

VOTE
October 24

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Financial Filing for Candidates and Third Party Advertisers

February 16, 2023

Agenda

- Overview and Key Dates
- Financial Filing Requirements
- How to File a Financial Statement
- Contribution Rebate Program
- Compliance Audits and Over-Contributions
- Additional Resources
- Q&A Period

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Overview and Key Dates

Financial filing overview

- If you filed a nomination to run as a candidate (or registered as a third party advertiser), you **must** file an initial financial statement by **2 p.m. on Friday, March 31, 2023**
 - Even if you did not raise or spend any money
 - Even if you withdrew your nomination/registration
 - Even if you extended your campaign
- Do not leave filing until the last day!

Types of financial statements

- **Initial financial filing**

- Every candidate and third party advertiser must file this
- Details all campaign finances from the day you filed your nomination paper until the end of the campaign period (January 3, 2023)
- Due by 2:00 p.m. on March 31, 2023

- **Supplementary financial filing**

- Only candidates and third party advertisers who extended their campaign period to erase a deficit must file this
- Details all campaign finances from the day you filed your nomination paper until the end of the supplementary period (June 30, 2023)
- Due by 2:00 p.m. on September 29, 2023

Penalties for not filing

- Not filing a financial statement by the deadline(s) will put you in default of the *Municipal Elections Act, 1996*.
 - Candidates in default are ineligible to run or be appointed to office until after the next general election.
 - Candidates in default do not receive a nomination filing fee refund.
 - Third party advertisers in default are ineligible to register until after the next general election.
- These penalties also apply if you exceed any of your spending limits or fail to pay a campaign surplus to the City Clerk

Extending the filing deadline

- **30 Day Grace Period**

- Candidates and third party advertisers can still file a financial statement during a 30 day “grace period” if a **\$500 late filing fee** is paid to the City Clerk
- Nomination filing fee is not refunded to candidates who file during the 30 day grace period

- **Court-Ordered Filing Extension**

- Candidates and third party advertisers can apply to the Superior Court of Justice to extend their financial filing deadline by up to 90 days
- Application must be made to the Superior Court of Justice by March 30, 2023
 - Notice of granted application must be provided to Toronto Elections by 2:00 p.m. on March 31, 2023

Key Dates – Initial Campaign Period

Date	
January 3, 2023	<ul style="list-style-type: none">• End of initial campaign period
March 30, 2023	<ul style="list-style-type: none">• Last day to apply to the Superior Court of Justice to extend the financial filing deadline (up to 90 days)
March 31, 2023 by 2 p.m.	<ul style="list-style-type: none">• Deadline to file your financial statement• Deadline to notify City Clerk of court-approved filing extension
May 1, 2023 by 2 p.m.	<ul style="list-style-type: none">• End of 30 day grace period during which you can file your financial statement as long as you pay the \$500 late filing fee
June 29, 2023	<ul style="list-style-type: none">• Last day for an elector to request a compliance audit

Key Dates – Supplementary Campaign Period

Date	
June 30, 2023	<ul style="list-style-type: none">• End of supplementary campaign period (for those who extended their campaigns)
September 28, 2023	<ul style="list-style-type: none">• Last day to apply to the Superior Court of Justice to extend the supplementary filing deadline (up to 90 days)
September 29, 2023 by 2 p.m.	<ul style="list-style-type: none">• Deadline to file your financial statement• Deadline to notify City Clerk of court-approved filing extension
October 30, 2023 by 2 p.m.	<ul style="list-style-type: none">• End of 30 day grace period during which you can file your financial statement as long as you pay the \$500 late filing fee
December 29, 2023	<ul style="list-style-type: none">• Last day for an elector to request a compliance audit
December 29, 2023	<ul style="list-style-type: none">• Last day for contributors to apply for a contribution rebate

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Financial Filing Requirements

Filing when no money was raised/spent

- If you did not raise or spend any money on your campaign, you only need to fill out the first page of the financial statement
 - Campaign period
 - Date you filed your Nomination Paper to Jan 3, 2023
 - “Initial filing...” box checked
 - All of Box A
 - Including checkbox stating that you “did not accept any contributions or incur any expenses”
 - All of Box B
- Submit the full 7-page statement via email (candidateinfo@toronto.ca) or in-person

For the campaign period from (day clerk received nomination) YYYY MM DD to YYYY MM DD		
<input type="checkbox"/> Initial filing reflecting finances from start of campaign to December 31 (or 45 days after voting day in a by-election)		
<input type="checkbox"/> Supplementary filing reflecting finances from start of campaign to end of extended campaign period		
Box A: Name of Candidate and Office		
Candidate's name as shown on the ballot		Given Name(s)
Last Name or Single Name		
Office for Which the Candidate Sought Election		Ward Name or Number (if any)
Municipality		
Spending Limit	Parties and Other Expressions of Appreciation	Contribution Limit
General	\$	Contributions from Candidate and Spouse
		\$
<input checked="" type="checkbox"/> I did not accept any contributions or incur any expenses. (Complete Boxes A and B only)		
Box B: Declaration		
I, _____, declare that to the best of my knowledge and belief that these financial statements and attached supporting schedules are true and correct.		
_____ Signature of Candidate		_____ Date (yyyy/mm/dd)

