

**Election Finances
CFO Handbook for Nomination
Contestants**

2025

Note: This handbook is effective until December 31st, 2025.

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Disclaimer

This handbook provides guidance from Elections Ontario about how to comply with the *Election Finances Act*. To the extent that any conflict exists between this handbook and the *Election Finances Act*, the *Election Finances Act* prevails.

The most recently published handbook and forms for Nomination Contestants can be found online, by clicking this [link](#) or by scanning the quick response (QR) code below using the camera on a smartphone.



Further information

Elections Ontario’s staff is always available to provide assistance. Please contact the Compliance Division at:

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Online resources provided by Elections Ontario

The Elections Ontario website features tools that our stakeholders can use to view information on financial returns, contributions and filing data. The webpages feature information related to the following topics:

- Registered political parties, reserved party names, and third party advertiser information;
- CFO handbooks and forms;
- Financial returns and contributions;
- Graphics and charts utilities;

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- A bulk download utility for contributions;
- Searchable database of political financing and party information;
- Eligible and paid quarterly allowances to political parties and constituency associations;
- Nomination and leadership contests and contestants; and
- Information for candidates.

The “[Graphics and Charts](#)” section provides stakeholders with utilities to represent the contribution data using a graphical interface. Political entities can use this to view contribution information from past events, and totals per year and per event by party and electoral district.

More information can be found on our [website](#).

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Introduction

This handbook describes the responsibilities of a nomination contestant and their chief financial officer (CFO) under the *Election Finances Act* (the Act), as well as the administrative monetary penalties that may apply for failure to comply with the Act.

Please note, the changes introduced by Bill 254, *Protecting Ontario Elections Act, 2021* removed the requirement for nomination contestants to file financial statements with Elections Ontario.

Definitions

This section explains the definition of a nomination contestant and the nomination contest period.

Nomination Contestant

This is a person seeking endorsement as an official party candidate for an electoral district. [Act reference 1(1)]

Nomination Contest Period

This means, with respect to a nomination contestant, the period that begins when the contestant first receives or spends funds for the purpose of achieving the endorsement, and ends three months after the candidate for the electoral district is selected. [Act reference 1(1)]

The nomination contest period is divided into three segments:

- Prior to Call
- Call to Vote
- Post Vote

Prior to Call

This is the period beginning when the contestant first receives or spends funds for the purpose of achieving the endorsement and ending immediately before the date of the official call of the nomination contest. Although funds can be accepted and bank accounts can be opened, contribution rules and spending limits do not apply during this period.

Call to Vote

This is the period beginning on the date of the official call of the nomination contest and ending when the candidate for the electoral district is selected. Contribution rules and spending limits apply during this period. No further funds can be accepted nor expenses incurred until the nomination contestant is registered.

Post Vote

This is the period beginning the day after the candidate for the electoral district is selected and ending three months after the candidate for the electoral district is selected. The contribution rules apply and the spending limits do not apply during this period.

Pre-Registration Activity

This section explains the requirements of a registered political party or a registered constituency association holding a nomination contest.

Holding a nomination contest

A registered political party or a registered constituency association that proposes to hold a nomination contest must file with Elections Ontario a statement setting out the date of the official call of the nomination contest and the date fixed for the nomination vote (Form NC-2 Notice of Nomination Contest). [Act reference 12.1(2)]

If a party charges a fee to become a contestant, the payment of that fee is not treated as a contribution to the party or constituency association. However, once a contest is called, the rules governing contributions apply when a contestant is collecting funds to pay such fees. Internal party contest rules and fees are not regulated by Elections Ontario.

Refer to the Political Party handbook for requirements of a political party and the Constituency Association handbook for requirements of a constituency association.

Roles and Responsibilities

This section explains the roles and responsibilities of a chief financial officer for a nomination contestant.

Chief Financial Officer (CFO)

A chief financial officer (CFO) is a person appointed by a nomination contestant's campaign to record, and keep financial information in accordance with the *Election Finances Act*. All nomination contestants' campaigns must appoint a CFO before registration.

If the appointment ends for any reason, a new CFO must be appointed immediately and Elections Ontario informed in writing immediately. [Act references 33(2) and 33(3)]

Selecting and appointing a CFO

The obligations of a CFO are significant. Because of the skills required, it is recommended that the CFO have knowledge of accounting or bookkeeping.

Submit the Nomination Contestant Registration and Change Notice Form (NC-1) to Elections Ontario when appointing a CFO.

