Federal accounts

3 mins

What is a federal account?

A federal account is a designated Australian bank account used for electoral expenditure. All monetary gifts made for a federal purpose must be credited into a federal account. Entities can have more than one federal account, as long as they notify the AEC.

A federal account must be with an authorised deposit-taking institution (examples may include banks, building societies or credit unions) and kept in Australia.

Who should use a federal account?

The following entities and individuals must have a federal account:

- registered political parties
- State branch of a political party
- members of the House of Representatives (MP) or Senate
- candidates
- significant third parties
- associated entities
- third parties
- nominated entities.

Donations to entities must be deposited into a federal account, and the federal account must be used for electoral expenditure. This ensures funds used for federal electoral purposes are tracked and reported on in a transparent manner.

Expenditure is electoral expenditure if it is for a federal purpose, i.e. it is incurred for the dominant purpose of creating or communicating electoral matter (e.g. advertising or campaign materials).

Notifying the AEC about federal accounts

The person responsible for the federal account must provide relevant details to the AEC within 7 days of either:

- the first time the account was used for electoral expenditure or
- the first time the account received a donation.

If the account was opened on or after 1 January 2027, the notification must state whether the account had an opening balance of more than $20,000. If this is the case, it must be investigated by the AEC.

Requirements for the use of federal accounts

Civil penalties apply if obligations relating to the use of federal accounts are breached.

Entities holding federal accounts have different requirements regarding the role of the responsible person and how long they must use their federal account.

Entity type	Responsible person	Period account required
Registered political party (RPP)	Agent of the party	While the party is registered
MP or Senator	The MP or the Senator	While the person is an MP or Senator
Candidates in an election	The candidate's agent	While they are a candidate in an election
Associated entities (AE)	Financial controller	While the entity is an AE
Nominated entities (NE)	Financial controller	While the entity is an NE
Significant third parties (STP)	Financial controller	While the entity is an STP
Third parties (TP)	The third party	Beginning on the day the person/entity becomes a TP and ending at the end of the calendar year

The responsible person must take reasonable steps to ensure each relevant gift of money is credited to a federal account. They must also ensure only required or permitted amounts are credited to that account. Failure to do so may result in a civil penalty.

An RPP's agent must also ensure that, where the AEC pays election funding to the RPP by cheque, an equivalent amount is credited to the relevant federal account within 7 days.

New parties, STPs, AEs and NEs cannot be registered without a federal account.

Restrictions on federal accounts

Funds from federal accounts can only be:

- withdrawn or transferred for a federal purpose or
- transferred to another federal account.

All other uses of funds from federal accounts are prohibited.

Further information

Visit ***aec.gov.au/FADreform/*** or email ***FADreform@aec.gov.au***

Authorised by the Electoral Commissioner, Canberra

The information in this publication is intended to provide general guidance only. It does not constitute legal, financial, or other professional advice. Persons and entities should seek their own professional advice to find out how the *Commonwealth Electoral Act 1918* applies to their particular circumstances. The Australian Electoral Commission (AEC) has made every reasonable effort to provide current and accurate information, but it does not make any guarantees regarding the accuracy, currency, or completeness of that information. Parties who wish to re-publish or otherwise use the information in this publication must check this information for currency and accuracy prior to publication. Please refer to **www.aec.gov.au** to access the AEC's current publications.