

*These notes refer to the Political Parties, Elections and Referendums Act 2000 (c.41) which received Royal Assent on 30th November 2000*

# **POLITICAL PARTIES, ELECTIONS AND REFERENDUMS ACT 2000**

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## **EXPLANATORY NOTES**

### **COMMENTARY ON SECTIONS**

#### **Part IV: Control of donations to registered parties and their members etc.**

##### ***Chapter II (Sections 54 to 61) : Restrictions on donations to registered parties***

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

116. *Section 55* makes special provision in respect of donations from certain specified sources. By virtue of *subsection (2)* any payment to a party out of public funds (other than one of the payments listed in section 52(1)(a) and (b), which do not constitute donations) is to be regarded as a donation from a permissible donor. Such payments will include the financial assistance paid to opposition parties in the House of Commons ('Short money') and House of Lords ('Cranborne money'). *Subsections (3) and (4)* provides that where a party receives a donation to meet the reasonable travel and subsistence expenses of a member or officer of the party for the purpose of undertaking an overseas visit, such a donation is to be regarded as being from a permissible donor, irrespective of whether the donor is one of those listed in section 54(2). By virtue of *subsection (5)* an "exempt trust donation" is to be regarded as a donation from a permissible source; the term is defined in section 162. *Subsection (6)* provides that a donation by a trustee, acting in his capacity as such, is to be regarded as a donation from an impermissible source unless the donation satisfies one of the criteria set out in the subsection. The inclusion of the reference to an unincorporated association, in subsection (6)(b)(ii), reflects the fact that such an association cannot hold property in its own right, so its assets are commonly held in and disbursed from a trust.