

# POLITICAL FUND ACT

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Wholly Amended by Act No. 7682, Aug. 4, 2005  
Amended by Act No. 7851, Mar. 2, 2006  
Act No. 7908, Mar. 24, 2006  
Act No. 7938, Apr. 28, 2006  
Act No. 8880, Feb. 29, 2008  
Act No. 9785, Jul. 31, 2009  
Act No. 9975, Jan. 25, 2010  
Act No. 10395, Jul. 23, 2010

## CHAPTER I GENERAL PROVISIONS

### Article 1 (Purpose)

The purpose of this Act is to contribute to the sound development of democratic politics by guaranteeing the fair provision of political funds, ensuring the transparency of political funds through the disclosure of the details of their revenues and expenditures and preventing irregularities involving political funds.

### Article 2 (Basic Principles)

- (1) No one shall contribute or receive any political fund which is not prescribed in this Act.
- (2) Political funds shall be fairly and justifiably managed in order to keep them free of the people's suspicions. Their accounting materials shall be published.
- (3) Political funds shall be disbursed only to reimburse expenses required for political activities and shall not be disbursed for private expenses or illegal purposes. In such cases, the term "private expenses" means the expenses that are incurred for purposes falling under any of the following subparagraphs:
  1. To financially support or subsidize household expenses;
  2. To pay back personal debts or lend them;
  3. To pay membership fees or financially subsidize the costs of private gatherings of individuals that include hometown associations, alumni associations, family clan associations, alpine societies, common interest groups, loan clubs, etc.;

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4. To cover expenses accruing from personal leisure and pastime activities.

(4) Anyone who makes an one-time contribution of political funds in excess of 1.2 million won or anyone who pays political funds in excess of the amount falling under any of the following subparagraphs according to this Act shall make such contribution and such payment by means of the check, credit card, the payment of such political funds to the deposit account or by other means that make it ascertain the identity of the donor: *Provided*, That the annual amount of political funds that are permitted to be contributed in cash shall not exceed 20/100 (10/100 of the limited amount of election expenses in cases of election expenses) of the total annual amount of political funds contributed:

1. Political funds other than election expenses: 500,000 won: *Provided*, That the political funds shall be 200,000 won for every candidate or every preliminary candidate who runs in an election for public office;
2. Election expenses: 200,000 won.

(5) Everyone shall be prohibited from contributing political funds in the name of another person or in a false name.

### Article 3 (Definitions)

The definitions of the terms used in this Act shall be as follows:

1. The term “political funds” means party membership fees, supporters’ contributions, deposits, subsidies, incidental revenues that are prescribed by the party constitution or party rules, etc. of every political party (including any Preparatory Committee for Central Party Formation), money, securities or goods that are provided to persons who win elections for public office, candidates who are to run in an election for public office, persons who intend to become such candidates, supporters’ associations and senior officials or staff in charge of clerical services of political parties or other persons who are engaged in political activities, and other expenses that they need to undertake political activities;
2. The term “contributions” means the furnishing of political funds, which is performed by individuals, supporters’ associations and other persons, in order to financially support political activities. In such cases, if any third party bears or pays any expense that is needed by anyone who carries out political activities or the act of furnishing money and goods, renting facilities free of charge, exempting and reducing any debt and offering any interest, etc. shall be all deemed contributions;
3. The term “party membership fees” means money, securities or goods

that are borne or contributed by party members according to party constitution or party rules, etc. irrespective of the pretext thereof;

4. The term “support payments” means money, securities and goods that are contributed to supporters’ associations pursuant to the provisions of this Act;
5. The term “deposits” means money, securities or goods that are deposited by individuals in the election commission, who intend to contribute political funds to political parties in accordance with the provisions of this Act;
6. The term “subsidies” means money or securities that are paid by the State to political parties in order to protect and foster those political parties;
7. The term “supporters’ associations” means organizations that are registered with the competent election commission after their establishment and are operated for the purpose of contributing political funds pursuant to the provisions of this Act;
8. The definition of terms concerning an election for public office shall be as follows:
  - (a) The term “election for public office” means the election provided for in the provisions of Article 2 of the Public Official Election Act;
  - (b) The term “candidate to run in an election for public office” means a person who is registered with the competent election commission pursuant to the provisions of Article 49 of the Public Official Election Act;
  - (c) The term “preliminary candidate to run in an election for public office” means a person who is registered with the competent election commission pursuant to the provisions of Article 60-2 of the Public Official Election Act;
  - (d) The term “proportional representative local council member” means a proportional representative City/*Do* council member or a proportional representative autonomous *Gu/Si/Gun* council member;
  - (e) The term “party election campaign office” means the party election campaign office provided for in the provisions of Article 61-2 of the Public Official Election Act;
  - (f) The term “election campaign office” and “election campaign liaison office” each means the election campaign office and the election campaign liaison office provided for in the provisions of Article 63

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of the Public Official Election Act;

- (g) The term “election campaign manager” and “head of the election campaign liaison office” each means the election campaign manager and the head of the election campaign liaison office provided for in the provisions of Article 63 of the Public Official Election Act;
- (h) The term “election expenses” means the election expenses provided for in the provisions of Article 119 of the Public Official Election Act;
- (i) The term “limited amount of election expenses” means the limited amount of election expenses for the relevant election (if any constituency exists, referring to such constituency), which is published by the competent election commission pursuant to the provisions of Article 122 of the Public Official Election Act.

## CHAPTER II PARTY MEMBERSHIP FEES

### Article 4 (Party Membership Fees)

- (1) Every political party may collect party membership fees from its members.
- (2) The person in charge of accounting of every political party shall cause any party membership fee that is paid in the name of another person or in a false name to revert to the National Treasury.
- (3) The party membership fee that has to revert to the National Treasury pursuant to the provisions of paragraph (2) shall be paid to the competent election commission that shall, upon receiving it, pay it to the State, and where the party membership fee is not paid by the due date for payment, the head of the competent tax office shall, after being commissioned by the competent election commission, collect the party membership fee in question, pursuant to the practices of dispositions on default of national taxes.
- (4) Procedures for the reversion of party membership fees to the National Treasury provided for in the provisions of paragraph (3) and other necessary matters shall be determined by the Regulations of the National Election Commission.