Responsibilities of the CFO for a Nomination Contestant

The CFO is legally responsible for:

- certifying any changes in registration information reported to Elections Ontario;
- keeping proper financial records of all income and expenditures, including deposit slips, invoices, etc.;
- ensuring that only eligible contributions are accepted, and corrective action is taken where ineligible contributions have been accepted;
- depositing all funds received in the financial institution on record with Elections Ontario;
- recording contributions consisting of goods and services at fair market value;
- keeping a list of all contributions received, including name and address of contributors;
- issuing receipts for the purpose of acknowledging contributions after they have been accepted;
- processing all payments on time;

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- ensuring that funds are borrowed only from eligible sources;
- keeping all financial records for a minimum of six years as recommended by the Canada Revenue Agency (CRA); and
- transferring all financial records to the incoming CFO when leaving the position.

Registration

This section explains the process and forms to register a nomination contestant, and update changes in registration information.

A nomination contestant must register with Elections Ontario in order to receive contributions and finance political activities in a contest period.

Anyone who actively engages in the contest must register with Elections Ontario as soon as Elections Ontario is advised one is taking place. The following are situations where registration should take place:

- If a party advises Elections Ontario that it will call a contest on a specific date in the future.
- If a party advises Elections Ontario that it will call a contest on a specific date in the future (but does not name the date of the vote).
- If a party calls a contest and/or vote (but does not advise Elections Ontario of that fact), the situation has to be considered in the circumstances of the particular case.
- If notification is provided late, before the contest concludes, the registration requirements may be applied at the discretion of Elections Ontario. Where contests are held without notifying Elections Ontario at all (or notifying Elections Ontario after the fact), the matter is an infringement of the Act and the party or constituency association, its officials, and the contestants may be considered by the Chief Electoral Officer for reporting to the Ministry of the Attorney General.
- If a party calls a contest and the selection of the party's candidate is going to be put to a vote, anyone who has spent money must already have registered with Elections Ontario prior to the date fixed for the vote.
- If a party calls a contest and the selection of the party or constituency association's candidate is going to be put to a vote, anyone who actively engages in that contest expends resources to do so. As such, they must register with Elections Ontario.
- If a person is disqualified/prohibited by a party from being a contestant, then once a contest has been called, anyone who actively engages in the contest should register. The funds they raise, prior to that point, still count towards the annual combined association/nomination contestant contribution limit.

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- If a party calls a contest and one or more contestants withdraw before the vote, a nomination contestant who has withdrawn should register with Elections Ontario once the contest has been called. The funds they raise, prior to that point, still count towards the annual combined association/contestant contribution limit.
- If a party calls a contest, advises Elections Ontario of that fact, but then cancels the contest before the vote (i.e. because it just appoints a candidate or decides not to name a candidate), they still have to register with Elections Ontario. The funds they raise, prior to that point, still count towards the annual combined association/contestant contribution limit.
- If a party calls a contest, advises Elections Ontario of that fact, holds a vote, but then holds a later contest to select a different candidate (i.e. because the selected person resigns or is disqualified by the party or constituency association from being a candidate), they have to register with Elections Ontario. The funds they raised in the contest still count towards the annual combined association/nomination contestant contribution limit.

The status of being a “registered nomination contestant” ends three months after the day of the vote, or, if cancelled, the day it is cancelled. This applies to all registered nomination contestants, including those who win or withdraw, prior to the date fixed for the vote, or who are disqualified by a party or constituency association from running after the contest is called (i.e. during the contest period).

The nomination contest provisions do not apply to unregistered political parties (i.e. those parties who have not yet been registered through the petition process or who have not nominated two candidates in a general election or two concurrent by-elections).

Contents of application and filing methods

The following text explains completing and submitting a nomination contestant registration form.

Application form

The registration requirements are listed within the Nomination Contestant Registration and Change Notice Form (NC-1) and the Form Completion Guide. The Form NC-1 must be submitted at the time of application for registration. [Act reference 12.1(3)]

Endorsement by political party or constituency association

The registered political party or constituency association holding the nomination contest must certify the contestant's eligibility as part of the application for registration by signing the Nomination Contestant Registration and Change Notice Form (NC-1).

Application filing methods

The completed and signed Nomination Contestant Registration and Change Notice Form (NC-1) can be sent to Elections Ontario by any delivery method so long as the application is complete. Examples of accepted delivery methods include mail, fax, email, or hand delivery.

Effective date of registration

Elections Ontario will register the nomination contestant upon approval of the registration application, providing the registration form is complete and signed. [Act reference 12.1(4)]

Elections Ontario will send written confirmation of registration to the nomination contestant and the political party or constituency association holding the contest. Elections Ontario will provide training materials and other information for the operations of the registered nomination contestant's campaign.

Bank Account – name of account

The *Election Finances Act* does not specify the exact wording for the name of a bank account for an entity. Each registered entity must open a bank account to be used for all financial activity of the entity.

