

# Donations and loans to Members of Parliament: a brief guide to permissible sources and reporting

July 2009

Members do not need to report permissible donations and loans received from 1 July 2009 to the Electoral Commission.

The Registrar of Members' Financial Interests will pass on the relevant information to us so that we can check permissibility and publish details on our registers.

Members still need to report directly to us if they return a donation or end a loan because the donor/lender is not permissible.

This guide outlines the rules on permissibility, and

how to report any impermissible donations or loans to us. It should be read together with the House Guide to the Rules relating to the conduct of Members.

## What you need to know Introduction

The Political Parties Elections and Referendums Act 2000 (PPERA) permits Members of Parliament to accept donations and loans only from certain sources set out in the Act (known as permissible sources).

The rules on permissibility apply to all donations and loans over £200.

## What counts as a donation or loan?

If an item falls under Categories 4(b), 5, 6 or 7 of the House Rules, and its value is over £200, it is likely to be a donation under PERA.

Loans taken out for your political or parliamentary activities are reportable under Category 10 of the House Rules. This includes credit facilities, and security or guarantees given on your behalf.

If you have any questions about permissibility, please contact us for further advice.

## Which donations and loans can I accept?

You can accept the reasonable costs of overseas visits from any source.

You can only accept other donations and loans over £200 if they come from:

- An individual who is on a UK electoral register
- A UK registered company which is incorporated in an EU state and carries on business in the UK
- A UK registered limited liability partnership which carries on business in the UK
- A registered political party
- A UK registered trade union, building society, friendly society or industrial and provident society
- A UK based unincorporated association that carries on business or other activities in the UK

You can also accept donations from certain types of trust. Please contact us for advice if you are offered a donation from a trust.

## What do I need to do when I receive a donation or am offered a loan?

You have 30 days from receipt of a donation to check that the donor is

permissible and decide whether or not to accept the donation.

If you cannot confirm permissibility, or cannot identify the source, you must return the donation within those 30 days. If you have no means of returning it to an anonymous source, you must send it to us, and it will be paid into the Consolidated Fund.

If you do not do this, you may have to forfeit the donation. You may also have committed a criminal offence.

You must check permissibility **before** you enter into a loan. If you find you have a loan from an impermissible source, please contact us for advice immediately.

## How do I report an impermissible donation?

You need to report to us within 30 days of either returning the donation, or sending it to us.

You should complete Form RD1B, which is available on our website at [www.electoralcommission.org.uk/guidance/candidates-agents/regulated-donors](http://www.electoralcommission.org.uk/guidance/candidates-agents/regulated-donors)

## Where can I get further advice?

If you have any questions about reporting to the Register of Members' Financial Interests, please contact the Registrar on 020 7219 3277.

If you have any questions about permissibility, or reporting impermissible donations or loans, please contact us on 020 7271 0616 or by Email: [pef@electoralcommission.org.uk](mailto:pef@electoralcommission.org.uk)