### Article 5 (Receipts of Party Membership Fees)

- (1) The person in charge of accounting of a political party shall deliver a receipt of a party membership fee to the relevant party member and

keep the ledger thereof by the time he/she makes an accounting report as at December 31 under Article 40 (1) for party membership fees paid in the relevant year (referring to accounting report under paragraph (2) of the same Article where registration of a political party is revoked or dissolved): *Provided*, That where the party member who has paid a party membership fee does not want to receive a receipt of a party membership fee, he/she may issue and keep it together with the ledger instead of delivering it to the relevant party member. <Amended by Act No. 9975, Jan. 25, 2010>

(2) The receipt for any one-time party membership fee that amounts to not more than ten thousand won may be issued and delivered in one sheet showing the total annual amount paid as at the last day of the relevant year (referring to registration revocation date or dissolution date where registration of political party is revoked or dissolved). <Amended by Act No. 9975, Jan. 25, 2010>

(3) A receipt of a party membership fee under paragraphs (1) and (2) may be electronically prepared, and issued and sent online, but technical measures shall be taken to prevent forgery or alteration. <Newly Inserted by Act No. 8880, Feb. 29, 2008>

(4) The fixed form of a receipt of a party membership fee referred to in paragraphs (1) through (3) and other necessary matters shall be determined by the Regulations of the National Election Commission. <Amended by Act No. 8880, Feb. 29, 2008>

### CHAPTER III SUPPORTERS' ASSOCIATIONS

#### Article 6 (Designation Authority of Supporters' Association)

Anyone falling under any of the following subparagraphs (hereinafter referred to as "designation authority of supporters' association") may designate each one supporters' association: <Amended by Act No. 8880, Feb. 29, 2008; Act No. 9975, Jan. 25, 2010>

1. Deleted; <by Act No. 8880, Feb. 29, 2008>
2. Any National Assembly member (including any elected member of the National Assembly);
- 2-2. A presidential candidate or preliminary candidate (hereinafter referred to as "presidential candidate, etc.");
3. Any candidate for an intra-party competition for selecting a candidate to run in the presidential election of any political party (hereinafter referred to as "candidate for an intra-party competition in a presi-

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dential election”);

4. Any candidate and any preliminary candidate to run in the election for the constituency (hereinafter referred to as “constituency”) National Assembly members (hereinafter referred to as “candidate, etc. to run in the election for the National Assembly members”): *Provided*, That the same shall not apply where any National Assembly member already has his/her supporters’ association;
5. Any intra-party competition candidate to run in the election for a representative of the party headquarters (hereinafter referred to as “competition candidate for a party representative competition”);
6. Any candidate to run in an election for the head of each local government (hereinafter referred to as “candidate to run in an election for each local government”).

### Article 7 (Applications Filed by Supporters’ Associations for Their Registrations)

(1) The representative of every supporters’ association shall file an application accompanied by its written designation, with the competent election committee for its registration within 14 days from the date on which it is designated by the designation authority of supporters’ association the relevant supporters’ association.

(2) Matters falling under each of the following subparagraphs shall be included in the application for the registration of every supporters’ association:

1. The name of the supporters’ association;
2. The location of the supporters’ association;
3. The articles of association or the regulations;
4. The name of the representative, his/her resident registration number and his/her domicile;
5. The association seal and an imprint of the official seal of the representative;
6. Other matters determined by the Regulations of the National Election Commission.

(3) Where a National Assembly member who has a supporters’ association becomes a presidential candidate, etc., a candidate for an intra-party competition in a presidential election or a candidate for a party representative competition, he/she may designate his/her existing supporters’ association for a National Assembly member as a supporters’ association for a presi-

dential candidate, etc., a candidate for an intra-party competition in a presidential election or a candidate for a party representative competition, and where a preliminary presidential candidate who has a supporters' association becomes a candidate for an intra-party competition in a presidential election, he/she may designate his/her existing supporters' association for a preliminary presidential candidate as a supporters' association for a candidate for an intra-party competition in a presidential election. In such cases, the representative of the supporters' association for a presidential candidate, etc., a candidate for an intra-party competition in a presidential election or a candidate for a party representative competition shall file a report accompanied by the relevant written designation, the seal of the association and the imprint of the official seal of the said representative, with the competent election commission within 14 days from the date on which such designation is made by the designation authority of supporters' association. <Amended by Act No. 8880, Feb. 29, 2008>

(4) When there is any change in the matters provided for in subparagraphs 1 through 5, the seal of the supporters' association and an imprint of the official seal of the representative provided for in the provisions of paragraph (3) from among the matters for which the application is filed for their registration pursuant to the provisions of paragraph (2), the representative of the relevant supporters' association shall file an application with or make a report to the competent election commission for or on registering such change within 14 days from the date on which such change is made.

(5) The competent election commission shall grant registration and issue a certificate of registration within seven days from the date on which it receives the registration application that is filed pursuant to the provisions of paragraph (1) or (4).

#### Article 8 (Members of Supporters' Associations)

(1) Anyone may become a member of one or more supporters' association of his/her free will: *Provided*, That the same shall not apply to anyone who is prohibited from making any contribution pursuant to the provisions of Article 31 (1) and becoming a member of any political party pursuant to the provisions of Article 22 of the Political Parties Act.

(2) Every supporters' association shall maintain a membership roll.

(3) The inspection of the membership roll under paragraph (2) shall not be coerced except where the court orders for its inspection for the purpose

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of its trial and the competent election commission orders for its inspection in order to identify the qualifications of members and necessary matters including the details of support payments under Article 52.

(4) The scrutiny of the membership roll for investigating any offense shall require a warrant issued by the judge.

(5) No one shall leak any fact about the membership roll that he/she has learned in the course of his/her duty.

### Article 9 (Offices of Supporters' Associations, etc.)

(1) Every supporters' association may have offices and liaison offices in order to perform its clerical services according to the classification falling under any of the following subparagraphs: *<Amended by Act No. 8880, Feb. 29, 2008>*

1. Deleted; *<by Act No. 8880, Feb. 29, 2008>*

2. The supporters' association for every constituency National Assembly member and the supporters' association for every candidate to run in an election for constituency National Assembly members:

One office or one liaison office in the Seoul Special Metropolitan City and his/her constituency. In such cases, the liaison office shall not be opened in the constituency where the office is located;

3. Supporters' associations other than those referred to in subparagraph 2:

One office.

(2) The number of persons in charge of clerical service on payroll who work in the offices and liaison offices of a supporters' association shall not exceed two persons: *Provided*, That the same shall not apply to a supporters' association for a presidential candidate, etc. or a supporters' association for a candidate for an intra-party competition in a presidential election. *<Amended by Act No. 8880, Feb. 29, 2008>*

(3) The number of persons in charge of clerical services on payroll who work in an office that is located in the constituency of every National Assembly member shall not exceed five persons: *Provided*, That where one constituency for the National Assembly member spans not less than two *Gus* (including any non-autonomous *Gus*), *Sis* (referring to *Sis* that have no *Gus*) and *Guns*, two persons may be added to every *Gu/Si/Gun* exceeding two.

### Article 10 (Collection and Contribution of Support Payments)

(1) Every supporters' association shall collect support payments from supporters (referring to members and non-members; hereafter the same shall



apply) who are registered pursuant to the provisions of Article 7 and then forward the collected support payments to the relevant designation authority of the supporters' association. In such cases, every supporters' association shall be prohibited from forwarding any borrowing, any money or any goods, etc. other than the support payments, which are collected by it, to the designation authority.

(2) Every supporters' association shall, when it collects support payments, promptly forward such support payments, after deducting collection expenses therefrom, to the designation authority of the supporters' association.