Financial statement requirements

- All contributions must be reported
 - The names and full address of contributors who contributed over \$100 must be listed on the financial statement
 - Contributions of goods/services must also be recorded
 - Should be recorded as a contribution and also as an expense
- All expenses are reported
 - Expenses that are subject to the limit
 - Expenses that are not subject to the limit
 - Expenses relating to voting day parties and expressions of appreciation

Campaign expenses

- Campaign expenses include:
 - Any expense incurred for goods and services in relation to an election
 - Equivalent value of any contribution of goods and services
- Inventory purchased for a previous election and used in this election (e.g., election signs) must be recorded as expenses at current market value
 - Past inventory is considered a contribution and is subject to the contribution limits for Council candidates
- Nomination filing fee is not a campaign expense
- Fundraising events:
 - Each event must be individually reported (Schedule 2)
 - Must outline the contributions/expenses that relate to the fundraising event

Auditor's report

- An auditor's report is required with your financial statement when:
 - You have raised or spent over \$10,000
and/or
 - You are participating in the Contribution Rebate Program
- Expenses relating to the preparation of an auditor's report can be incurred after the January 3, 2023 end of campaign period

Campaign surplus

- Any campaign surplus must be paid to the City Clerk when filing your financial statement
- If a candidate or their spouse has contributed to their own campaign, they can refund the amount of those contributions--or the amount of the surplus, if it's smaller--prior to filing your financial statement
 - **Example 1:** \$1,000 initial surplus, candidate contributed \$2000 to their own campaign
 - Candidate can refund entire \$1000 initial surplus amount to themselves; final surplus/deficit is \$0
 - **Example 2:** \$1,000 initial surplus, candidate contributed \$600 to their own campaign
 - Candidate can refund \$600 to themselves; final surplus to be paid to City Clerk is \$400

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How to File a Financial Statement

How to file a financial statement

- **Option 1: electronically**

- Candidates and third party advertisers who do not have a surplus can file their financial statement electronically
- Financial statement can be submitted through the Electronic Financial Filing System (EFFS) or scanned/sent via email to candidateinfo@toronto.ca

- **Option 2: In-person**

- Candidates or third party advertisers with a surplus (or who have received anonymous contributions that must be paid to the City Clerk) must file their financial statement in-person
- Surplus (or anonymous contributions) must be paid to the City Clerk at the time of the filing

Correcting a financial statement

- If you submit your financial statement and later on identify an error, you can withdraw the original statement and submit a new one before 2 p.m. on the filing deadline
- If the withdrawn financial statement has an auditor's report attached, the corrected statement must have a **new** auditor's report attached.
- If the corrected financial statement identified an additional surplus, the additional money must be paid when the corrected statement is filed.

Posting of financial statements

- The *Municipal Elections Act, 1996* requires the City Clerk to:
 - Make submitted financial statements available to the public in an electronic format
 - Provide information on whether candidates or third party advertisers have complied with the filing requirements on a website
 - Provide the reason for any candidate or third party advertiser is in default of the *Municipal Elections Act, 1996*

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Contribution Rebate Program

Rebate program overview

- The Contribution Rebate Program allows contributors to receive a portion of their contribution to a candidate back.
 - Only mayor and councillor candidates can choose to participate in the program.
 - Only monetary contributions are eligible for a rebate (does not apply to goods or services)
- A contributor's rebate is based on the total amount of money they contributed to all candidates who are participating in the program.
 - Rebates are not issued if a contributor's total contributions to all candidates is \$25 or less
- Candidates participating in the Contribution Rebate Program are eligible to receive a rebate on contributions they made to their own campaign.

Additional filing requirements

- Candidates participating in the Contribution Rebate Program must submit the following when filing a financial statement:
 - Auditor's report provided by an auditor licensed under the *Public Accounting Act, 2004* (this is required no matter how much money you raised or spent).
 - Candidates using manual rebate forms (instead of EFFS) are also required to submit the pink copy of all Contribution Rebate Receipt Application forms.
 - Candidates in the 2022 general election are not required to provide copies of expense invoices with their financial statement.
- All documents must be attached to the financial statement at the time of filing.

Candidate & contributor responsibilities

- **The Candidate:**

- Issues a Contribution Rebate Receipt Application form for every monetary contribution
- Completes the 'Contribution Receipt' section of the form
- Sends the form to the contributor to complete/claim

- **The Contributor:**

- Completes the rest of the form and keeps a copy for their records
- Claims their rebate by either:
 - Using the new [online portal](https://www.toronto.ca/elections) to claim their rebate
 - Mailing the form to Toronto Elections by Dec 29, 2023



Receipt & Application
Contribution Rebate

To be eligible to receive a rebate on your contribution(s), you can either:

- Visit www.toronto.ca/elections and claim your rebate online, **OR**
- Fill out all sections of the form below and mail it to 89 Northline Rd., Toronto, ON M4B 3G1

The rebate claim deadline is **4:30 p.m. on December 29, 2023**. Keep a copy of this application for your records.

