



Political Parties, Elections and Referendums Act 2000

2000 CHAPTER 41

PART VI

CONTROLS RELATING TO THIRD PARTY NATIONAL ELECTION CAMPAIGNS

CHAPTER I

PRELIMINARY

Controlled expenditure by third parties

86 Notional controlled expenditure.

- (1) This section applies where, in the case of a third party—
 - (a) either—
 - (i) property is transferred to the third party free of charge or at a discount of more than 10 per cent. of its market value, or
 - (ii) property, services or facilities is or are provided for the use or benefit of the third party free of charge or at a discount of more than 10 per cent. of the commercial rate for the use of the property or for the provision of the services or facilities, and
 - (b) the property, services or facilities is or are made use of by or on behalf of the third party in circumstances such that, if any expenses were to be (or are) actually incurred by or on behalf of the third party in respect of that use, they would be (or are) controlled expenditure incurred by or on behalf of the third party.
- (2) Where this section applies, an amount of controlled expenditure determined in accordance with this section (“the appropriate amount”) shall be treated, for the

Status: Point in time view as at 23/05/2014. This version of this provision has been superseded.

Changes to legislation: Political Parties, Elections and Referendums Act 2000, Section 86 is up to date with all changes known to be in force on or before 06 July 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

purposes of this Part, as incurred by the third party during the period for which the property, services or facilities is or are made use of as mentioned in subsection (1)(b).

This subsection has effect subject to section 87.

(3) Where subsection (1)(a)(i) applies, the appropriate amount is such proportion of either—

- (a) the market value of the property (where the property is transferred free of charge), or
- (b) the difference between the market value of the property and the amount of expenses actually incurred by or on behalf of the third party in respect of the property (where the property is transferred at a discount),

as is reasonably attributable to the use made of the property as mentioned in subsection (1)(b).

(4) Where subsection (1)(a)(ii) applies, the appropriate amount is such proportion of either—

- (a) the commercial rate for the use of the property or the provision of the services or facilities (where the property, services or facilities is or are provided free of charge), or
- (b) the difference between that commercial rate and the amount of expenses actually incurred by or on behalf of the third party in respect of the use of the property or the provision of the services or facilities (where the property, services or facilities is or are provided at a discount),

as is reasonably attributable to the use made of the property, services or facilities as mentioned in subsection (1)(b).

(5) Where the services of an employee are made available by his employer for the use or benefit of a third party, then for the purposes of this section the amount which is to be taken as constituting the commercial rate for the provision of those services shall be the amount of the remuneration and allowances payable to the employee by his employer in respect of the period for which his services are so made available (but shall not include any amount in respect of any contributions or other payments for which the employer is liable in respect of the employee).

(6) Where an amount of controlled expenditure is treated, by virtue of subsection (2), as incurred by or on behalf of a third party during any period the whole or part of which falls within any period which is a regulated period (as defined by section 94(10)(a)), then—

- (a) the amount mentioned in subsection (7) shall be treated as incurred by or on behalf of the third party during the regulated period, and
- (b) if a return falls to be prepared under section 96 in respect of controlled expenditure incurred by or on behalf of the third party during that period, the responsible person shall make a declaration of that amount,

unless that amount is not more than £200.

(7) The amount referred to in subsection (6) is such proportion of the appropriate amount (determined in accordance with subsection (3) or (4)) as reasonably represents the use made of the property, services or facilities as mentioned in subsection (1)(b) during the regulated period.

(8) A person commits an offence if he knowingly or recklessly makes a false declaration under subsection (6).

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(9) Paragraph 2(5) and (6)(a) of Schedule 11 shall apply with any necessary modifications for the purpose of determining, for the purposes of subsection (1), whether property is transferred to a third party.

Commencement Information

II S. 86 wholly in force at 16.2.2001; s. 86 not in force at Royal Assent, see s. 163(2); s. 86 in force at 16.2.2001 by [S.I. 2001/222](#), [art. 2](#), [Sch. 1 Pt. I](#) (subject to transitional provisions in [Sch. 1 Pt. II](#))

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