(3) Where a supporter makes contribution directly to the designation authority (excluding cases where the supporter makes contribution by means of bearing or spending expenses incurred from the political activities by the designation authority, lending money or facilities for free or abating or reducing liabilities) and the designation authority delivers the contribution and the personal information of the supporter to a person in charge of accounting in the supporters' association designated by the designation authority within 30 days (in cases where the designation authority is disqualified for having supporters' association before 30 days have not yet passed since the date the contribution was made, referring the date the designation authority is disqualified) from the date the designation authority receives the contribution, such contribution shall be deemed to have been made to the relevant supporters' association. <Newly Inserted by Act No. 10395, Jul. 23, 2010>

#### Article 11 (Limited Amount of Contributions by Supporters)

(1) The amount of the support payment that is permitted to be contributed by each supporter to his/her supporters' association shall not exceed 20 million won per year.

(2) A limit amount that a supporter may contribute to one supporters' association a year (in cases of a supporters' association for a presidential candidate, etc., a candidate for an intra-party competition in a presidential election, a candidate for a party representative competition, a candidate, etc. to run in an election for National Assembly members or a candidate to run in an election for each local government, referring to a period during which the relevant supporters' association may be in operation; hereinafter the same shall apply) shall be as any of the following subparagraphs: <Amended by Act No. 8880, Feb. 29, 2008; Act No. 9975, Jan. 25, 2010>

1. Ten million won for each supporters' association for a presidential candi-

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date, etc. or a candidate for an intra-party competition in a presidential election (ten million won in aggregate for a supporters' association for a presidential candidate, etc. for which the designation authority of supporters' association is the same person);

2. Five million won for each supporters' association, other than a supporters' association referred to in subparagraph 1 (a total of five million won for a supporters' association of a candidate to run in an election for the National Assembly members, etc. and a supporters' association for every National Assembly member whose designation authority is the same person).

(3) Any supporter may anonymously make an one-time contribution of not more than 100,000 won and make a contribution of not more than 1.2 million won a year as his/her support payment.

(4) Every person in charge of accounting of the supporters' association shall, where any support payment is made in excess of the limited amount of the anonymous contribution under paragraph (3) or any support payment is made in the name of another person or in a false name, cause the excess amount and the amount that is contributed in the name of another person or in the false name to revert to the National Treasury. In such cases, the provisions of Article 4 (3) and (4) shall apply *mutatis mutandis* to the procedures for their reversion to the National Treasury.

(5) Every member of the supporters' association shall make an annual contribution of 10,000 won or a support payment not less than the value corresponding to the former.

(6) Methods for the making of contributions by supporters and other necessary matters shall be determined by the Regulations of the National Election Commission.

### Article 12 (Collection of Contributions by Supporters' Associations and Limited Amount of Contributions)

(1) The limited amount of contributions that every supporters' association is permitted to collect each year (hereinafter referred to as "limited amount of the annual contributions collected" and the limited amount shall not include any amount carried over from the previous year) shall be as follows: *Provided*, That the same shall not apply where the contributions that are collected by means of credit card, deposit account, telephone, the Internet electronic settlement system, etc. are inevitably in excess of the limited amount of the annual contributions collected, and the collection of any additional contribution shall not be permitted thereafter:

<Amended by Act No. 7851, Mar. 2, 2006; Act No. 8880, Feb. 29, 2008; Act No. 9975, Jan. 25, 2010>

1. and 2. Deleted: <by Act No. 8880, Feb. 29, 2008>
  3. An amount equivalent to 5/100 of the limited amount of election expenses each for a supporters' association for a presidential candidate, etc. or a supporters' association for a candidate for an intra-party competition in a presidential election (an amount equivalent to 5/100 of the limited amount of election expenses in aggregate for a supporters' association for a presidential candidate, etc. for which the designation authority of supporters' association is the same person);
  4. 150 million won, respectively, for the supporters' association for a National Assembly member, a candidate, etc. to run in an election for National Assembly members or a candidate for a party representative competition (150 million won in aggregate for a supporters' association for a candidate, etc. to run in an election for National Assembly members for which the designation authority of supporters' association is the same person);
  5. An amount equivalent to 50/100 of the limited amount of election expenses for the supporters' association of a candidate to run in an election for each local government.
- (2) The annual limited amount that every supporters' association is permitted to contribute (hereinafter referred to as "limited amount of annual contributions") to the relevant designation authority of a supporters' association shall be the same as the limited amount of annual contributions collected referred to in the provisions of paragraph (1): *Provided*, That where a supporters' association fails to contribute to the designation authority of supporters' association in the relevant year (in cases of a supporters' association for a presidential candidate, etc., a candidate for an intra-party competition in a presidential election, a candidate for a party representative competition, a candidate, etc. to run in an election for National Assembly members or a candidate to run in an election for each local government, referring to a period during which the relevant supporters' association may be in operation) due to inevitable circumstances, a supporters' association is permitted to contribute by the time the accounting report under Article 40 (1) (referring to accounting report as at December 31, in cases of a supporters' association for a candidate, etc. to run in an election for National Assembly members and accounting report under Article 40 (2) where a supporters' association is dissolved) is made.

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*<Amended by Act No. 9975, Jan. 25, 2010>*

(3) When the support payment that is collected by any supporters' association is in excess of the limited amount of annual contributions, the surplus amount may be carried over to the next year to be contributed in that year.

(4) Where any supporters' association is dissolved in accordance with the provisions of Article 19 and the designation authority of a supporters' association newly forms a supporters' association of the same kind, the support payments that the newly formed supporters' association is permitted to collect and contribute shall be the amount obtained by deducting the support payments that are collected or contributed by the previous supporters' association from the limited amount of annual contributions that are collected by the relevant supporters' association.

Article 13 (Special Case concerning Limited Amount of Annual Contributions Collected and Forwarding)

(1) A supporters' association falling under any of the following subparagraphs may collect and forward contributions twice the limited amount of annual contributions in the year during which an election for public office is held: *<Amended by Act No. 8880, Feb. 29, 2008>*

1. A presidential election:

A supporters' association for a constituency National Assembly member of a political party that has elected a candidate;

2. An election held for National Assembly members at the expiration of their term of office:

A supporters' association for a National Assembly member for a candidate registered for a constituency National Assembly member;

3. A simultaneous local election held at the expiration of the term of office:

A supporters' association for a constituency National Assembly member of a political party that fields a candidate to the relevant constituency.

(2) "Year during which an election for public office is held" in paragraph (1) means the year in which the date of the relevant election falls.

Article 14 (Ways of Collecting Support Payments)

(1) Every supporters' association may collect support payments by means of mail, communications (referring to telephone, the Internet electronic settlement system, etc.), the exchange of political funds receipts that are printed by the National Election Commission, credit card and deposit account, and in a manner that does not violate this Act, the Political Parties Act and the Public Official Election Act: *Provided*, That no sup-

port payment shall be collected by means of rallies.

(2) Deleted. <by Act No. 9975, Jan. 25, 2010>

Article 15 (Publication and Advertisement of Collection of Support Payments, etc.)

