



# Companies Act 2006

## 2006 CHAPTER 46

### PART 14

#### CONTROL OF POLITICAL DONATIONS AND EXPENDITURE

##### *Donations and expenditure to which this Part applies*

#### **363 Political parties, organisations etc to which this Part applies**

- (1) This Part applies to a political party if—
  - (a) it is registered under Part 2 of the Political Parties, Elections and Referendums Act 2000 (c. 41), or
  - (b) it carries on, or proposes to carry on, activities for the purposes of or in connection with the participation of the party in any election or elections to public office held in a member State other than the United Kingdom.
- (2) This Part applies to an organisation (a “political organisation”) if it carries on, or proposes to carry on, activities that are capable of being reasonably regarded as intended—
  - (a) to affect public support for a political party to which, or an independent election candidate to whom, this Part applies, or
  - (b) to influence voters in relation to any national or regional referendum held under the law of the United Kingdom or another member State.
- (3) This Part applies to an independent election candidate at any election to public office held in the United Kingdom or another member State.
- (4) Any reference in the following provisions of this Part to a political party, political organisation or independent election candidate, or to political expenditure, is to a party, organisation, independent candidate or expenditure to which this Part applies.

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*Status: This is the original version (as it was originally enacted).*

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### **364 Meaning of “political donation”**

- (1) The following provisions have effect for the purposes of this Part as regards the meaning of “political donation”.
- (2) In relation to a political party or other political organisation—
  - (a) “political donation” means anything that in accordance with sections 50 to 52 of the Political Parties, Elections and Referendums Act 2000—
    - (i) constitutes a donation for the purposes of Chapter 1 of Part 4 of that Act (control of donations to registered parties), or
    - (ii) would constitute such a donation reading references in those sections to a registered party as references to any political party or other political organisation,

and

  - (b) section 53 of that Act applies, in the same way, for the purpose of determining the value of a donation.
- (3) In relation to an independent election candidate—
  - (a) “political donation” means anything that, in accordance with sections 50 to 52 of that Act, would constitute a donation for the purposes of Chapter 1 of Part 4 of that Act (control of donations to registered parties) reading references in those sections to a registered party as references to the independent election candidate,

and

  - (b) section 53 of that Act applies, in the same way, for the purpose of determining the value of a donation.
- (4) For the purposes of this section, sections 50 and 53 of the Political Parties, Elections and Referendums Act 2000 (c. 41) (definition of “donation” and value of donations) shall be treated as if the amendments to those sections made by the Electoral Administration Act 2006 (which remove from the definition of “donation” loans made otherwise than on commercial terms) had not been made.

### **365 Meaning of “political expenditure”**

- (1) In this Part “political expenditure”, in relation to a company, means expenditure incurred by the company on—
  - (a) the preparation, publication or dissemination of advertising or other promotional or publicity material—
    - (i) of whatever nature, and
    - (ii) however published or otherwise disseminated,

that, at the time of publication or dissemination, is capable of being reasonably regarded as intended to affect public support for a political party or other political organisation, or an independent election candidate, or
  - (b) activities on the part of the company that are capable of being reasonably regarded as intended—
    - (i) to affect public support for a political party or other political organisation, or an independent election candidate, or
    - (ii) to influence voters in relation to any national or regional referendum held under the law of a member State.

- (2) For the purposes of this Part a political donation does not count as political expenditure.