

**Guidelines for Political Parties  
on Exchequer funding under  
the Electoral Act  
1997, as amended**



**Más mian leat comhfhreagras agus foirmeacha as Gaeilge a fháil le do thoil déan teagmháil linn**

**Contact Details:**

Standards in Public Office Commission

Telephone: 01 6395666  
Email: [info@sipo.ie](mailto:info@sipo.ie)  
Website: [www.sipo.ie](http://www.sipo.ie)  
Twitter: @SIPOCIreland

## Table of Contents

1. Introduction .....	3
2. Appropriate Officer .....	3
3. Definition of qualified political party .....	3
4. Application of funding.....	4
5. Funding available to qualified parties.....	4
6. Payment of Exchequer funds .....	4
7. Exchequer Expenditure Statements.....	5
8. Sanction for failure to furnish an Exchequer Expenditure Statement .....	6
9. Inspection of documents furnished to the Standards Commission .....	6
10. Report to the Chairman of the Dáil .....	7
11. Deductions .....	7
Appendix A - Sample form .....	8

## **1. Introduction**

- 1.1 Exchequer funding of qualified political parties under the Electoral Act, 1997, as amended (the 1997 Act).
- 1.2 These guidelines have been published by the Standards in Public Office Commission (the Standards Commission) under section 4 (6) of the Electoral Act, 1997 (the 1997 Act). They set out the main requirements of the legislation which are relevant to the aforementioned funding, in particular the steps to be taken by the appropriate officers of qualified political parties in relation to furnishing, to the Standards Commission, statements showing how the funding was applied and accompanying public auditors' reports.
- 1.3 Apart from the guidelines, the Standards Commission Secretariat is available to provide advice, or other assistance, in relation to the application of the legislation.
- 1.4 These guidelines replace previous guidelines on this subject published by the Standards Commission.

## **2. Appropriate Officer**

- 2.1 Section 71 (1) of the 1997 Act requires each political party to appoint an appropriate officer. One of the functions of the appropriate officer is to furnish the party's Exchequer Expenditure Statement and public auditor's report under the 1997 Act to the Standards Commission. Where no appropriate officer is appointed, the leader of the party is deemed to be the appropriate officer.
- 2.2 Political parties are required to notify both the Standards Commission and the Minister for Finance of the name and address of the appropriate officer who is appointed. The Standards Commission and the Minister should also be notified of the resignation of an appropriate officer and of any new appointment.

## **3. Definition of qualified political party**

- 3.1 Section 16 of the 1997 Act defines a qualified political party as one:  
  
which is registered in the Register of Political Parties in accordance with Section 25 of the Electoral Act, 1992 as a party organised in the State to contest a Dáil election, and whose candidates received not less than 2% of the total first preference votes obtained by all candidates at the most recent Dáil general election.
- 3.2 As soon as possible after a Dáil general election, the Minister for the Environment, Community and Local Government furnishes to the Standards Commission details of the total percentage of first preference votes obtained by candidates of each political party at the election. The Standards Commission subsequently informs each party whether or not it is a qualified party.

#### **4. Application of funding**

- 4.1 Section 18 (1)(a) of the 1997 Act, as amended, provides that funding received by qualified political parties must be applied to the general conduct and management of the party's affairs and the lawful pursuit by it of any of its objectives and, without prejudice to the generality of the foregoing, any or all of the purposes stated in the following four headings:
- general administration of the party;
  - research, education and training;
  - policy formulation;
  - co-ordination of the activities of branches and members of the party.
- 4.2 Funding received is deemed to include provision in respect of expenditure by qualified parties in relation to the promotion of participation by women and young persons in political activity.
- 4.3 Funding may not be applied to, or to recoup, election expenses (as defined in the Electoral Acts, 1997, as amended) incurred at Dáil, Seanad, Presidential, European or local elections. Similarly, funding cannot be used to further any particular outcome at a referendum.

#### **5. Funding available to qualified parties**

- 5.1 Pursuant to section 17 (1) of the 1997 Act, as amended, each qualified party is allocated a sum of €126,973 annually. In addition to this, each qualified party is allocated a proportion of a fund not exceeding €3,809,214. The allocation for each qualified party is determined by expressing the first preference votes received by the candidates of each qualified party at the last Dáil general election as a proportion of the total first preference votes received at the election by the candidates of all qualified parties. (The first preference votes of candidates of non-qualified parties and independent candidates are not taken into account.)
- 5.2 The fund will increase or decrease in line with general pay increases in the Civil Service. Payments are exempt from income tax and are not reckoned in computing the income of a party for the purposes of the Income Tax Acts.