(1) Each supporters' association may publicize its name, the objectives of collecting support payments, offices to which contributions are made, ways to make contributions, the photo, educational background (limited to formal schooling and schooling of completing educational courses equivalent thereto in foreign countries), career, achievements and public promises of a designation authority of supporters' association and other matters necessary for public relations purposes by using printed materials, facilities, etc. to invite membership or raise support payments: *Provided*, That the matters concerning other political parties, candidates (referring to any candidate for election for public office and any person who intends to become a candidate is included), a candidate for an intra-party competition in a presidential election or a candidate for a party representative competition shall not be included. <Amended by Act No. 9975, Jan. 25, 2010>

(2) Any supporters' association may publicize the matters referred to in paragraph (1) in order to collect support payments and recruit membership, etc. not more than four times in any quarter of a year, using newspapers under Article 2 of the Act on the Promotion of Newspapers, etc. and periodicals under Article 2 of the Act on Promotion of Periodicals, Including Magazines. In such cases, when the supporters' association lasts not more than three months, the advertisement shall be made not more than four times. <Amended by Act No. 9785, Jul. 31, 2009>

(3) The one-time advertisements referred to in the provisions of paragraph (2) shall be determined by a standard falling under any of the following subparagraphs:

1. A newspaper advertisement not more than 17 centimeters in length and not more than 18.5 centimeters in width;
2. An advertisement other than an advertisement referred to in subparagraph 1 comprising not more than two pages of the relevant periodical.

(4) In the calculation of the frequency of the advertisement referred to in paragraph (2), the advertisement run in one periodical that is issued on the same day shall be deemed an one-time advertisement. In such cases, where the issue date of any periodical is differently noted therein according to districts to which it is delivered, the frequency of the advertisement shall be deemed one time.

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(5) Ways of making the publication in use of printed materials, establishments, etc. referred to in paragraph (1) and other necessary matters shall be determined by the Regulations of the National Election Commission.

### Article 16 (Collection of Support Payments by Means of Exchange of Political Funds Receipts)

(1) Every supporters' association or anyone who is commissioned by any supporters' association may collect support payments in exchange for political funds receipts.

(2) When anyone who is commissioned by any supporters' association according to the provisions of paragraph (1) collects support payments, he/she shall transfer the ledger of political fund receipts, the names, the dates of birth, domiciles and telephone numbers of supporters and support payments to the person in charge of accounting of the relevant supporters' association within 30 days from the date on which he/she collects such support payments.

(3) Procedures for, and ways of, commissioning the collection of support payments in exchange for political fund receipts and other necessary matters shall be determined by the Regulations of the National Election Commission.

### Article 17 (Political Fund Receipts)

(1) Each supporters' association shall deliver a political fund receipt for support payments contributed in the relevant year (in cases of a supporters' association for a presidential candidate, etc., a candidate for an intra-party competition in a presidential election, a candidate for a party representative competition, a candidate, etc. to run in an election for National Assembly members or a candidate to run in an election for each local government, referring to a period during which the relevant supporters' association may be in operation) to supporters by the time the accounting report under Article 40 (1) (referring to accounting report as at December 31, in cases of a supporters' association for a candidate, etc. to run in an election for National Assembly members and accounting report under Article 40 (2) where a supporters' association is dissolved) is made.  
<Amended by Act No. 9975, Jan. 25, 2010>

(2) Political fund receipts referred to in paragraph (1) shall mean only fixed amount receipts and no fixed amount receipts prepared by the National Election Commission. In such cases, no fixed amount receipts may be electronically prepared, issued and sent online, but technical measures shall

be taken to prevent forgery or alteration. <Amended by Act No. 8880, Feb. 29, 2008> 《Enforcement Date of the Proviso: See the Addenda》

(3) A no fixed amount receipt may be issued only for a support payment under 100 thousand won even in cases of support payments contributed in an amount under or exceeding 100 thousand won in one time: *Provided*, That the same shall not apply to cases where a no fixed amount receipt prepared electronically under the latter part of paragraph (2) is sent online. <Amended by Act No. 8880, Feb. 29, 2008>

(4) The political fund receipts for support payments not exceeding 10 thousand won may be issued in all together as at the last day of the relevant year (referring to the date of dissolution where a supporters' association is dissolved). <Amended by Act No. 9975, Jan. 25, 2010>

(5) Notwithstanding paragraph (1), each supporters' association may issue a political fund receipt and keep it together with the ledger instead of delivering it to supporters in cases falling under any of the following subparagraphs: <Amended by Act No. 9975, Jan. 25, 2010>

1. Where a supporter does not want to receive a political fund receipt;
2. Where contract details, such as address, etc. of a supporter are unavailable as contributions are made anonymously or by means of credit cards, saving accounts, telephone, Internet electronic settlement system, etc.;
3. Where a supporter contributes support payments not exceeding ten thousand won per year.

(6) Every supporters' association shall, when it intends to receive political fund receipts, file an application stating the kinds and number of political fund receipts, etc. with and pay the printing cost of such political fund receipts to the competent election commission.

(7) The total amount of the face value of the fixed amount receipts that one supporters' association is permitted to issue in one year shall not exceed the limited amount of the annual contributions collected of the supporters' association. In such cases, the supporters' association may receive the fixed-amount receipts at the same time within the scope of the limited amount of the annual contributions collected.

(8) The amount of support payments, the statement giving tax benefits to such support payments and the serial numbers thereof shall be noted on the political fund receipts, and standards for, and forms of, the political fund receipts and other necessary matters shall be determined by the Regulations of the National Election Commission.

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(9) The amount that is indicated on the fixed amount receipts shall be categorized into denominations of 10,000 won, 50,000 won, 100,000 won, 500,000 won, one million won and five million won, respectively. The names of supporters' associations shall not be noted on political fund receipts that are issued to contributors.

(10) Every supporters' association shall, upon receiving political fund receipts from the competent election commission, make a report on the number of the political fund receipts and the actual use thereof, etc. as at the end of December of every year to the competent election commission by the time when accounting report as at December 31 under Article 40 (1) is made and where any supporters' association is dissolved, such supporters' association shall return unused political fund receipts to the competent election commission when accounting report under Article 40 is made.

*<Amended by Act No. 9975, Jan. 25, 2010>*

(11) Every supporters' association shall be prohibited from receiving and spending the contributed amount that is different from the amount that is entered in the receipt of unspecified amount and the amount of the face value of the fixed-amount receipt. Where the number of unused political fund receipts is not reported or the unused political fund receipts are not returned within the deadline provided for in the provisions of Article 10, the total amount of the face value of such political fund receipts shall be deemed contributed.

(12) The election commission, every supporters' association and anyone who is involved in issuing political fund receipts shall be prohibited from disclosing the serial numbers of the political fund receipts issued and delivered to the relevant supporters' association or informing other State agencies of them without going through the procedures that are prescribed by Acts.

