

DIRECTIVE NO.	CEODIR-2020-003
DATE	FEBRUARY 1, 2020
DATE REVISED	APRIL 18, 2023
SUBJECT	EXPENSES INCURRED OUTSIDE OF ELECTION PERIOD
REFERENCE	N/APP
INTENT	TO PROVIDE GUIDANCE ON PROPER TREATMENT OF EXPENSES INCURRED OUTSIDE OF THE ELECTION PERIOD
AUDIENCE	CHIEF OFFICIAL AGENTS, CANDIDATES, FINANCIAL AGENTS

Section 220(f) of *The Election Act, 1996* defines “election expenses” as “the cost of goods and services used **during an election** for the purpose of promoting or opposing, directly or indirectly, a registered political party or the election of a candidate, regardless of whether those costs are incurred before, during or after the election.”

Section 2(1)(o) defines the term “during an election” as “the period commencing the day a writ is issued for an election and ending on polling day for the election.”

Section 220(h) lists certain “exempt election expenses” that are specifically excluded from the definition of “election expenses.” Among the excluded items are expense for goods or services incurred at any time and used after 8:00 p.m. on polling day for: social functions, meeting or gatherings; or communicating with voters and campaign workers.

This CEO Directive will provide guidance on how to apply the above sections of the Act when preparing election expense returns.

A. TREATMENT OF “START-UP” COSTS

One-time installation and set-up fees incurred prior to the day a writ is issued that are necessary in establishing a campaign office for use during the election may be included as an election expense. This includes but is not limited to: telecommunications installation costs; utility hook-up fees; charges incurred for opening a campaign bank account (including purchase of cheques).

Costs for polling, research, or focus groups conducted prior to the election period to the extent undertaken for the use during the election (e.g. development of campaign strategies or advertisements), but not for broader purposes, are considered to be an election expense.

All other costs incurred relating to goods or services used prior to the day a writ is issued are not considered to be election expenses.

B. TREATMENT OF “CLOSE-OUT” COSTS

Costs for any goods used or services rendered after 8:00 p.m. on polling day such as shredding or return delivery of equipment and furniture are not considered to be an election expense.

C. PRO-RATING EXPENSES

Expenses for goods and services that are used for a period that extends before and/or after the election period must be pro-rated (exceptions noted below). For example, a party purchases advertising space on a billboard at a cost of \$3,000 for a period that extends 4 days after polling day with the writ being issued 27 days prior to polling day. The chief official agent must pro-rate the cost of the billboard and recognize \$2,612.91 ($\$3,000 \times 27/31$) on the election expense return.

For ease of application, the following exceptions are considered allowable:

- One full month’s bank charges may be recorded as an election expense (note that NSF fees and overdraft charges are not considered to be valid election expenses);
- One full month’s cost for telephone, electricity, gas, and rent may be recorded as an election expense;
- Insurance premiums must be pro-rated for the election period; however, if the policy includes a minimum retained premium provision, the greater of the pro-rated premium costs or the minimum premium amount may be recorded as an election expense;
- Production costs (including photography costs) for advertisements that have been placed for periods longer than the election period are not required to be pro-rated (costs related to the placement of the advertisement, however, must be pro-rated).

A handwritten signature in blue ink that reads 'Michael D. Boda'.

MICHAEL D. BODA, D. PHIL., PH.D.
CHIEF ELECTORAL OFFICER
PROVINCE OF SASKATCHEWAN
FEBRUARY 1, 2020