state the full name and address of the person by whom it is made and, where subsection (1)(b) applies—
- (a) state that the person is authorised by P to make the declaration;
  - (b) describe the person’s role or position in relation to P.
- (5) A person who knowingly or recklessly makes a false declaration under this section commits an offence.
- (6) Regulations made by the Secretary of State may make provision as to how the value of a benefit is to be calculated for the purposes of subsection (2).”
- (3) In section 56 of the 2000 Act (acceptance or return of donations: general), in subsection (2) (steps to be taken if donation to be refused)—
- (a) in paragraph (a), for “section 54(1)(b)” there is substituted “section 54(1)(aa) or (b)”;
  - (b) after that paragraph there is inserted—
    - “(aa) if the donation falls within section 54(1)(aa) (but not section 54(1)(b)), the donation, or a payment of an equivalent amount, must be sent back to the person appearing to be the donor.”;
  - (c) in paragraph (b), for “that provision” there is substituted “section 54(1)(b)”.
- (4) Before subsection (4) of that section there is inserted—
- “(3B) Where—
- (a) subsection (2)(aa) 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.”
- (5) In Schedule 6 to the 2000 Act (details to be given in donation reports), after paragraph 1 there is inserted—

*“Declarations as to source of donation*

- 1A In relation to each recordable donation in the case of which a declaration under section 54A has been given, a quarterly or weekly report must either—
- (a) state that no reason was found to think that the declaration was untruthful or inaccurate, or
  - (b) give details of any respects in which the declaration was found or suspected to be untruthful or inaccurate.”
- (6) In paragraph 6 of that Schedule (donations from impermissible donors)—

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- (a) in the heading, at the end there is inserted “*or without required declaration*”;
- (b) for “section 54(1)(a)” there is substituted “section 54(1)(a) or (aa)”;
- (c) in paragraph (a), after “the donor” there is inserted “or the person appearing to be the donor”;
- (d) in paragraph (b), for “section 56(2)(a)” there is substituted “section 56(2)(a) or (aa)”.

(7) In Schedule 20 to the 2000 Act (penalties) the following entry is inserted at the appropriate place—

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“Section 54A(5) (making a false declaration as to source of donation)	On summary conviction in England and Wales or Scotland: statutory maximum or 12 months  On summary conviction in Northern Ireland: statutory maximum or 6 months  On indictment: fine or 1 year”.
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(8) Schedule 3 has effect.

That Schedule makes amendments to—

- (a) Schedules 7, 11 and 15 to the 2000 Act (control of donations to individuals and members associations; to recognised third parties; and to permitted participants), and
- (b) Schedule 20 to the 2000 Act (penalties),

corresponding to those made by subsections (1) to (7).

(9) The Secretary of State, after consulting the Electoral Commission, may make an order that—

- (a) amends or modifies a provision of the 2000 Act inserted by this section or Schedule 3 so far as it applies in relation to Northern Ireland;
- (b) makes provision that is consequential on or supplemental to that made by virtue of paragraph (a) (including provision amending or modifying any provision of the 2000 Act).

(10) The power to make an order under subsection (9) is exercisable by statutory instrument.

(11) No order may be made under subsection (9) unless a draft of the instrument containing the order has been laid before and approved by a resolution of each House of Parliament.