(13) Each supporters' association may request, in writing, the relevant financial institution to inform itself of the name and contact details of the deposit requester (including deposit by means of credit card, telephone, Internet electronic settlement system, etc.) in order to issue a political fund receipt for support payments deposited in a savings account for revenue of political funds reported under Article 34 (4). The financial institution shall, upon receipt of such request, immediately inform the details thereof notwithstanding the Act on Real Name Financial Transactions and Confidentiality. *<Newly Inserted by Act No. 9975, Jan. 25, 2010>*

(14) Forms to be used to request for informing the name and contact details



of the deposit requester under paragraph (13) and other necessary matters shall be determined by the Regulations of the National Election Commission.

*<Newly Inserted by Act No. 9975, Jan. 25, 2010>*

Article 18 (Refund of Illegal Support Payments)

The person in charge of accounting of every supporters' association shall refund any support payment to the relevant supporter within 30 days from the date on which he/she discovers that the support payment has been illegally made with the intention of soliciting favors in violation of this Act or other Acts. When he/she has issued the political fund receipts, he/she shall retrieve them. In such cases, where it is impossible to refund the support payment on the grounds of the inability to identify the supporter's domicile and contact address, or the supporter refuses to receive the support payment, the person in charge of accounting shall cause the support payment in question to revert to the National Treasury through the relevant election commission.

Article 19 (Dissolution, etc. of Supporters' Associations)

(1) Any supporters' association shall be dissolved when the relevant designation authority of supporters' association is not qualified to have such supporter's association, retracts the designation thereof or grounds for dissolution as provided for in the articles of association, etc. arise: *Provided*, That where a candidate to run in an election for National Assembly members who has his/her supporters' association is elected, the relevant supporters' association may continue to exist as a supporters' association for a National Assembly member elected by a resolution for existence by the relevant representative organ or an organ delegated by the representative organ, and a supporters' association for an elected National Assembly member shall be deemed a supporters' association for a National Assembly member, and when a preliminary presidential candidate or a preliminary candidate to run in an election for National Assembly members who has a supporters' association has registered as a presidential candidate or a candidate to run in an election for National Assembly members, the supporters' association for a preliminary presidential candidate or the supporters' association for a preliminary candidate to run in an election for National Assembly members shall be deemed a supporters' association for a presidential candidate or a supporters' association for a candidate to run in an election for National Assembly members, respectively. *<Amended by Act No. 8880, Feb. 29, 2008>*

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(2) In cases of the proviso to paragraph (1), the representative of a supporters' association for a candidate to run in an election for National Assembly members shall file an application for changing the registration under Article 7 (4) within 14 days from the date on which resolution for existence is adopted and such supporters' association shall inherit the rights and duties of the relevant previous supporters' association. *<Amended by Act No. 8880, Feb. 29, 2008>*

(3) When a supporters' association is dissolved, the representative of the supporters' association shall report thereon to the competent election commission within 14 days: *Provided*, That the same shall not apply where a supporters' association is dissolved on the grounds that the term of office of the relevant National Assembly member expires or a presidential candidate, etc., a candidate, etc. to run in an election for National Assembly members or a candidate to run in an election for each local government is disqualified. *<Amended by Act No. 8880, Feb. 29, 2008; Act No. 9975, Jan. 25, 2010>*

(4) Where any supporters' association fails to make a report on its dissolution pursuant to the main sentence of paragraph (3) within 14 days from the date on which it is dissolved, the competent election commission may cancel its registration.

Article 20 Deleted. *<by Act No. 8880, Feb. 29, 2008>*

Article 21 (Disposal of Residual Property, etc. in Cases of Dissolution of Supporters' Association, etc.)

(1) Where any supporters' association is dissolved pursuant to the main sentence of Article 19 (1), its residual property shall be disposed of, before the accounting report pursuant to Article 40 is made, as prescribed by each of the following subparagraphs: *<Amended by Act No. 8880, Feb. 29, 2008>*

1. Where the designation authority of supporters' association is a party member:

The residual property shall be transferred to the political party to which such party member belongs at the time the supporters' association is dissolved: *Provided*, That where a National Assembly member who has his/her supporters' association has a supporters' association for a presidential candidate, etc., a supporters' association for a candidate for an intra-party competition in a presidential election or a supporters' association for a candidate for a party representative competition, or where a preliminary presidential candidate who has a supporters' association has a supporters' association for a candidate for an intra-party

competition in a presidential election, if any one of the supporters' associations is dissolved, the residual property may be contributed to a supporters' association that survives dissolution as a support payment within the scope of the limited amount of annual collections and contributions of the survived supporters' association;

2. Where the designation authority of supporters' association is not a party member:

He/she shall transfer the residual property to any public corporation (including any educational corporation; hereinafter referred to as "public corporation") that is registered pursuant to the Act on the Establishment and Operation of Public-Service Corporations or any social welfare institution.

- (2) Where the designation authority of supporters' association is disqualified to have a supporters' association, the residual property left after having been contributed by the supporters' association and used (including expenses incurred by violating Article 36 (5)) shall be disposed of, conforming to each subparagraph of paragraph (1) before an accounting report provided for in Article 40 is made. *<Amended by Act No. 8880, Feb. 29, 2008; Act No. 9975, Jan. 25, 2010>*

- (3) Notwithstanding paragraphs (1) and (2), when a candidate for an intra-party competition in a presidential election, a candidate for a party representative competition, a preliminary presidential candidate or a preliminary candidate to run in an election for National Assembly members is disqualified to have a supporters' association (excluding cases where they participate in and win or fail to win an intra-party competition to elect a candidate for running in an election for public office or a competition to elect a party representative), the residual property of the supporters' association and the designation authority shall revert to the National Treasury before an accounting report under Article 40 is filed. *<Amended by Act No. 10395, Jul. 23, 2010>*

<This paragraph was amended in accordance with the decision on unconstitutionality made by the Constitutional Court on December 29, 2009, pursuant to Act No. 10395, July 23, 2010>

- (4) When the residual property or support payments that are contributed by supporters' associations pursuant to paragraphs (1) and (2) are not transferred, they shall revert to the National Treasury.

- (5) Any support payments that are made after the relevant supporters'

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association is dissolved shall be promptly refunded to supporters and when such support payments are not refunded to supporters before the accounting report pursuant to Article 40 is made, they shall revert to the National Treasury.

(6) Article 4 (3) and (4) shall apply *mutatis mutandis* to the procedures for the reversion of the support payments to the National Treasury provided for in paragraphs (3) through (5).

(7) Procedures for disposing of the residual property where any supporters' association is dissolved and other necessary matters shall be determined by the Regulations of the National Election Commission.

## CHAPTER IV DEPOSITS

### Article 22 (Entrustment of Deposits)

(1) Any individual (including any public official and any private school teacher who is prohibited from becoming a party member) who intends to entrust his/her deposit shall entrust such deposit in the election commission of various levels (excluding any *Eup/Myeon/Dong* election commission).