We recommend that the name on the account should be clearly identified as an account for that entity.

The Act does not specify the type of account that must be opened, but typically, it would be similar to an account for a non-profit organization.

Consult with your financial institution regarding their requirements for opening an account.

Change in registration information

The following text explains how to affect changes in registration information.

Written notice of changes

Whenever there is any change of registration information, a registered nomination contestant's campaign must provide written notice of the change to Elections Ontario immediately by filing a revised Nomination Contestant

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Registration and Change Notice Form (NC-1). The revised form must be signed by the CFO and nomination contestant.

A change in registration information includes a change to:

- the full name and address of the registered nomination contestant;
- the CFO of a registered nomination contestant;
- the persons authorized by a registered nomination contestant to accept contributions;
- the address of the place or places in Ontario where records of a registered nomination contestant are kept and of the place in Ontario to which communications may be addressed;
- the name and address of every financial institution at which a bank account is held by a registered nomination contestant for holding contributions; and
- the signing officers responsible for each bank account.

[Act reference 12.1(3)]

Change in CFO

When there is a change in CFO, the registered nomination contestant's campaign must immediately appoint another CFO and file a revised Nomination Contestant Registration and Change Notice Form (NC-1), containing the name, address, and telephone number of the new CFO. [Act reference 33(3)]

For a change in CFO, the revised form must be signed by the incoming CFO and nomination contestant.

In addition, where there is a change in CFO, the person accepting the appointment shall receive the financial records of the registered nomination contestant from the outgoing CFO.

If these documents are not provided, the new CFO must write to advise Elections Ontario of the steps taken to secure the documents.

Responsibility for notification

The responsibility for notifying Elections Ontario of changes in registration information lies with the registered nomination contestant. Elections Ontario will rely and act on information submitted by the nomination contestant and CFO last on record with Elections Ontario.

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The nomination contest provisions do not apply to unregistered political parties (i.e. those parties who have not yet been registered through the petition process or who have not nominated at least two candidates in a general election or two concurrent by-elections).

Contributions

This section explains administering contributions: the sources, limits, and types for a nomination contestant.

Contributions are money, goods, or services given to a registered nomination contestant's campaign for the purposes outlined in the *Election Finances Act*. **Contributions given to a registered nomination contestant's campaign must be receipted but the receipts are not eligible for tax credit purposes.**

Contributions are one part of total income that is used in a registered nomination contestant's operation. There are restrictions as to the source and form of contributions. In addition, there are recording requirements for contributions. Contributions may only be made by individuals normally resident in Ontario using their own funds.

Contributions do not include any goods produced, or services performed, for any registered nomination contestant, by voluntary labour.

For the purposes of contributions, voluntary labour is defined as any service provided free of charge by a person outside their working hours but does not include such a service provided by a person who is self-employed and the service is one that is normally charged for by that person.

In any calendar year, all the goods and services contributed by a person and having an aggregate value of \$100 or less, may not be considered as a contribution, at the option of the person providing the goods or services. Refer to Goods and services section under Non-monetary contributions.

Any money used for a registered nomination contestant's campaign out of the contestant's own funds is considered to be a contribution, and subject to contribution limits. Every registered nomination contestant must submit a statement in writing to their CFO, mentioning all nomination contest expenses paid or to be paid out of the nomination contestant's own funds.

Eligible contributions

Only contributions solicited for the purposes of the *Election Finances Act* will be considered a contribution. Contributions may only be made by individuals residing in Ontario using their own funds. [Act reference 19(1)]

For guidance on contributions received from fund-raising events, refer to the section on Fund-raising.

Literature and communication used to solicit contributions

All literature and communication used to solicit contributions by or on behalf of a registered nomination contestant's campaign must clearly identify the nomination contestant receiving the contribution.

Sources of contributions

The following text explains sources of political contributions.

Eligible contributors

Contributions may only be made to a registered nomination contestant's campaign by a person who is normally resident in Ontario, including a person serving in the armed forces, diplomatic service, or similar type of employment abroad if that person's normal home is in Ontario. [Act references 16(1) and 29(1)]

A registered nomination contestant's own funds used for their campaign are deemed to be a contribution to the campaign. A statement of expenses paid by a registered nomination contestant using their own funds must be provided to the CFO with accompanying supporting documentation within three months after the end of the contest period. [Act reference 12.1(6)]

No nomination contestant registered under the Act shall accept a contribution made in contravention of the above.

Contributions from trade unions, corporations, unincorporated associations, affiliated political organization and organizations are prohibited

Under the Act, any trade union, corporations, unincorporated association or organization are not permitted to make a contribution to a registered nomination contestant, except during the Prior to Call period.

