

Eligibility of durable goods

Reference: Act respecting school elections

PURPOSE

The purpose of this directive is to introduce the concept of durable goods as election expenses as well as to stipulate the basis for distributing the cost of such property, needed by the authorized candidate when he files his return of election expenses.

DURABLE GOODS

This directive applies to all durable goods, other than money and advertising material, acquired and used during the election period, but whose normal length of use extends well beyond said election period. Examples include:

- ◆ office equipment: computer, fax, telephone, cell phone, etc.
- ◆ office furniture: tables, chairs, lights, etc.
- ◆ clothing

ELIGIBLE EXPENSE

The authorized candidate must state, in the return of election expenses, an amount representing the lesser of 50 % of the acquisition cost of the durable goods or the estimated cost of renting similar property used for the same specific period.

For the purposes of applying this directive, the estimated rental cost of similar property is established based on the lowest retail price at which such property is offered to the public in the normal course of business, according to the market in the region and the time when the property is provided for election purposes.

Example:

Context

The candidate wishes to use a computer to produce publicity for his election campaign. He has the option of buying or renting one. The acquisition cost is \$1,000 and, after checking with a supplier, the cost of renting it for the election period is \$300.

He decides to buy the computer.



Directive D-S-10

Eligible expense:

The amount of the eligible expense is \$300. Indeed, the rental cost is less, since 50% of the acquisition cost is equal to \$500.

Entry in the election expenses return:

The candidate must report as election expenses \$300 (goods and services category) and \$700 (acquisition cost: (\$1,000) less the rental cost (\$300)) as the amount not included in the election expenses.

DISCLOSURE IN THE RETURN OF ELECTION EXPENSES

If the acquisition cost of the durable goods is assumed in full by the election fund put at the disposal of the authorized candidate, he will have to enter in his return as election expenses an amount equivalent to the eligible expense and the non-eligible portion of the cost, as expenses not included in the election expenses.

Similarly, if the acquisition cost is assumed in whole or in part by the authorized candidate, he will only be required to enter in his return the eligible amount as election expenses.

This amount will have to correspond to the eligible cost reimbursed from his election fund.

Finally, when an authorized candidate uses durable goods acquired prior to the start of the election period, he will have to bill the cost of the rental of such property to a price reflecting the market value of the property at the time that it is provided for election purposes.