Contribution Receipt (completed by candidate)

Election 2022 Municipal Election	Date Received 03 / 01 / 2023	Amount Received \$300.00	Receipt No.  100085
Contributor Last Name or Single Name Lifeson			
Contributor First Name Alex			
Contributor Mailing Address 63 Welland Ave		Unit City	Postal Code L2R 2M8
Candidate Name Lee, Geddy			Office/Ward Councillor/Ward 13
Candidate Signature 			Date (yyyy/mm/dd) 2023/02/09

Rebate Application (completed by contributor)

Last Name or Single Name (I have a legally registered single name)		First Name	
Mailing Address		Unit	City
			Postal Code
Email		Daytime Phone	
Contributor Signature		Date (yyyy/mm/dd)	

Terms, Conditions and Information for Contributors

- Municipal campaign contributions are not eligible for federal income tax purposes.
- Rebates are based on total contributions made to all candidates. The maximum rebate amount is \$1,000.
- Rebates are not paid for contributions of \$25 or less, or for donations of goods and services.
- The max contribution to Councillor or Trustee candidates is \$1,200 and for Mayoral candidates is \$2,500.
- A contributor cannot contribute over \$5,000 in total to two or more candidates on the same council.
- Contributor names and addresses are posted on the City's website for contributions totaling over \$100.
- Rebates are paid to contributors provided that the candidate has filed an audited financial statement and complied with all requirements of the *Municipal Elections Act, 1996* the Contribution Rebate By-law.
- Rebates cannot be paid until any proceeding(s) in relation to a compliance audit or an over-contribution report is complete.
- By claiming a rebate, the Contributor agrees to the terms and conditions on this form and acknowledges that the City Clerk has the authority to request additional information to accept or deny this application.
- For complete instructions visit our website: www.toronto.ca/elections

The personal information on this form is collected under the authority of the City of Toronto Act, 2006, s. 136 (c.) the Municipal Elections Act, 1996, s. 88 and the contribution rebate program by-law. Your information will be filed with the City Clerk and will be available for public inspection by any person at the clerk's office at a time when the office is open. In addition, your name, postal code and campaign contribution amount will be published on the City's Web site. Questions about this collection can be directed to Project Manager, 89 Northline Rd., Toronto, ON M4B 3G1. Telephone: 416-338-1111.

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Generating rebate receipts

- Contribution Rebate Receipt Application forms are generated using EFFS
 - Add the contributor and their contribution into EFFS
 - Open the list of contributions, select the checkbox beside the relevant contribution, and click “Print” on the upper right
 - This will generate and open a PDF file that you should provide to your contributor(s)

CONTRIBUTIONS (2 items found, displaying 1 to 2)

Please check the appropriate box(es) to edit the contribution(s).*

[Search](#) [Change Date](#) [Void](#) [Return Contribution](#) [Print](#) [BatchPrint](#)

<input type="checkbox"/>	Contributor Name	Receipt Number	Contributor Email	Contributor Address	City	Date Contribution Received	Amount	Return Contribution	Form	Void	Date Printed	Type	Relationship
<input checked="" type="checkbox"/>	Doe, Jane	100086	email@fakeemail.ca	100 Queen St W	Toronto	2022/12/14	\$400.00		Monetary	No		Individual	Edit
<input type="checkbox"/>	Sammy, Singh	100087	email@emailaddresses.com	89 Northline Road	Toronto	2022/12/14	\$1,000.00		Monetary	No		Individual	Edit

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Compliance Audits and Over-Contributions

Compliance audits

- If an eligible elector believes that a candidate or registered third party advertiser has contravened election finance rules, they may apply for a compliance audit of campaign finances.
- An application for a compliance audit must be submitted within 90 days of the deadline to file the campaign financial statement (June 29, 2023).
- The Compliance Audit Committee will consider the application and decide whether to grant or reject the application, and whether to commence legal action.
- The Compliance Audit Committee does not have any authority to set penalties. Only the court can decide if and which penalties should apply.

Over-contribution reporting

- The City Clerk is responsible for providing the Compliance Audit Committee with a report on any contributors who appear to have contributed more than the allowable limit
- Compliance Audit Committee meets to review these reports and decide whether or not to proceed with legal action against a contributor

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Additional Resources

Resources

Contact us:

- 416-395-0025
- candidateinfo@toronto.ca or thirdpartyinfo@toronto.ca

Candidates:

- [2022 Candidates' Guide](#)
- [Toronto Elections website – Candidate Financial Filings](#)
- [Financial Statement - Auditor's Report Candidate - Form 4](#)

Third Party Advertisers:

- [2022 Third Party Advertisers' Guide](#)
- [Toronto Elections website – Third Party Financial Filings](#)
- [Financial Statement - Auditor's Report Third Party – Form 8](#)