Source of contributor's funds

No registered nomination contestant's campaign or person acting on its behalf may solicit or knowingly accept any contribution that is not made in the contributor's own funds. [Act reference 19(2)]

Example:

If a person purchases a ticket or multiple tickets to a fundraising event, that person must pay for the ticket(s) from their own funds and not be reimbursed for that payment. That person is deemed to be the contributor. The maximum contribution limit applies.

Ineligible contributions

The following text explains ineligible contributors, and anonymous and conditional contributions.

Ineligible contributors

No registered nomination contestant's campaign may directly or indirectly knowingly accept contributions from an ineligible contributor. [Act reference 29(1)]

A person who is not registered as a nomination contestant or any person, organization, entity or any of its associations or organizations acting on behalf of that person must not accept contributions for the candidacy of that person in a contest related to seeking endorsement as an official party candidate.

Any person/individual (or persons working on their behalf) can sell party memberships before the official call of a nomination contest. A prospective nomination contestant cannot receive contributions to support their own nomination contest, however they can use their own funds to support exploratory activities. Monetary contributions from others are prohibited.

Others may voluntarily produce goods or perform services to support exploratory activities similar to supporting a nomination contestant.

Ineligible contributors to a registered nomination contestant's campaign include, but are not limited to:

- any source outside Ontario;
- registered charities;
- any person normally resident outside Ontario;
- any corporation or trade union;
- members of the House of Commons living in Ontario but representing an electoral district outside Ontario;
- federal constituency associations; and
- political parties or constituency associations from other provinces.

Anonymous contributions

A registered nomination contestant's campaign must not accept anonymous contributions.

A registered nomination contestant's campaign must return anonymous contributions to the contributor. If the contributor cannot be identified, the funds must be paid to Elections Ontario. [Act reference 17(2)]

Conditional contributions

A registered nomination contestant's campaign may accept directed contributions so long as they are for the general or specific purposes of the nomination contestant's campaign.

Examples:

- A contributor gives \$100 with the direction that it be used to place an advertisement in a newspaper; this is an acceptable contribution.
- A contributor gives funds to cover fees for meetings, seminars, workshops, or conferences that are sponsored by the nomination contestant's campaign and held in Ontario; this is an acceptable contribution.

However, a registered nomination contestant's campaign must not solicit or accept directed contributions that would contravene the *Election Finances Act*.

A registered nomination contestant's campaign must also not accept conditional contributions. A conditional contribution is where the contributor, as a condition of making the contribution, requires the recipient to give the contributor a material benefit.

Example:

A contributor cannot donate \$200 on the condition that the recipient purchase a bicycle using those funds to give to the contributor.

Contribution limits

In any calendar year that falls during a nomination contest period or during which a contestant is required to be registered, a person can make contributions up to the contribution limit determined for that calendar year.

2025 Contribution Limits to Nomination Contestants

Source	Period	Contribution Limit	Recipients Included in the Limit
Individual contributor using own funds	Calendar year (including all campaign periods in that year)	\$3,400	All constituency associations for a party and all nomination contestants for that party

Examples:

- Suyin may contribute an amount up to \$3,400 to constituency associations of one political party in 2025. For example, in 2025, Suyin can contribute \$680 to 5 constituency associations of one political party. If Suyin does this, she will not be able to contribute to any nomination contestants of that party in 2025 because she has reached the 2025 contribution limit.
- Rahul may contribute an amount up to \$3,400 to nomination contestants of one political party each calendar year. For example: In 2025, Rahul can contribute \$680 to 5 nomination contestants of one political party. If Rahul does this, he will not be able to contribute to any constituency associations of that party in 2025 because he has reached the 2025 contribution limit.
- Daniel may contribute an amount up to \$3,400 to constituency associations and nomination contestants of one political party each calendar year. For example: In 2025, Daniel can contribute \$1,700 to the nomination contestant he supports in his constituency association’s nomination contest, and he can contribute \$1,700 to his constituency association. If Daniel does this, he cannot make any further contributions to constituency associations and nomination contestants of that party in 2025 because he has reached the 2025 contribution limit.

No registered nomination contestant or person acting on their behalf may knowingly accept any contributions in excess of the limits imposed by the Act. [Act reference 28]

Forms of contributions

The following text explains the two forms of contributions: monetary and non-monetary.

Monetary contributions

A monetary contribution to a registered nomination contestant's campaign of up to \$25 may be given in cash. Any monetary contribution of more than \$25 shall not be contributed through cash. Such contributions must be made by any modern financial practice where the contributor and their account information can be confirmed. Such practices include payment by cheque, credit card, E-transfer, money order signed by the contributor, debit card, or online payment (e.g. PayPal). [Act reference 16(2)]

Crowdfunding, or crowdsourcing, through the internet for contributions is also permitted, provided that the proceeds are accompanied by information that allows the CFO to trace and track contributions from individual donors. If for any reason a CFO cannot facilitate the collection of this information for crowd-funded proceeds, then it should not accept contributions through these means. Contributions must be from eligible contributors, using their own funds, and within the contribution limits.

