



Political Parties and Elections Act 2009

2009 CHAPTER 12

PART 2

POLITICAL DONATIONS ETC AND EXPENDITURE

Donations etc

PROSPECTIVE

11 Non-resident lenders etc

(1) After section 71H of the 2000 Act there is inserted—

“71HZA Declaration that residence etc condition is satisfied

- (1) A registered party must not be a party to a regulated transaction to which this section applies unless the registered party has received a written declaration from each of the other parties to the transaction who is an individual stating that the individual satisfies the condition set out in section 54(2ZA).
- (2) This section applies to a regulated transaction—
 - (a) if the value of the transaction is more than £7,500, or
 - (b) if the aggregate amount of it and any other relevant benefit or benefits accruing in the same calendar year as the transaction is more than £7,500.
- (3) For the purposes of subsection (2)(b) “relevant benefit” and “accruing” have the meaning given by section 71M(3).
- (4) A declaration under this section must also state the individual's full name and address.

Status: This version of this provision is prospective.

Changes to legislation: There are currently no known outstanding effects for the Political Parties and Elections Act 2009, Section 11. (See end of Document for details)

- (5) A person who knowingly or recklessly makes a false declaration under this section commits an offence.
- (6) The Secretary of State may by regulations make provision requiring a declaration under this section to be retained for a specified period.
- (7) The reference in subsection (1) to each of the other parties to the transaction does not include any individual who, at the time the transaction is entered into, is an authorised participant in relation to it by reason of section 71Z1(1)(a).”
- (2) In section 71L of the 2000 Act (offences relating to regulated transactions), after subsection (9) there is inserted—
- “(9A) An offence cannot be committed under subsection (1), (2), (5) or (6) on the basis that a person (P) ought reasonably to have known that a particular individual does not satisfy the condition set out in section 54(2ZA) (and is therefore not an authorised participant) if—
- (a) the individual has given a declaration under section 71HZA stating that the individual satisfies that condition, and
- (b) P had no reasonable grounds for thinking that the statement was incorrect.”
- (3) In Schedule 6A to the 2000 Act (details to be given in transaction reports), after paragraph 1 there is inserted—

“Declaration as to whether residence etc condition satisfied

- 1A In relation to each recordable transaction in the case of which a declaration under section 71HZA has been given, a quarterly report must either—
- (a) state that no reason was found to think that the declaration was incorrect, or
- (b) give details of any respects in which the declaration was found or suspected to be incorrect.”
- (4) In Schedule 7A to the 2000 Act (control of loans etc to individuals and members associations), after paragraph 4 there is inserted—

“Declaration that residence etc condition satisfied

- 4A (1) A regulated participant must not be a party to a controlled transaction to which this paragraph applies unless the regulated participant has received a written declaration from each of the other parties to the transaction who is an individual stating that the individual satisfies the condition set out in section 54(2ZA).
- (2) This paragraph applies to a controlled transaction—
- (a) if the value of the transaction is more than £7,500, or
- (b) if the aggregate amount of it and any other relevant benefit or benefits accruing in the same calendar year as the transaction is more than £7,500.
- (3) For the purposes of sub-paragraph (2) “relevant benefit” and “accruing” have the meaning given by section 71M(3).

Status: This version of this provision is prospective.

Changes to legislation: There are currently no known outstanding effects for the Political Parties and Elections Act 2009, Section 11. (See end of Document for details)

- (4) A declaration under this paragraph must also state the full name and address of the person by whom it is made.
- (5) A person who knowingly or recklessly makes a false declaration under this paragraph commits an offence.
- (6) The Secretary of State may by regulations make provision requiring a declaration under this paragraph to be retained for a specified period.
- (7) The reference in sub-paragraph (1) to each of the other parties to the transaction does not include any individual who, at the time the transaction is entered into, is an authorised participant in relation to it by reason of section 71Z1(1)(a).”
- (5) In paragraph 8 of that Schedule (offences), after sub-paragraph (9) there is inserted—
- “(9A) A person (P) cannot commit an offence under sub-paragraph (1), (2), (5) or (6) on the basis that P ought reasonably to have known that a particular individual does not satisfy the condition set out in section 54(2ZA) (and is therefore not an authorised participant) if—
- (a) the individual has given a declaration under paragraph 4A stating that the individual satisfies that condition, and
- (b) P had no reasonable grounds for thinking that the statement was incorrect.”
- (6) In paragraph 9 of that Schedule (transaction reports: transactions with authorised participants)—
- (a) in sub-paragraph (9)(a) and (10), for “paragraphs 2” there is inserted “ paragraphs 1A, 2 ”;
- (b) in sub-paragraph (10), after paragraph (b) there is inserted—
- “(ba) any reference to section 71HZA must be construed as a reference to paragraph 4A above;”.
- (7) In Schedule 20 to the 2000 Act (penalties) the following entries are inserted at the appropriate places—

“Section 71HZA(5) (making a false declaration as to whether residence etc condition satisfied)

On summary conviction in England and Wales or Scotland: statutory maximum or 12 months
On summary conviction in Northern Ireland: statutory maximum or 6 months
On indictment: fine or 1 year”

“Paragraph 4A(5) of Schedule 7A (making a false declaration as to whether residence etc condition satisfied)

On summary conviction in England and Wales or Scotland: statutory maximum or 12 months
On summary conviction in Northern Ireland: statutory maximum or 6 months
On indictment: fine or 1 year”.

Status:

This version of this provision is prospective.

Changes to legislation:

There are currently no known outstanding effects for the Political Parties and Elections Act 2009, Section 11.