

## SCHEDULES

### SCHEDULE 15

#### CONTROL OF DONATIONS TO PERMITTED PARTICIPANTS

##### PART I

##### INTRODUCTORY

###### *Operation and interpretation of Schedule*

- 1 (1) This Schedule has effect for controlling donations to permitted participants that either are not registered parties or are minor parties.
- (2) The following provisions have effect for the purposes of this Schedule.
- (3) In accordance with sub-paragraph (1) “permitted participant” does not include a permitted participant which is a registered party other than a minor party.
- (4) “Relevant donation”, in relation to a permitted participant at a referendum, means a donation to the permitted participant for the purpose of meeting referendum expenses incurred by or on behalf of the permitted participant.
- (5) “Donation” shall be construed in accordance with paragraphs 2 to 4.
- (6) In relation to donations received by a permitted participant other than a designated organisation, references to a permissible donor falling within section 54(2) do not include a registered party.

In this sub-paragraph “designated organisation” has the meaning given by section 110(5).

###### *Donations: general rules*

- 2 (1) “Donation”, in relation to a permitted participant, means (subject to paragraph 4)—
- (a) any gift to the permitted participant of money or other property;
  - (b) any sponsorship provided in relation to the permitted participant (as defined by paragraph 3);
  - (c) any money spent (otherwise than by or on behalf of the permitted participant) in paying any referendum expenses incurred by or on behalf of the permitted participant;
  - (d) any money lent to the permitted participant otherwise than on commercial terms;
  - (e) the provision otherwise than on commercial terms of any property, services or facilities for the use or benefit of the permitted participant (including the services of any person);

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- (f) in the case of a permitted participant other than an individual, any subscription or other fee paid for affiliation to, or membership of, the permitted participant.

(2) Where—

- (a) any money or other property is transferred to a permitted participant pursuant to any transaction or arrangement involving the provision by or on behalf of the permitted participant of any property, services or facilities or other consideration of monetary value, and
- (b) the total value in monetary terms of the consideration so provided by or on behalf of the permitted participant is less than the value of the money or (as the case may be) the market value of the property transferred,

the transfer of the money or property shall (subject to sub-paragraph (4)) constitute a gift to the permitted participant for the purposes of sub-paragraph (1)(a).

(3) In determining—

- (a) for the purposes of sub-paragraph (1)(d) whether any money lent to a permitted participant is so lent otherwise than on commercial terms, or
- (b) for the purposes of sub-paragraph (1)(e) whether any property, services or facilities provided for the use or benefit of a permitted participant is or are so provided otherwise than on such terms,

regard shall be had to the total value in monetary terms of the consideration provided by or on behalf of the permitted participant in respect of the loan or the provision of the property, services or facilities.

- (4) Where (apart from this sub-paragraph) anything would be a donation both by virtue of sub-paragraph (1)(b) and by virtue of any other provision of this paragraph, sub-paragraph (1)(b) (together with paragraph 3) shall apply in relation to it to the exclusion of the other provision of this paragraph.

- (5) Anything given or transferred to any officer, member, trustee or agent of a permitted participant in his capacity as such (and not for his own use or benefit) is to be regarded as given or transferred to the permitted participant (and references to donations received by a permitted participant accordingly include donations so given or transferred).

(6) In this paragraph—

- (a) any reference to anything being given or transferred to a permitted participant or any other person is a reference to its being given or transferred either directly or indirectly through any third person;
- (b) “gift” includes bequest.

### *Sponsorship*

- 3 (1) For the purposes of this Schedule sponsorship is provided in relation to a permitted participant if—

- (a) any money or other property is transferred to the permitted participant or to any person for the benefit of the permitted participant, and
- (b) the purpose (or one of the purposes) of the transfer is (or must, having regard to all the circumstances, reasonably be assumed to be)—

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- (i) to help the permitted participant with meeting, or to meet, to any extent any defined expenses incurred or to be incurred by or on behalf of the permitted participant, or
  - (ii) to secure that to any extent any such expenses are not so incurred.
- (2) In sub-paragraph (1) “defined expenses” means expenses in connection with—
  - (a) any conference, meeting or other event organised by or on behalf of the permitted participant,
  - (b) the preparation, production or dissemination of any publication by or on behalf of the permitted participant, or
  - (c) any study or research organised by or on behalf of the permitted participant.
- (3) The following do not, however, constitute sponsorship by virtue of sub-paragraph (1)
  - (a) the making of any payment in respect of—
    - (i) any charge for admission to any conference, meeting or other event, or
    - (ii) the purchase price of, or any other charge for access to, any publication;
  - (b) the making of any payment in respect of the inclusion of an advertisement in any publication where the payment is made at the commercial rate payable for the inclusion of such an advertisement in any such publication.
- (4) The Secretary of State may by order made on the recommendation of the Commission amend sub-paragraph (2) or (3).
- (5) In this paragraph “publication” means a publication made available in whatever form and by whatever means (whether or not to the public at large or any section of the public).

*Payments etc. not to be regarded as donations*

- 4
- (1) None of the following shall be regarded as a donation—
    - (a) any grant provided out of public funds, other than a grant provided to a designated organisation by virtue of section 110(2);
    - (b) the provision of any rights conferred on a designated organisation (or persons authorised by a designated organisation) by virtue of section 110(4) and Schedule 12;
    - (c) the provision by an individual of his own services which he provides voluntarily in his own time and free of charge; or
    - (d) any interest accruing to a permitted participant in respect of any donation which is dealt with by the permitted participant in accordance with section 56(2)(a) or (b) (as applied by paragraph 7).
  - (2) Any donation whose value (as determined in accordance with paragraph 5) is not more than £200 shall be disregarded.

*Value of donations*

- 5
- (1) The value of any donation falling within paragraph 2(1)(a) (other than money) shall be taken to be the market value of the property in question.

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- (2) Where, however, paragraph 2(1)(a) applies by virtue of paragraph 2(2), the value of the donation shall be taken to be the difference between—
  - (a) the value of the money, or the market value of the property, in question, and
  - (b) the total value in monetary terms of the consideration provided by or on behalf of the permitted participant.
- (3) The value of any donation falling within paragraph 2(1)(b) shall be taken to be the value of the money, or (as the case may be) the market value of the property, transferred as mentioned in paragraph 3(1); and accordingly any value in monetary terms of any benefit conferred on the person providing the sponsorship in question shall be disregarded.
- (4) The value of any donation falling within paragraph 2(1)(d) or (e) shall be taken to be the amount representing the difference between—
  - (a) the total value in monetary terms of the consideration that would have had to be provided by or on behalf of the permitted participant in respect of the loan or the provision of the property, services or facilities if—
    - (i) the loan had been made, or
    - (ii) the property, services or facilities had been provided, on commercial terms, and
  - (b) the total value in monetary terms of the consideration (if any) actually so provided by or on behalf of the permitted participant.
- (5) Where a donation such as is mentioned in sub-paragraph (4) confers an enduring benefit on the donee over a particular period, the value of the donation—
  - (a) shall be determined at the time when it is made, but
  - (b) shall be so determined by reference to the total benefit accruing to the donee over that period.