



# Political Activities Ordinance

## 2024

### Guidance Note:

## Donations

Donations to candidates and Independent Candidates are regulated by the Political Activities Ordinance legislation Part IV (**S.20-39**) For Registered Parties, all donations must be submitted to your Party's Treasurer, who will have to check that the Party can accept it, record it and report it in your spending return. Independent Candidates have to carry out the same procedure on their own as they are their own treasurers.

This guidance note explains the rules and provides additional information that should be of assistance to parties and candidates.

### **What is a donation?**

A donation is money, goods or services which are given;

- For the purpose of meeting election expenses
- Without charge or on non-commercial terms and which have a monetary value

This can include but not limited to the following: a gift of money or other property; payment of an invoice for election expenses that would otherwise be paid by you; a loan that is not on commercial terms; sponsorship of an event; or payment of a publication.

The rules cover all donations towards election expenses. This includes donations towards those election expenses you receive before you become a candidate. The rules do not cover donations you receive towards things that are not election expenses. Examples may include the free use of a meeting venue, payments and goods provided by a political sympathizer.

**You can only accept donations from permissible donors** as defined by **S. 24(2)** of the Ordinance:

- An individual registered in the Register of Electors;
- An individual who is not so registered but is ordinarily resident in the Turks and Caicos Islands;
- An individual who is neither registered in the Register of Electors nor ordinarily resident in the Turks and Caicos Islands but who is a Turks and Caicos Islander;
- A company formed and registered under the Companies Ordinance which, for a period of not less than 12 months before the donation is accepted has continuously carried on business in the Turks and Caicos Islands;
- A registered party;
- A trade union registered under the Trade Unions Ordinance; and
- A limited partnership registered under the Limited Partnerships Ordinance which carries on business in the Turks and Caicos Islands.

### **How do you decide if you can accept a donation?**

When you receive any donation, you must immediately make sure that you know who the donor is and that the donation is from a permissible source. If someone has passed on a donation on someone else's behalf, you must treat this as a donation from the original source and not from the person passing it on.

### **When do you "receive" a donation?**

You usually receive a donation on the day you take ownership of it. For example:

- If you are given cash then you receive it on that day.
- If you are given a cheque, you receive the donation on the date that the cheque clears.
- If the donation is transferred directly into your bank account, you receive the donation on the date you check your online bank record or on the date you are notified of it by your bank.
- If you are given something by a supporter, for example, printing of political leaflets, you receive the donation when the leaflets are handed over to you

### **How do you return a donation?**

If a donation is received by someone who is not permitted to give a donation to a political party or independent candidate it must be returned. If you know who the donor is, you must return it to them. If the donation is from an unidentified source (for example, an anonymous \$100 cash donation), you must pass it to; the person who transferred the donation to you; or the financial institution used to transfer the donation. If you cannot identify either of the aforementioned, then you must send the donation to the Integrity Commission in accordance with Section 27(c). The Commission will then arrange for the transfer of the donation into the Consolidated Fund in accordance with **S.27(3)**.

### **Maximum Donation amount: S.24(4)**

**THE MAXIMUM ANY ONE DONOR CAN GIVE IN ANY 365 DAY PERIOD IS \$30,000**

### **Sponsorship donation:**

Valuing a donation by sponsorship; if someone sponsors for example, a publication or event on your behalf, the value of the donation is the full amount that they pay. Do not make any deduction from any benefit received from the sponsorship. If uncertain on how to account for sponsorship then discuss promptly with the Integrity Commission.

### **Corporate Donations:**

Directors of companies are required to seek the approval of the company in general meeting to the making of donations to political parties or organisations, or to the incurring of expenditure for political purposes. Section 25 (3) of the Ordinance therefore requires that the party should ensure it is provided with a copy of the resolution of the directors of the company authorising the making of the donation.

### **Overseas visits**

In addition to the types of donations listed above, registered parties should treat as donations the cost of any overseas visits undertaken in connection with their political activities. A donation provided to a party or candidate to meet the cost of an overseas visit is regarded as a donation from a permissible donor if it is made to meet 'qualifying costs' (i.e. travel, accommodation or subsistence costs) incurred during a visit made in connection with the individual's political activities. The Ordinance specifies that any donation to meet the cost of an overseas visit should only be treated as a donation from a permissible source to the extent that it does not exceed a reasonable amount in respect of such costs. In the Commission's view, a reasonable amount would not significantly exceed the likely cost of the visit.

### **Maintaining records in respect of donations:**

Records of all donations received must be recorded immediately (within 24) hours following receipt and retained, including the donor's name and address for donations between \$150 and \$30,000. Subsequently, those details for donations between \$150 and \$3,000 will be shared with the Integrity Commission. In relation to donations between \$3,000 and \$30,000, the party must verify that the donor is a permissible donor; and the party must comply with publishing requirements as prescribed by the Governor in consultation with the Commission in accordance with **S.24(15)**.

If the donation is from a company, a resolution from the Board of Directors of the company authorising the donation, the registered company number, the name as it is shown on the register, and the company's registered address is required. In addition: the amount; nature and the value of the donation; the date on which the donation was received and the date on which the donation was accepted should be recorded for subsequent inclusion in the weekly donation return.

### **Frequency of Donation Reports:**

At the beginning of the General Election Period a Donation Report is to be submitted to the Commission of all Donations received up to the day of the Dissolution of the House of Assembly. Thereafter, two Donations Reports must be submitted to the Commission by the Treasurers and Independent Candidates. One is due mid-way the General Election Period, and the other is due within 30 days following the Election Day (polling day) (under **S.33**),

The usual Bi-annual donations Reports under **S.31**, that are due in January and July of each year will continue as normal.

If during any reporting period, no donations have been accepted by the party, then the reports must contain a declaration from the Treasurer/Independent Candidate to that effect **(S.31(4))**.

Should you wish to contact the Commission concerning donations, you can do so via the following contact details:

General: 9461941, 941-7847, 338-3335 Richard Been or via e-mail: [deputydirector@integritycommission.tc](mailto:deputydirector@integritycommission.tc) or [secretary@integritycommission.tc](mailto:secretary@integritycommission.tc)

Integrity Commission  
Franklyn Missicks Building  
Grand Turk, Turks and Caicos Islands  
Or  
Suite 204, Cabot House  
IGA Plaza  
Providenciales

*Note: These guidance notes are issued to assist political parties and candidates in complying with their obligations under the Political Activities Ordinance. They are not intended to supersede the Ordinance and Regulations and in the event of any inconsistency, the Ordinance and Regulations prevail. This also applies to any future guidance notes provided by the Integrity Commission*