#### **6. Payment of Exchequer funds**

- 6.1 Section 19 (1) of the 1997 Act provides that payments are made in arrears on a quarterly basis by the Minister for Finance with the approval of the Minister for Public Expenditure and Reform to qualified parties who apply for such payments. Payments apply from polling day at a Dáil general election until the day before polling day at the next following such election. If the Dáil is dissolved in the middle of a quarter, payments are made on a pro rata basis from the beginning of the quarter to the date of dissolution.

- 6.2 No payments shall be made from 1 January in any year unless and until-
- a) an annual statement of accounts of the political party concerned and a copy of the auditors report, is furnished to the Commission, and
  - b) the Commission has informed the Minister for Public Expenditure and Reform that it is satisfied that the relevant annual statement of accounts complies with the 1997 Act as amended and the published guidelines.
- 6.3 Payments of Exchequer funding under the Electoral legislation will be reduced by 50% unless at least 30% of the candidates of the political party at the preceding general election were women and at least 30% were men. This provision applies with effect from the polling day at the general election held after September 2012 and ceases to have effect on the polling day at the general election held next after the expiration of 7 years from the earlier polling day referred to (e.g. if the general election held after September 2012 is held in February 2016, the condition ceases in respect of the general election held after February 2023).
- 6.4 Payments will be reduced by 50% unless at least 40% of the candidates of the political party at the preceding general election were women and at least 40% were men. This provision applies when the provision at 6.3 above ceases to apply (e.g. in respect of the general election held after February 2023).

## **7. Exchequer Expenditure Statements**

- 7.1 Section 20 (1) of the 1997 Act requires the appropriate officer of each qualifying party to furnish to the Standards Commission an annual Exchequer Expenditure Statement. In the Exchequer Expenditure Statement, the appropriate officer is required to:
- i. state the amount of funding received in respect of the preceding year;
  - ii. confirm that the funding was not used in connection with election or referendum expenses;
  - iii. confirm that the funding was applied to some or all of the purposes referred to at 4 above;
  - iv. provide a breakdown of expenditure relating to each of the purposes referred to at 4 above, indicating the actual matters to which the funding was applied and being specific as to the nature of the expenses incurred.
- 7.2 Amounts applied to the promotion of participation by women and young persons in political activity may, if appropriate, be identified and included under any or all of the headings at 5, 6, 7 or 8 of the Exchequer Expenditure Statement. Whether or not they are shown under these

headings, they must be shown separately under heading 9 of the Exchequer Expenditure Statement. A sample copy of the Exchequer Expenditure Statement is at Appendix A.

- 7.3 If funding in respect of a particular year is not spent in that year, it must be accounted for in the Exchequer Expenditure Statement for the year in which it is actually spent.
- 7.4 The Exchequer Expenditure Statement must be audited by a public auditor (within the meaning of the Industrial and Provident Societies Acts, 1893 to 1978 and the Friendly Societies Acts, 1896 to 1977). A copy of the auditor's report must be furnished to the Standards Commission with the Exchequer Expenditure Statement. The cost of the audit will be borne by the party concerned. Attached at Appendix A (part 12) is a pro-forma auditor's report.
- 7.5 The Standards Commission has set a deadline of 31 March for furnishing to it the Exchequer Expenditure Statement and auditor's report. This is not a statutory deadline. It was chosen by the Standards Commission because it coincides with the date by which each registered political party must furnish its annual Donation Statement and Statutory Declaration to the Standards Commission. It is also an appropriate date given that copies of Exchequer Expenditure Statements and auditors' reports, together with certain other material, are required to be forwarded by the Standards Commission to the Minister for Finance not later than 30 April each year, in order that payments may continue to be made to qualified political parties - see 8 below.
- 7.6 The Standards Commission will also, in accordance with section 20 (3) of the 1997 Act, lay a copy of each Exchequer Expenditure Statement and auditor's report before both Houses of the Oireachtas.

