

Fact sheet

Electoral expenditure for the 2023 NSW State election

The following information is for political participants that are registered for State elections in NSW. Information in this fact sheet is based on the provisions of the [Electoral Funding Act 2018](#) and the [Electoral Funding Regulation 2018](#). Refer to the [NSW Legislation website](#) for the full requirements and/or be guided by independent legal advice.

What is electoral expenditure?

[Electoral expenditure](#) is expenditure incurred by political parties, elected members, candidates, groups of candidates and associated entities:

- for, or in connection with promoting or opposing, directly or indirectly, a political party or the election of a candidate or candidates, or
- for the purpose of influencing, directly or indirectly, the voting at an election.

Electoral expenditure of a third-party campaigner includes only expenditure that is incurred:

- during the capped expenditure period (1 October 2022 to 25 March 2023 for the 2023 NSW State election)
- for the dominant purpose of promoting or opposing a party or the election of a candidate or candidates or influencing the voting at an election.

Electoral expenditure includes:

- expenditure on advertisements in radio, television, the internet, cinemas, newspapers, billboards, posters, brochures, how-to-vote cards and other election material
- expenditure on the production and distribution of election material
- expenditure on the internet, telecommunications, stationery and postage
- expenditure incurred in employing staff engaged in election campaigns
- expenditure incurred for office accommodation for any such staff and candidates (other than for the campaign headquarters of a party, or for the electorate office of an elected member) (note: exclusions for the purpose of calculating caps, detailed below)
- expenditure on travel and travel accommodation for candidates and staff engaged in electoral campaigning (note: exclusions for the purpose of calculating caps, detailed below)
- expenditure on research associated with election campaigns (other than in-house research)
- expenditure incurred in raising funds for an election

- expenditure incurred in the use or acquisition of the following items (exercised or effected within a period of 10 weeks that includes an election day and is terminated or disposed of within that period):
 - a motor vehicle and motor vehicle accessories
 - a vessel or aircraft used for the purpose of navigation
 - televisions and radios
 - television and radio broadcasting equipment
 - electronic equipment for recording sounds or visual images
 - photographic equipment
 - computers and associated equipment and computer software
 - office furniture and equipment
- In this case, electoral expenditure includes only so much of the purchase price of the property that is not recovered in the disposal of that property.

What is not considered to be electoral expenditure?

Electoral expenditure does not include:

- expenditure incurred substantially in respect of an election of members to a Parliament other than the NSW Parliament
- expenditure on factual advertising of:
 - meetings to be held for the purpose of selecting persons for nomination as candidates for election
 - meetings for organisational purposes of parties, branches of parties or conferences, committees or other bodies of parties or branches of parties
 - any other matter involving predominantly the administration of parties or conferences, committees or other bodies of parties or branches of parties.

The NSW Electoral Commission (Electoral Commission) issues [guidelines](#) providing further examples of what is and is not considered to be electoral expenditure.

Electoral expenditure caps for the 2023 NSW State election

Electoral expenditure for the 2023 NSW State election is capped between 1 October 2022 and 25 March 2023 referred to as the capped expenditure period.

Expenditure caps are adjusted for inflation every four years after NSW State elections. The applicable caps for the 2023 NSW State election are available now on the [NSW Electoral Commission website](#).

Electoral expenditure is taken to have been incurred when the service paid for is provided or when the goods are delivered. If electoral expenditure is paid for outside of the capped expenditure period, but the goods or services paid for are delivered within that period, this expenditure is still subject to the caps. More information on when electoral expenditure is taken to be incurred is available on the [NSW Electoral Commission website](#).

Expenditure exempt from the caps

The definition of electoral expenditure has been amended to exclude the cost of auditing campaign accounts. This applies to all stakeholders and for all purposes.

For the purpose of calculating electoral expenditure counted towards the caps, the following exemptions now apply:

- The cost of expenditure incurred on travel and travel accommodation for candidates and staff engaged in electoral campaigning. (Note: this does not apply to expenditure incurred in connection with a motor vehicle, vessel or aircraft decorated with or displaying advertising or electoral material for a candidate or party – which must be included in the calculation of electoral expenditure counted towards the caps).
- The cost of expenditure incurred for office accommodation for a single campaign office for a candidate or a party engaged in an election campaign, including for the campaign headquarters of a party, but only to a maximum amount of \$20,000 for the current 2023 State election capped expenditure period. (Note: such costs over \$20,000 must be included in the calculation of electoral expenditure counted towards the caps).

The amounts that are exempt from the expenditure caps must still be disclosed as electoral expenditure.

Rules for expenditure caps

It is unlawful to incur electoral expenditure that exceeds the applicable cap during the capped expenditure period.

If the electoral expenditure of a political party, candidate, group of candidates, third-party campaigner or associated entity is less than the applicable cap, the balance is not transferable to another party, candidate, group of candidates, third-party campaigner or associated entity.

For the purposes of electoral expenditure caps, electoral expenditure does not include:

- expenditure incurred in raising funds for an election or in auditing campaign funds
- expenditure of additional entitlements (within the meaning of the *Parliamentary Remuneration Act 1989*) recognised to Members of NSW Parliament.

Aggregation of electoral expenditure for 2023 NSW State election

In the following circumstances, electoral expenditure must be aggregated:

- where a party endorses two or more Legislative Assembly candidates for an electoral district, the electoral expenditure of those candidates must be aggregated. Electoral expenditure of those candidates must collectively be within the expenditure cap for one endorsed Legislative Assembly candidate
- where electoral expenditure is incurred by a party and by a Legislative Council candidate or group of candidates endorsed by that party, the electoral expenditure must be aggregated and must be within the applicable cap for the party.
- where electoral expenditure is incurred by a party and by an associated entity of the party, the expenditure must be aggregated and must be within the applicable cap for the party.
- where electoral expenditure is incurred by a party and by a Member of Parliament who is not a candidate at the election but is a member of the party, that expenditure must be aggregated and must be within the applicable cap for the party.

Disclosing electoral expenditure

All electoral expenditure must be disclosed annually to the Electoral Commission by:

- political parties
- elected members
- candidates and groups of candidates
- associated entities
- third-party campaigners (third-party campaigners must disclose electoral expenditure incurred during the capped expenditure period 1 October 2022- 25 March 2023).

The annual disclosure period starts on 1 July 2022 and ends on 30 June 2023. Disclosures must be submitted to the Electoral Commission by 22 September 2023 using the form approved by the Electoral Commission.

Annual electoral expenditure disclosures can be submitted online using [Funding and Disclosure Online](#). PDF forms are available on request.

Further information on submitting annual electoral expenditure disclosures for the 2022-23 period is available on the NSW Electoral Commission's [YouTube](#) channel and on the NSW Electoral Commission [website](#).

All disclosures are published on the NSW Electoral Commission [website](#).

More information

Rules that apply to public funding for NSW State election campaigns are determined in the *Electoral Funding Act 2018*, available in full at legislation.nsw.gov.au. Penalties apply for non-compliance.

More information about public funding for NSW State election campaigns can be found on the [NSW Electoral Commission website](#).

For further information, contact us on 1300 022 011 or at fdc@elections.nsw.gov.au.