(2) The amount of one-time deposits that one person is permitted to entrust is at least 10 thousand won or the value equivalent to 10 thousand won, but at most the larger amount of 100 million won a year and 5/100 of his/her income of the previous year.

(3) No one shall entrust his/her deposit in another person's name or in a false name or without disclosing his/her name or his/her identity. In such cases, anyone may entrust his/her deposit on the condition that his/her name, identity, etc. are not made public.

(4) Procedures for entrusting deposits and other necessary matters shall be determined by the Regulations of the National Election Commission.

### Article 23 (Distribution and Payment of Deposits)

(1) The National Election Commission shall distribute and pay deposits according to the distribution ratio of subsidies from the National Treasury provided for in the provisions of Article 27 at the time they are distributed and paid after deducting expenses needed directly to collect such deposits.

(2) The National Election Commission shall, when it allots and pays deposits, disclose the names and personal details of persons who have entrusted

their deposits in excess of three million won at one time: *Provided*, That the same shall not apply where anyone entrusts his/her deposit on the condition that they are not disclosed according to the latter part of Article 22 (3). <Amended by Act No. 8880, Feb. 29, 2008>

(3) The time and procedures for paying the deposits and other necessary matters shall be determined by the Regulations of the National Election Commission.

Article 24 (Reversion of Deposits to National Treasury, etc.)

(1) Any deposit that is entrusted in violation of the provisions of Article 22 (2) and (3) shall revert to the National Treasury.

(2) Where any political party that is eligible to receive deposits refuses to receive such deposits, the National Election Commission shall evenly distribute or pay such deposits to other political parties with the exception of any political party that refuses to receive such deposits according to the provisions of Article 23 (1).

(3) The provisions of Article 4 (3) and (4) shall apply *mutatis mutandis* to the procedures for reverting deposits to the National Treasury under paragraph (1).

## CHAPTER V SUBSIDIES FROM NATIONAL TREASURY

Article 25 (Inclusion of Subsidies)

(1) The State shall appropriate an amount obtained by multiplying the unit price for appropriation of subsidies by the total number of eligible voters in an election for National Assembly members recently held at the expiration of their term of office to budget as subsidies to political parties every year. In such cases, when there exists any change in the total number of eligible voters due to an election for National Assembly members held at the expiration of their term of office, subsidies that are paid after the relevant election is finished shall be appropriated in budget based on the changed total number of eligible voters. <Amended by Act No. 8880, Feb. 29, 2008>

(2) In a year during which a presidential election, an election for National Assembly members at the expiration of the term of office, or simultaneous local elections provided for by Article 203 (1) of the Public Official Election Act are held, the unit price for appropriation of subsidies per eligible voter

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for each election (simultaneous local elections shall be deemed one election) shall be added to an amount referred to in paragraph (1). *<Amended by Act No. 8880, Feb. 29, 2008>*

(3) The unit price for appropriation of subsidies under paragraphs (1) and (2) shall be an amount obtained by adding to or reducing from the unit price for appropriation of subsidies of the previous year an amount calculated by applying the rate of fluctuation in nationwide consumer prices of the previous year compared with the year immediately preceding the previous year and publicly notified each year by the Commissioner of the National Statistical Office pursuant to Article 3 of the Statistics Act to the unit price for appropriation of subsidies of the previous year. *<Newly Inserted by Act No. 8880, Feb. 29, 2008>*

(4) The National Election Commission shall evenly and separably pay the subsidies referred to in paragraph (1) (hereinafter referred to as "ordinary subsidies") to political parties in each quarter of a year, and the subsidies referred to in paragraph (2) (hereinafter referred to as "election subsidies") to political parties within two days from the deadline for the registration of candidates.

### Article 26 (Subsidies for Fielding Female Candidates to Run in Elections for Public Office)

(1) The State shall include the amount obtained by multiplying 100 won by the total number of eligible voters in the most recently held election for National Assembly members at the expiration of their terms of office, in the budget of the year during which an election for National Assembly members, an election for City/*Do* council members, or an election for autonomous *Gu/Si/Gun* council members is held at the expiration of their terms of office as subsidies for payment to political parties that field female candidates to run in an election for constituency National Assembly members, an election for constituency City/*Do* council members, or an election for constituency autonomous *Gu/Si/Gun* council members (hereinafter referred to as "subsidies for fielding female candidates"). *<Amended by Act No. 7938, Apr. 28, 2006>*

(2) The subsidies for fielding female candidates shall be distributed and paid to political parties that field female candidates to run in the elections referred to in paragraph (1) according to the standards falling under any of the following subparagraphs. In such cases, the subsidies for fielding female candidates in an election for constituency City/*Do* council members, and constituency autonomous *Gu/Si/Gun* council members shall be

50/100 of the subsidies for fielding female candidates appropriated in the budget of the relevant year under paragraph (1) for a total amount of the subsidies for fielding female candidates for each election: <Amended by Act No. 7938, Apr. 28, 2006>

1. Where any political party fields female candidates who account for not less than 30/100 of the total candidates for national local constituency:

50/100 of the total amount of the subsidies for fielding female candidates shall be distributed and paid to such political parties according to the ratio of the number of seats in the National Assembly by political party at the time such subsidies are distributed and paid. The residual subsidies for fielding female candidates shall be distributed and paid to the political parties according to the ratio of the number of votes obtained (referring to the average ratio of the number of votes obtained by the relevant political parties in the national proportional representative constituency and local constituencies; hereinafter referred to as "ratio of the number of votes obtained in an election for National Assembly members") by such political parties in the most recently held election for National Assembly members at the expiration of their terms of office;

2. Where no political party fields female candidates who account for not less than 30/100 of the total candidates for national local constituency:

- (a) Any political party that fields female candidates who account for not less than 15/100 but less than 30/100 of the total candidates for national local constituency:

50/100 of the total amount of subsidies for fielding female candidates shall be distributed and paid to the political party according to the standards referred to in subparagraph 1;

- (b) Any political party that fields female candidates who account for not less than 5/100 less than 15/100 of the total candidates for national local constituency:

30/100 of the total amount of subsidies for fielding female candidates shall be distributed and paid to the political party according to the standards referred to in subparagraph 1. In such cases, the subsidies for fielding female candidates that are distributed to one political party shall not exceed the minimum amount from among the subsidies for fielding female candidates that are distributed and paid to each political party according to item (a).

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(3) The subsidies for fielding female candidates shall be paid to political parties within two days after the deadline for the registration of candidates to run in an election for constituency National Assembly members, an election for constituency City/*Do* council members or an election for constituency autonomous *Gu/Si/Gun* council members at the expiration of their terms of office. <Amended by Act No. 7938, Apr. 28, 2006>

### Article 26-2 (Subsidies for Fielding Disabled Persons to Run in Elections for Public Office)

(1) The State shall appropriate the amount obtained by multiplying 20 won by the total number of eligible voters in the most recently held election for National Assembly members at the expiration of their terms of office, in the budget of the year during which an election for National Assembly members, an election for City/*Do* council members, or an election for autonomous *Gu/Si/Gun* council members is held at the expiration of their terms of office as subsidies (hereinafter referred to as “subsidies for fielding disabled candidates”) for payment to political parties that field disabled candidates (referring to any person registered under Article 32 of the Welfare of Disabled Persons Act from among candidates; hereinafter the same shall apply) to run in an election for constituency National Assembly members, an election for constituency City/*Do* council members, or an election for constituency autonomous *Gu/Si/Gun* council members.