Where there is a processing fee, the full amount sent by a contributor is the contribution amount and the processing fee is an expense.

Non-monetary contributions

The following text explains non-monetary contributions: cryptocurrency and goods and services.

Cryptocurrency

Contributions in the form of cryptocurrencies are considered to be non-monetary contributions.

Contributions of cryptocurrency are permitted, provided that they are accompanied by information that allows the CFO to trace and track the individual donor. Contributions must be from eligible contributors, using their own funds, and within the contribution limits.

The amount of contribution to be recorded is the commercial value of the cryptocurrency in Canadian dollars at the time that it was received, based on the actual exchange rate or the rate on a major exchange platform. The amount of the contribution should be recorded as a contribution of goods and services, with an offsetting Other Assets account on the Statement of Assets and Liabilities. Any transaction fees incurred should be recorded as an expense.

Goods and services

All goods or services provided by a supplier are considered a contribution with an offsetting expense if their total value is more than \$100. If the total value is \$100 or less, it is also considered a contribution unless the donor specifies otherwise. Goods or services not considered a contribution are recorded as other income with an offsetting expense. [Act reference 21(2)]

Whenever goods or services have been provided, whether or not considered to be a contribution for the purposes of the *Election Finances Act*, an expense in the equivalent fair market value is considered to have been incurred.

An exception, where goods and services are not considered to be a contribution, is when goods and services are produced by voluntary labour.

Examples:

- Rahul brought pizza totaling \$30 to the nomination contestant's meeting held in August 2025. Since the fair market value of the pizza is less than \$100, the CFO of Daniel, who is a nomination contestant, must ask Rahul if he would like to treat the donation of pizza as a contribution. Rahul does not want the pizza to be considered a contribution.

Rahul also shows up at another meeting in September 2025 with pizza totaling \$40 for which he also does not treat as a contribution.

In October 2025, Rahul purchases office supplies totaling \$40 for the nomination contestant. Rahul has now provided goods totaling \$110 for the nomination contestant. The CFO for Daniel must now inform Rahul that his donations of pizza and office supplies has exceeded the \$100 threshold and the total \$110 must now be considered a contribution of goods and services.

- Suyin is a bookkeeper who provides bookkeeping services to Brigitte, who is a nomination contestant in 2025. The fair market value of her services is \$400 for the year. Since the fair market value exceeds \$100 for that year, the CFO for Brigitte must consider Suyin's bookkeeping services as a contribution of goods and services.

Value of goods and services

The value of goods and services is considered to be the fair market value for similar goods and services at the time they are provided.

If the contributor is in the business of supplying such goods and services, fair market value is the lowest amount charged by the contributor for an

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equivalent amount of goods and services at the time and in the same market area.

Where the contributor is not in the business of supplying such goods and services, fair market value is the lowest amount charged at the time by any other person providing similar goods on a commercial retail basis or similar services on a commercial basis in the same market area. [Act reference 21(1)]

If the goods and services contributed has an aggregate fair market value of \$100 or less, the contributor has the option to not have it considered as a contribution.

Goods and services provided for less than fair market value

Where goods and services are provided for a price less than fair market value, including goods and services that are not paid for or where there is an agreement not to accept payment, the difference between the price and fair market value must be considered a contribution. [Act reference 21(3)]

However, the rules regarding the eligibility of contributors still applies.

Payment of suppliers

All suppliers must be paid promptly within the normal credit terms as provided by the supplier. Any delay in payment may also be considered an ineligible contribution or an ineligible loan.

Supporting documentation for goods and services

All contributions of goods and services must be supported by an invoice, statement of account, or receipt from the supplier of the goods and services.

Administering contributions

The following text explains accepting, recording, and returning contributions.

Accepting contributions

The following text explains accepting and depositing contributions.

Deposit of contributions

A nomination contestant's campaign may accept contributions only if it is registered with Elections Ontario.

Contributions will be considered accepted:

- if paid by cash, cheque, E-transfer, cryptocurrency (e.g. Bitcoin), money order, or debit card, at the time the contributions are deposited in the financial institution on record with Elections Ontario; or

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- if paid by credit card, online payment (e.g. PayPal) or any other manner that associates the contributor's name and account with the payment, on the date of the transaction.

