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# NATIONAL ASSEMBLY

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FIRST SESSION

THIRTY-NINTH LEGISLATURE

Bill 118

## **An Act respecting the financing of political parties**

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### **Introduction**

**Introduced by  
Mr. Jean-Marc Fournier  
Minister responsible for the Reform of Democratic  
Institutions and Access to Information**

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**Québec Official Publisher  
2010**

## **EXPLANATORY NOTES**

*This bill introduces several measures concerning the financing of political parties. It increases the allowance paid to political parties authorized under the Election Act and to the municipal parties of the cities of Montréal and Québec.*

*The bill modifies the manner in which tax credits for political contributions are applied and increases the thresholds for computing tax credits at the municipal level. The bill also provides that dues paid by an elector for membership in a political party are contributions.*

*Lastly, the bill introduces various other measures concerning, among other things, the content and the filing of financial reports.*

## **LEGISLATION AMENDED BY THIS BILL:**

- Cities and Towns Act (R.S.Q., chapter C-19);
- Act respecting elections and referendums in municipalities (R.S.Q., chapter E-2.2);
- Act respecting school elections (R.S.Q., chapter E-2.3);
- Election Act (R.S.Q., chapter E-3.3);
- Taxation Act (R.S.Q., chapter I-3).

# **Bill 118**

## **AN ACT RESPECTING THE FINANCING OF POLITICAL PARTIES**

THE PARLIAMENT OF QUÉBEC ENACTS AS FOLLOWS:

### **ELECTION ACT**

**1.** Section 82 of the Election Act (R.S.Q., chapter E-3.3) is amended by replacing “\$0.50” by “\$0.82”.

**2.** Section 88 of the Act is amended

(1) by adding “, as is the amount paid by an elector as dues of membership in a political party” at the end of the first paragraph;

(2) by inserting “who is not an elector” after “natural person” in subparagraph 5 of the second paragraph.

**3.** Section 100 of the Act is amended by adding the following paragraph at the end:

“However, after the expiry of the time prescribed in section 569, a contribution or part of a contribution made contrary to this division need not be remitted to the Chief Electoral Officer.”

**4.** Section 114 of the Act is amended by inserting “prepared on the accrual basis of accounting” after “total expenditures”.

**5.** Section 117 of the Act is amended

(1) by adding the following at the end of the first paragraph: “in the form prescribed by the latter. In addition, the financial report of an authorized party authority must contain a balance sheet.”;

(2) by replacing the second paragraph by the following paragraph:

“The financial report must reconcile cash balances from the beginning of the fiscal year and the end of the fiscal year. It must also contain an income statement made in accordance with section 114 and the information prescribed in section 115.”

**6.** Section 127 of the Act is amended

(1) by replacing “House leader” in the first paragraph by “leader of the party in the House”;

(2) by inserting the following paragraph after the first paragraph:

“If there is no leader of the party in the House, the Member with the highest status among the party’s Members loses the right to sit or to vote, in accordance with the first paragraph.”

**7.** Section 442 of the Act is amended

(1) by inserting the following paragraph after the first paragraph:

“If there is no leader of the party in the House, the Member with the highest status among the party’s Members loses the right to sit or to vote, in accordance with the first paragraph.”;

(2) by replacing “or the leader of the party in the House” in the second paragraph by “, the leader of the party in the House or the Member referred to in the second paragraph”.

**8.** The Act is amended by inserting the following section after section 566:

**“566.1.** A political party is deemed to have acted or omitted to act if its leader, another of its officers, its official representative, a delegate of its official representative, its official agent or a deputy of its official agent commits, allows or tolerates the act or omission.

If a political party so commits an offence, any person mentioned in the first paragraph who committed, allowed or tolerated the act or omission may be prosecuted and convicted whether or not the party was prosecuted and convicted.”

**CITIES AND TOWNS ACT**

**9.** Section 474.0.4 of the Cities and Towns Act (R.S.Q., chapter C-19) is amended by replacing “\$0.35” in the second paragraph by “\$0.46”.

**ACT RESPECTING ELECTIONS AND REFERENDUMS IN MUNICIPALITIES**

**10.** Section 427 of the Act respecting elections and referendums in municipalities (R.S.Q., chapter E-2.2) is amended by adding the following subparagraph after subparagraph 3 of the first paragraph:

“(4) the amount paid by an elector for membership in a party.”

**11.** Section 428 of the Act is amended by inserting “who is not an elector” after “natural person” in paragraph 6.

**12.** Section 440 of the Act is amended by adding the following paragraph after the second paragraph:

“However, after the expiry of the time prescribed in section 648, a contribution or part of a contribution made contrary to this chapter need not be remitted to the contributor.”

**13.** Section 480 of the Act is amended

(1) by inserting “prepared on the accrual basis of accounting” after “total expenditures”;

(2) by inserting “who are not electors” after “natural persons” in paragraph 3.

#### ACT RESPECTING SCHOOL ELECTIONS

**14.** Section 206.26 of the Act respecting school elections (R.S.Q., chapter E-2.3) is replaced by the following section:

**“206.26.** Every contribution made contrary to this chapter shall, not later than 30 days after the fact is known, be returned to the contributor.

Despite the first paragraph, if the contributor cannot be found or has been convicted of contravening any of sections 206.19 to 206.21 and 206.23, the contribution or the amount at which it is evaluated shall be remitted to the director general of the school board to be deposited into the general fund of the school board.

However, after the expiry of the time prescribed in section 223.4, a contribution or part of a contribution made contrary to this chapter need not be remitted to the contributor.”

#### TAXATION ACT

**15.** Section 776 of the Taxation Act (R.S.Q., chapter I-3) is amended by replacing the first paragraph by the following paragraph:

**“776.** An individual who is an elector may deduct from the tax otherwise payable by the individual for a taxation year under this Part an amount equal to the aggregate of

(a) in relation to any contribution of money made by the individual in the taxation year to the official representative of a party or independent candidate authorized to receive such a contribution under the Act respecting elections and referendums in municipalities (chapter E-2.2), the aggregate of

i. 85% of the lesser of \$50 and the aggregate of all amounts each of which is such a contribution, and

ii. 75% of the amount by which \$50 is exceeded by the lesser of \$200 and the aggregate described in subparagraph i; and

(b) in relation to any contribution of money made by the individual in the taxation year for the benefit of a political party, party authority, independent Member or independent candidate authorized to receive such a contribution under the Election Act (chapter E-3.3), the aggregate of

i. 85% of the lesser of \$100 and the aggregate of all amounts each of which is such a contribution, and

ii. 75% of the amount by which \$100 is exceeded by the lesser of \$400 and the aggregate described in subparagraph i.”

#### FINAL PROVISION

**16.** This Act comes into force on (*insert the date of assent to this Act*), except section 15, which comes into force on the date to be set by the Government.



