

ELECTION FINANCE RULES

Quick Guide To Political Contributions

Who May Contribute?

This guide explains how political contributions may be made by OPSEU locals, defined as trade unions under the Election Finance Act of Ontario. For information on how individuals, unincorporated groups, women's or youth groups may contribute, see www.electionsontario.ca

How May Contributions Be Given?

Contributions must be authorized by a duly approved motion of the Local Executive and must be made by a cheque drawn on a financial institution account in the Local's name, by a money order signed by the contributor or by a credit card embossed with the contributor's name. **You must not contribute money that you are not legally authorized to donate and you may not give anonymously.** The chief financial officer (CFO) of the party, constituency association or candidate to whom you are contributing must keep accurate records of the sources of all contributions. The CFO must know the name and address of the Local Union.

Besides money, you might also want to contribute goods or services. Donations of goods or services for which you would ordinarily be paid, count as political contributions. These are valued at their fair market value. If you give a discount on goods or services sold to an association, candidate, leadership contestant or party, then the discount is considered a

contribution. However, you have the choice of declaring the total of your donated goods or services, if valued at \$100 or less, not to be a contribution.

Volunteer labour is work done on your own time for which you do not ordinarily get paid. It does not count as a political contribution and, therefore, is not eligible for a tax credit receipt.

How Much May Our Local Contribute?

In each year, any person, corporation or local trade union may contribute up to \$9,975 to any provincial party. Also, you may contribute up to \$1,330 to any constituency association, but the total contribution to all constituency associations of the same party must not exceed \$6,650. This means the maximum annual political contribution allowed in a non-election year is \$16,625 to each registered party and its constituency associations.

During an election you may make extra contributions. At election time, you may give up to an additional \$9,975 to any provincial party and up to \$1,330 to any candidate so long as the total contribution to all candidates of the same party does not exceed \$6,650.

ELECTION FINANCE RULES

MAXIMUM CONTRIBUTIONS TO PROVINCIAL PARTY TO CONSTITUENCY ASSOCIATION					
	TO PROVINCIAL PARTY	TO CONSTITUENCY ASSOCIATION		TO CANDIDATE	
		Each	Total	Each	Total
Annually	\$9,975	\$1,330	\$6,650	Nil	
Extra During a Campaign Period	\$9,975	Nil		\$1,330	\$6,650

Should you exceed the contribution limit for a year or for a campaign period, you must return the tax credit receipt to the CFO before your excess contribution can be refunded to you. If the receipt is not returned, the prohibited portion of your contribution will be remitted to the Chief Electoral Officer.

What Tax Credits Are Available?

CONTRIBUTIONS BY INDIVIDUALS

For every political contribution you make, you will receive a receipt for tax credit purposes from the CFO. To claim your tax credit, you must attach this receipt to your Income Tax Return. This tax credit is only for political contributions to Ontario parties, candidates and constituency associations registered with the Chief Electoral Officer. It is quite separate from the tax benefit available for contributions to federal political

parties or to charitable organizations. There are no tax credits available for contributions to party leadership contestants. The Income Tax Act allows reductions in the amount of tax you would have to pay by a percentage of your political contribution. Please note this applies only to individuals, not Local Unions as they do not pay taxes but must keep records of these donations.

The maximum tax credit of \$1,330 is obtained when contributions total \$3,026. Political tax credits are claimed along with property, sales, and student hiring tax credits. If the total of tax credits exceeds the total Ontario tax payable the amount is refundable. The tax credit can be claimed only for the year of the contribution. Either the contributor or the contributor's spouse may claim this tax credit. However, a single contribution cannot be split between spouses.

TOTAL CONTRIBUTIONS	CREDIT CALCULATION	MAXIMUM CREDIT
Up to \$399	75% of contribution	\$299.75
\$399 to \$1,330	\$299.75 plus 50% of the amount over \$399	\$764.75
More than \$1,330	\$764.75 plus 33_% of the amount over \$1,330 OR \$1,330, whichever is less	\$1,330