All money collected by or on behalf of a registered nomination contestant's campaign must be deposited. [Act reference 16(3)]

Contributions received in an envelope postmarked prior to the end of a reporting period or received on the last day of a reporting period that cannot be deposited because the financial institution is closed, must be recorded as an outstanding bank account deposit on the last day of the reporting period. Each outstanding deposit must be deposited on the next available banking day.

Persons authorized to accept contributions

Only the CFO or other authorized persons noted on the Nomination Contestant Registration and Change Notice Form (NC-1) filed with Elections Ontario may accept contributions. While the *Election Finances Act* permits other authorized persons on record to accept contributions, it is the CFO's responsibility to ensure that only eligible contributions are accepted and appropriately recorded.

A registered nomination contestant must not personally accept contributions. [Act reference 32]

Any contributions collected by others, for example, by means of a door-to-door canvass, must be turned over immediately to the CFO or other persons on record with Elections Ontario, along with a list of the names and addresses of the contributors and the amounts of their individual contributions.

Recording of contributions

The details of all contributors and contributions accepted on behalf of a registered nomination contestant's campaign must be recorded by the CFO. It is required that the CFO maintains a list of all contributions accepted.

Return of contributions

A CFO may learn that a contribution has been made or accepted in contravention of any provisions of the *Election Finances Act*. These contraventions may include, but are not limited to:

- contributions from unidentifiable or anonymous sources;
- contributions from ineligible sources;
- cash contributions in excess of \$25;

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- contributions of funds not belonging to the contributor;
- contributions of funds from a federal political party or its organizations; or
- contributions of funds from a municipal candidate's campaign.

In these cases, the CFO must return to the contributor an amount equal to the sum contributed within 30 days. [Act reference 17(1)]

Any such contribution not returned to the contributor or any anonymous contribution accepted by a registered nomination contestant's campaign must not be used for any purpose and must be paid to Elections Ontario. [Act reference 17(2)]

Non-Contribution Income

This section explains other forms of income that are not considered to be contributions.

In Ontario, other forms of income may be received by a registered nomination contestant's campaign and not considered to be a contribution. These include the non-contribution portion of proceeds from fund-raising, goods and services not considered a contribution, transfers, interest income, and other income.

Goods and services supplied

Goods and services provided to a registered nomination contestant's campaign must be treated as a contribution unless the total value of all goods and services provided by the supplier in a contest period is \$100 or less, and the supplier indicates that the value is not to be considered a contribution. Goods and services not considered a contribution must be recorded as other income. [Act reference 21(2)]

Voluntary labour

Under the Act, "voluntary labour" is defined as any service provided free of charge by a person outside their working hours, but does not include such a service provided by a self-employed person if that service is normally charged for by that person. Any goods or services provided to any nomination contestant's campaign by voluntary labour is not considered as contribution under the Act.

Volunteer labour is work done on an individual's own time for a function for which they do not ordinarily get paid.

If the contributor is in the business of supplying such goods and services this cannot be voluntary labour and would be considered a contribution. The fair market value of the services provided must be shown as a contribution at fair market value. Fair market value is the lowest amount charged by the contributor for an equivalent amount of goods and services at the time and in the same market area.

Other income

Other income includes income not classified elsewhere, such as recoveries, goods and services not considered contributions, and gains on disposals of investments or fixed assets.

Political Events

This section explains the two types of political events and other activities.

There are two types of political events:

- Fund-raising events
- Social events

Fund-raising events

A “fund-raising event” means an event held for the purpose of raising funds for the party, constituency association, nomination contestant, candidate or leadership contestant registered under the Act by whom or on whose behalf the event is held, and where a charge by the sale of tickets or otherwise is made for attendance. Fund-raising events include activities such as dinners, dances, sporting events, shows, etc. for which an admission charge is paid. [Act reference 23(1)]

What is not a fund-raising event?

Social events such as dinners, dances, sporting events, shows, etc. that are held on a cost-recovery basis are not considered genuine fund-raising events. Gross income and expenses from these events must be recorded as social events.

Promoting a fund-raising event

The name of the political entity registered under the Act on whose behalf the fund-raising event is held must be clearly displayed on all materials distributed for that event. This includes any solicitation for contributions.

Sale of tickets to events

The following are recommended for organizing ticket sales:

- Have pre-numbered tickets printed for the event;
- Assign one person to control ticket distribution to ticket sellers and supervise the return of unused tickets and proceeds from tickets sold; and
- Ensure that each ticket seller completes a list recording the ticket numbers sold and the full name and address of each ticket purchaser and method of payment.

Determining the contribution and fund-raising income portions of a ticket price

Revenue from ticket sales must be split between contributions and fund-raising income (amounts not treated as contributions).

The amount considered a contribution will be the ticket price less the per-person direct costs and the remaining revenue must be considered fund-raising income. Direct costs include expenses such as meals, complimentary liquor, taxes, and tips. Costs related to distribution of invitations, advertising, decorations, room rent, and equipment are not considered direct costs.