(2) The subsidies for fielding disabled candidates shall be distributed and paid to political parties that field disabled candidates to run in the elections referred to in paragraph (1) according to the standards in any of the following subparagraphs. In such cases, the subsidies for fielding disabled candidates in an election for constituency City/*Do* council members, and constituency autonomous *Gu/Si/Gun* council members shall be 50/100 of the subsidies for fielding disabled candidates appropriated in the budget of the relevant year under paragraph (1) for a total amount of the subsidies for fielding disabled candidates for each election:

1. Where any political party fields disabled candidates who account for not less than 5/100 of the total candidates for national local constituency: 50/100 of the total amount of the subsidies for fielding disabled candidates shall be distributed and paid to such political parties according to the ratio of the number of seats in the National Assembly by political party as at the time such subsidies are distributed and paid. The residual subsidies for fielding disabled candidates shall be distributed and paid



to the political parties according to the ratio of the number of votes obtained at any elections for the National Assembly recently held;

2. Where no political party fields disabled candidates who account for not less than  $5/100$  of the total candidates for national local constituency:

(a) Any political party that fields disabled candidates who account for not less than  $3/100$  but less than  $5/100$  of the total candidates for national local constituency:

$50/100$  of the total amount of subsidies for fielding disabled candidates shall be distributed and paid to the political party.  $50/100$  of the amount to be paid shall be distributed and paid to such political parties according to the ratio of the number of seats in the National Assembly by political party as at the time such subsidies are distributed and paid. The residual subsidies shall be distributed and paid to the political parties according to the ratio of the number of votes obtained at any elections for the National Assembly recently held;

(b) Any political party that fields disabled candidates who account for not less than  $1/100$  less than  $3/100$  of the total candidates for national local constituency:

$30/100$  of the total amount of subsidies for fielding disabled candidates shall be distributed and paid.  $50/100$  of the amount to be paid shall be distributed and paid according to the ratio of the number of seats in the National Assembly by political party as at the time such subsidies are distributed and paid. The residual subsidies shall be distributed and paid to the political parties according to the ratio of the number of votes obtained at any elections for the National Assembly recently held. In such cases, the subsidies for fielding disabled candidates that are distributed to one political party shall not exceed the minimum amount from among the subsidies for fielding disabled candidates distributed to each political party according to item (a).

(3) The subsidies for fielding disabled candidates shall be paid to political parties within two days after the deadline for the registration of candidates to run in an election for constituency National Assembly members, an election for constituency City/Do council members or an election for constituency autonomous Gu/Si/Gun council members at the expiration of their terms of office.

*[This Article Newly Inserted by Act No. 9975, Jan. 25, 2010]*

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### Article 27 (Distribution of Subsidies)

(1) 50/100 of the ordinary subsidies and the election subsidies shall be evenly distributed and paid to political parties that form negotiating groups made up of legislators who belong to such political parties by political party according to the provisions of the main sentence of Article 33 (1) of the National Assembly Act at the time of distributing and paying them.

(2) 5/100 of the ordinary subsidies and the election subsidies shall be each distributed and paid to political parties that each hold not less than five seats in the National Assembly and are not subject to the distribution and payment referred to in paragraph (1) at the time of distributing and paying them and 2/100 of the ordinary subsidies and the election subsidies shall be distributed and paid to any political party falling under any of the following subparagraphs from among political parties that each hold either no single seat or less than five seats in the National Assembly:

1. In cases of any political party that participated in the most recently held election for National Assembly members at the expiration of terms of office, its ratio of the number of the votes obtained in the election for the National Assembly members is not less than 2/100;
  2. In cases of any political party that does not fall under subparagraph 1 but holds its seats in the National Assembly from among the political parties that participated in the most recently held election for National Assembly members at the expiration of their terms of office, the ratio of the number of votes obtained by the relevant political party in the recently held nationwide elections for proportional representative City/*Do* council members, constituency City/*Do* council members, the Mayor/*Do* Governor or the head of autonomous *Gu/Si/Gun*, for which the relevant political party is permitted to field candidates, is not less than 0.5/100;
  3. In cases of any political party that does not participate in the most recently held election for National Assembly members at the expiration of their terms of office, the ratio of the number of votes obtained by the relevant political party in the most recently held nationwide elections for proportional representative City/*Do* council members, constituency City/*Do* council members, the Mayor/*Do* Governor or the head of autonomous *Gu/Si/Gun*, for which the relevant political party is permitted to field candidates, is not less than 2/100.
- (3) 50/100 of the residual amount with the exception of the amount

that is distributed and paid pursuant to the provisions of paragraphs (1) and (2) shall be distributed and paid to political parties that hold their seats in the National Assembly at the time of distributing and paying the subsidies according to the ratio of the number of the seats. The remainder shall be distributed and paid to them according to the ratio of the number of votes obtained in an election for National Assembly members.

(4) The election subsidies shall not be distributed and paid to any political party that fails to field any candidate as at the deadline for the registration of candidates to run in the relevant election.

(5) The period and procedures for paying the subsidies and other necessary matters shall be determined by the Regulations of the National Election Commission.

Article 27-2 (Protection of Rights to be Paid Subsidies)

The right of political parties to be paid subsidies under this Act can not be transferred or seized and provided as security.

*[This Article Newly Inserted by Act No. 9975, Jan. 25, 2010]*

Article 28 (Restrictions, etc. on Use of Subsidies)

(1) Subsidies shall be used only to cover expenses needed to operate political parties, which fall under each of the following subparagraphs:

1. Labor cost;
2. Expenses for office fixtures and expendable goods;
3. Expenses for opening and operating offices;
4. Expenses for public utility charges;
5. Expenses for developing policies;
6. Expenses for training and educating party members;
7. Expenses for party activities;
8. Expenses for public relations;
9. Expenses for elections.

(2) Every political party that is paid the ordinary subsidies shall use not less than 30/100 of such ordinary subsidies for its policy development institute (referring to the policy development institute provided for in the provisions of Article 38 of the Political Parties Act; hereinafter the same shall apply), distribute and pay not less than 10/100 thereof to its City/Do party branch offices and use not less than 10/100 thereof for the development of female politics.

(3) Every political party may pay its subsidies to its candidates and its

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preliminary candidates who are its members to run in elections for public office. The subsidies fielding for female candidates and those for disabled candidate shall be used for the election expenses of female candidates and disabled candidates, notwithstanding paragraph (1). *<Amended by Act No. 9975, Jan. 25, 2010>*

(4) The members and staff of election commissions at various levels (excluding the *Eup/Myeon/Dong* election commission) may, if it is deemed necessary to supervise political parties that are paid subsidies or any persons who are paid subsidies and any other persons who are concerned with such subsidies or to confirm whether the subsidies are used in violation of this Act, audit the expenditure of such subsidies.