## **8. Sanction for failure to furnish an Exchequer Expenditure Statement**

- 8.1 Pursuant to section 19 (4) of the 1997 Act, no payment will be made to a qualified political party after 30 April in any year unless and until that party has furnished to the Standards Commission in respect of the preceding year:
- i. an Exchequer Expenditure Statement and accompanying public auditor's report and
  - ii. a Donation Statement and Statutory Declaration (due by 31 March) outlining details of donations received by the party which have a value exceeding €1,500

and the Standards Commission has furnished copies of each to the Minister for Finance and has certified to the Minister that they were completed in accordance with the relevant provisions of the legislation and the Standards Commission's guidelines. (The statutory requirements relating to Donation Statements are outlined in separate guidelines.)

## **9. Inspection of documents furnished to the Standards Commission**

- 9.1 In accordance with section 73 of the 1997 Act, each Exchequer Expenditure Statement and auditor's report will be retained at the offices of the Standards Commission for a period of three

years and will be available for public inspection and copying at the offices of the Standards Commission.

## **10. Report to the Chairman of the Dáil**

- 10.1 Section 4 (1) of the 1997 Act provides that the Standards Commission will consider every Exchequer Expenditure Statement furnished to it and, where it considers it appropriate to do so, will furnish a report to the Chairman of the Dáil on any matter arising in relation to such Statements.

## **11. Deductions**

- 11.1 Pursuant to section 40 (a) of the 1997 Act, where, in relation to permitted election expenditure at a Dáil or European election, there is an overspend by, or on behalf of, the national agent of a qualified political party, the Minister for Finance will, on the recommendation of the Standards Commission, deduct an amount equal to such overspend from any amount which may be payable, or become payable, to that party from the Exchequer under the Electoral Act 1997, as amended.

Appendix A - Sample form

**Statement of Expenditure of Exchequer funding under the  
Electoral Act 1997, as amended.  
1 January 2018 - 31 December 2018**

**Please complete this form in black ink**

**Part 1: Political Party**

Political Party:	
------------------	--

**Part 2: Appropriate Officer**

Name:	
Address:	
Telephone Number:	
Email Address:	

**Part 3: Public Auditor**

Name:	
Address:	
Telephone Number:	
Email Address:	

## Part 4: Details of Funding Received

Total exchequer funding received under the Act for the period 1 January 2018 to 31 December 2018: .....

Amount of funding brought forward from 2017: .....

Overall total funding available for spending in 2018: =====

Total expenditure, if any, of funding in 2018: .....

Balance of funding carried forward to 2019: =====

Was any of the funding applied in connection with Dáil, Seanad, European, presidential or local election expenses or in connection with referendum expenses? .....

Was the funding applied to some or all of the purposes referred to in section 18(1) of the Act? .....











**Part 10: Funds applied to the Promotion of Participation by  
Young People in Political Activity\***

\*Funding applied under this heading may already be included in any or all of headings 5 - 8 above. Whether or not this is the case, the amount and details of such funding should be shown separately under this heading.

<b>Details of Expenditure</b>	<b>Amount (€)</b>
<b>Total</b>	<b>€</b>

**11. Signature**

<b>Signature of Appropriate Officer:</b>	.....
<b>Date:</b>	.....

## Part 12: Auditor's Report

**AUDITOR'S REPORT TO THE STANDARDS IN PUBLIC OFFICE  
COMMISSION ON STATEMENT OF EXPENDITURE OF MONIES  
RECEIVED BY A POLITICAL PARTY FROM THE CENTRAL FUND  
UNDER SECTION 17 OF THE ELECTORAL ACT 1997, AS  
AMENDED**

I am reporting, as required by section 20(2) of the Electoral Act 1997, on the Statement for 2018 prepared by the Appropriate Officer of [*name of political party*]

.....pursuant to subsection 20(1) of the Act.

I have obtained all the information and explanations I considered necessary for the purposes of my audit.

Proper accounting records have been kept by [*name of political party*]

.....in respect of the monies received under section 17 and their disbursement. The Statement, which is in the form directed by the Standards Commission, is in agreement with the accounting records.

In my opinion –

- the Statement properly presents the payments made in the year ended 31 December 2018 and the balance of monies not applied at that date
- payments made out of the monies received under section 17 have been applied in accordance with section 18(1) of the Act.

Signature of Auditor \_\_\_\_\_

Date: \_\_\_\_\_