Examples:

- A fund-raising ticket is sold for \$100 and the per-person direct cost for the activity is \$30; the contribution portion is \$70.
- The entry fee charged for a fund-raising golf tournament is \$300. The direct costs are green fees, caddy fees, golf equipment and cart rentals, food, beverages, taxes, and tips which total \$200; therefore, the contribution portion is \$100.

The CFO has the option of considering an additional amount of up to \$30 per ticket above the direct costs to not to be a contribution. The CFO may choose to do this to determine the contribution portion of a ticket before knowing the exact amount of direct costs, or to round up the amount of direct costs to a dollar increment that simplifies recording and receipting of tickets. Note that using this method will reduce the contribution amount. [Act reference 23(2.1)]

Example:

A ticket for a dance is sold for \$100 per person and the per-person direct costs are \$20; therefore, the CFO has the discretion in advance to set the contribution portion to be between \$50 and \$80.

If a purchaser of a ticket does not attend the fund-raising event, a contribution is still considered to have been given for the net amount after direct costs.

Only eligible contributors may purchase tickets to a fund-raising event and the purchases may be considered to be contributions. Persons ineligible to contribute may still attend a fund-raising event by purchasing a ticket at the cost of the direct expenses but no contribution can be made.

Sale of advertising space

Any amount paid for advertising at a fund-raising event must be considered a contribution. [Act reference 23(4)]

Example:

At a golf tournament, a sponsor (a person and not a corporation or trade union) may have paid for signs on the golf course or attached to golf carts. The full amount that the sponsor pays to the political entity for the signs displayed must be considered a contribution.

Social events

Social events are activities where the purpose is not to raise funds. Such activities may include the sale of hot dogs to the community in a local park or a pizza party for members of a political entity.

Any amount charged at a social event is minimal and is just enough to cover the expenses of the activity. The gross (total) amount collected from social events must be recorded separately.

Other Activities

The following text explains auctions, and lotteries and games of chance in relation to a political entity.

Auctions

Auctions may be a major source of revenue, but conducting an auction requires careful control of the goods contributed or purchased for sale, and the price of the goods bought by individuals attending the auction. Only eligible contributors (individuals using their own funds) may contribute items to the auction. A list must be kept of the name and address of suppliers and purchasers of items auctioned and the description and fair market value of each item.

Goods and services donated for an auction are considered to be a contribution. If the total value of goods and services provided by a donor is \$100 or less, the donor has the option of declaring them not to be a contribution.

Any amount paid for goods or services, other than advertising services, offered for sale during an event that is more than fair market value, must be considered a contribution. [Act reference 23(3)]

Example:

An auction is held to raise funds. Daniel donates a painting valued at \$130 that is bought by Rahul at the auction for \$350. Contributions recorded by the political entity are:

- from Daniel for \$130, as a goods and services contribution for the donation of the painting; and
- from Rahul for \$220, as a monetary contribution for the purchase of the painting, the contribution amount being the difference between the fair market value of the painting and the price for which it was purchased.

If an item is sold for less than its fair market value, there is no contribution by the purchaser of the item and the amount paid must be recorded as fund-raising income. The individual donating the item must still be considered to have made a contribution at fair market value regardless of the sale value.

Lotteries and games of chance

The Criminal Code of Canada makes lotteries, games of chance (including poker nights and 50/50 draws) illegal unless sponsored by charities. Political organizations are prohibited from holding lotteries or games of chance.

For further information, contact the Alcohol and Gaming Commission of Ontario at 416-326-8700 or toll-free in Ontario at 1-800-522-2876.

Loans and Guarantees

This section explains loans and guarantees secured for a nomination contestant's campaign.

A registered nomination contestant's campaign may borrow funds to assist in its operations. However, there are restrictions on the source of loans, guarantees, and collateral security.

Borrowing source

A registered nomination contestant's campaign may borrow funds only from:

- a financial institution; or
- a registered political party or constituency association in Ontario.

[Act reference 35(1)]

Financial institution means,

- a) a bank or authorized foreign bank within the meaning of section 2 of the *Bank Act* (Canada),
- b) a corporation registered under the *Loan and Trust Corporations Act*,
- c) a credit union within the meaning of the *Credit Unions and Caisses Populaires Act, 2020*, or
- d) a retail association as defined under the *Cooperative Credit Associations Act* (Canada).

Any delay in paying suppliers or other liabilities may be deemed to be a loan from an ineligible source by Elections Ontario.

Example:

Suppliers' accounts must be paid within the credit terms normally imposed by the supplier or otherwise be considered a loan from an ineligible source.

Nomination contestants and members of their contest teams are not eligible to make loans.

No registered nomination contestant's campaign may receive support in the form of a loan except as provided above. [Act reference 35(3)]

Financial institutions and market rate

No financial institution that may make a loan under this section may make the loan at a rate of interest below the applicable market rate charged by the

financial institution for an equivalent amount at or about the time and in the market area where the loan is provided. [Act reference 35(6)]

Timing of borrowing

A registered nomination contestant’s campaign may borrow for the nomination contest only after they are registered with Elections Ontario.

Guarantees and collateral security

A registered nomination contestant’s campaign may receive support in the form of a guarantee or collateral security only from:

- an entity entitled to make a loan; or
- a person entitled to make a contribution.

[Act reference 35(4)]

No person or entity other than those provided above may guarantee or provide collateral security for a loan to a registered nomination contestant’s campaign. [Act reference 35(6.1)]

The table below provides an overview of how guarantees are capped in a similar way to contributions:

Example #	Value of Guarantee	Guarantee Limit	# of Guarantors required
1	\$3,400	\$3,400	1
2	\$34,000	\$3,400	10
3	\$340,000	\$3,400	100

Loans as contributions

A financial institution must not waive the right to recover the loan, and a loan must not be made at an interest rate lower than the applicable market rate. [Act reference 35(7)]

If the borrower defaults on a loan, the financial obligation of the registered nomination contestant’s campaign is transferred to the guarantor.

Time Limit – loans and guarantees

Every nomination contestant that receives a loan must repay the loan in full no more than two years from the day that a candidate is selected. [Act reference 35(9)]

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No person shall guarantee the loan for a period longer than the applicable period of two years from the day that a candidate is selected. [Act reference 35(10)]

Contest Period Expenses

This section explains nomination contest period expenses and authorization on nomination contestant advertising.

All expenses are to be recorded and records of all expenditures must be kept.

All goods or services provided, whether or not they are considered to be a contribution for the purposes of the *Election Finances Act*, are considered to be expenses incurred at fair market value.

The total nomination contest expenses incurred by a nomination contestant and any person acting on behalf of the nomination contestant during the period beginning on the date of the official call of the nomination contest and ending when the candidate for the electoral district is selected shall not exceed:

- 20 per cent of the amount that a candidate in the electoral district for which the contestant is seeking the nomination and the persons, corporations, trade unions, unincorporated associations and organizations acting on the candidate's behalf were allowed to incur during the campaign period for the most recent election before the applicable nomination contest period; or
- if there has been a change in the boundaries of the electoral district since the most recent election, an amount determined by Elections Ontario.

[Act reference 38.2]

Treatment of surplus

This section explains the treatment of a surplus in a nomination contestant's account.

After the candidate is selected for the electoral district, if there is a surplus in the funds raised for the purposes of the nomination contestant's campaign, the contestant must pay the funds over to the relevant constituency association or political party. If the nomination contestant is selected as the candidate for the electoral district, they, once registered as a candidate, may use the funds for their candidate campaign.

Administrative Penalties

This section explains penalties administered by the Chief Electoral Officer for certain contraventions of the Act.

The *Election Finances Act* was amended with the introduction of administrative monetary penalties on April 19, 2021. The payment of administrative penalties may be ordered by the Chief Electoral Officer for certain contraventions of the Act. [Act reference 45.1]

The Chief Electoral Officer is obligated by s. 2(1)(g) of the *Election Finances Act* to report to the Attorney General any apparent contravention of that Act. Payment of an administrative penalty by an entity or individual does not release the Chief Electoral Officer from this reporting obligation, and the default giving rise to the administrative penalty may be considered by the Ministry of the Attorney General for prosecution should the default continue.

If an administrative penalty applies to any area covered by this handbook the maximum amount of the penalty, which is specified by the Act, will be shown.

The application of administrative penalties and the amount of the penalty, subject to the legislated maximum, is entirely at the discretion of the Chief Electoral Officer. The Act sets out criteria that the Chief Electoral Officer must consider when deciding on an administrative penalty.

A person or entity who is served with an order to pay an administrative penalty may appeal the Chief Electoral Officer's decision by filing an application with the Superior Court of Justice within 30 days from the date the order was served.

If a person or entity who is required to pay an administrative penalty fails to comply with the requirement, the Chief Electoral Officer may file the order that requires payment with a local registrar of the Superior Court of Justice and the order may be enforced as if it were an order of the court.

Applicable Administrative Penalties

The following administrative penalty is applicable to nomination contestants.

- **Acceptance of contributions by or for an unregistered nomination contestant.**
Maximum penalty is \$1,500 for individuals and \$5,000 for corporations or other entities.