### Article 29 (Reduction of Subsidies)

The National Election Commission shall retrieve the relevant amount, or when it is difficult to retrieve such relevant amount, reduce the subsidies to be paid to the relevant political party thereafter according to the provisions of any of the following subparagraphs: *<Amended by Act No. 7938, Apr. 28, 2006; Act No. 9975, Jan. 25, 2010>*

1. Where any political party (including its policy development institute and its party election campaign office) that has been paid a subsidy makes a false or understated accounting report on such subsidy, the amount equivalent to twice the false or understated amount;
2. Where any political party uses a subsidy for any purpose other than that provided for in the provisions of Article 28 (1), the amount equivalent to twice the amount of the subsidy that is used in violation of the stipulated purpose;
3. Where any political party uses a subsidy for any purpose other than that provided for in the provisions of Article 28 (2), the amount equivalent to twice the amount of the subsidy that is used in violation of the stipulated purpose;
4. Where any political party uses subsidies for fielding female candidates or those for fielding disabled candidates for any purpose other than usage under Article 28 (3), the amount equivalent to twice the subsidy violating the usage;
5. Where any political party fails to make an accounting report in violation of the provisions of Article 40, the amount equivalent to 25/100 of the paid subsidy in cases of the party headquarters and the amount equivalent to twice the subsidy that is paid by the party headquarters in cases of a City/*Do* party branch office.

Article 30 (Refund of Subsidies)

(1) Where any political party that has been paid subsidies is dissolved or its registration is revoked, or any policy development institute is dissolved or ceases to exist, the subsidies paid shall be settled as prescribed in the following subparagraphs, without delay: *<Amended by Act No. 9975, Jan. 25, 2010>*

1. Political parties:

Report the details of its expenditure to the National Election Commission and refund balance thereof, if any;

2. Policy development institutes:

Hand over the balance of subsidies to the political party to which the institute belongs. In such cases, the political party shall hand over the balance to a policy development institute to be newly established and where a political party is dissolved or its registration is revoked, the balance shall be refunded in accordance with subparagraph 1.

(2) The National Election Commission may, when any political party that is obliged to refund any balance fails to do so, forcibly collect the balance in question, in the same manner as a disposition taken to collect national taxes in arrears in accordance with paragraph (1).

(3) The collection of the balance referred to in the provisions of paragraph (2) shall take precedence over other public charges.

(4) The refund of the balance of subsidies and other necessary matters shall be determined by the Regulations of the National Election Commission.

## CHAPTER VI RESTRICTIONS ON CONTRIBUTIONS

Article 31 (Restrictions on Contributions)

(1) Every foreigner, corporation or organization both at home and abroad shall be prohibited from contributing any political funds.

(2) No one shall contribute any political fund from any corporation or any organization both at home and abroad.

Article 32 (Restrictions on Contributions Related to Specific Acts)

No one shall contribute or receive any political funds in connection with any act falling under any of the following subparagraphs:

1. Recommending any specific person as a candidate to run in elections

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for public office;

2. Electing the chairman or vice chairman of a local council, the chairman or vice chairman of a board of education, the superintendent of an office of education or members of a board of education;
3. Soliciting or arranging favors in connection with clerical services that are performed by public officials in charge;
4. Acquiring any right, interest or position on or in property, or arranging the acquisition thereof through any contract or any disposition with a corporation falling under any of the following items:
  - (a) A corporation that is created by the State, public organizations or pursuant to the provisions of any special Act;
  - (b) A corporation whose majority shares and stake are owned by the State or any local government;
  - (c) A corporation that receives directly or indirectly subsidies from the State or public organizations;
  - (d) A corporation in which the Government invests or for which the Government offers a payment guarantee.

### Article 33 (Restrictions on Arranging Contributions)

No one shall procure contributions by means of unfairly coercing the will of another person through the use of any business, employment and other relationship.

## CHAPTER VII ACCOUNTING, REPORTING AND DISCLOSURE OF POLITICAL FUND

### Article 34 (Reporting on Selection and Appointment of Person in Charge of Accounting, etc.)

(1) Anyone falling under any of the following subparagraphs (hereinafter referred to as “selection and appointment authority”) shall select and appoint one person in charge of the accounting of revenues and expenditures of political funds, from among persons who are permitted to wage an election campaign for public office and then promptly make a report thereon in writing to the competent election commission: *<Amended by Act No. 8880, Feb. 29, 2008>*

1. The representative of a political party (including a policy development institute and a party election campaign office);

2. The representative of a supporters' association;
  3. A National Assembly member who has a supporters' association;
  4. The candidate for an intra-party competition in a presidential election or the candidate for a party representative competition;
  5. The candidate or preliminary candidate to run in an election for public office (referring to cases where they each select and appoint the person in charge of accounting in an election campaign office and election campaign liaison office). In such cases, the candidate fielded by his/her political party to run in a presidential election or the political party that fields candidates to run in an election for proportional representative National Assembly members and candidates to run in an election for proportional representative local council members shall become the selection and appointment authority and the person in charge of accounting of each political party, shall concurrently work as the person in charge of accounting in the election campaign office and the election campaign liaison office;
  6. The head of the election campaign liaison office (limited to the person in charge of accounting in an election campaign liaison office).
- (2) No one shall become two or more persons in charge of accounting: *Provided*, That the same shall not apply where a National Assembly member who has a supporters' association has a supporters' association for a presidential candidate, etc., a supporters' association for a candidate for an intra-party competition in a presidential election or a supporters' association for a candidate for a party representative competition, etc. as prescribed by the Regulations of the National Election Commission. <Amended by Act No. 8880, Feb. 29, 2008>
- (3) Any candidate or preliminary candidate to run in an election for public office, any election campaign manager and the head of an election campaign liaison office may each concurrently work as persons in charge of accounting. In such cases, the person who intends to work as the person in charge of accounting shall promptly make a report on his/her intention in writing to the competent election commission. The same shall apply where the person concurrently works as the person in charge of accounting pursuant to the provisions of the latter part of paragraph (1) 5 and the proviso to paragraph (2).
- (4) When a report is made on the person in charge of accounting pursuant to the provisions of paragraphs (1) and (3), the report shall be accom-

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panied by matters falling under each of the following subparagraphs:

1. The deposit account for revenues and expenditures of political funds;
  2. A written agreement to which both a person in charge of accounting and the selection and appointment authority affix their signatures and seals (limited to the person in charge of accounting of the election campaign office) after the maximum amount that the person in charge of accounting is permitted to disburse is determined within the scope of the limited amount of election expenses.
- (5) The report on the selection and appointment of a person in charge of accounting, the opening of the deposit account and other necessary matters shall be determined by the Regulations of the National Election Commission.

### Article 35 (Reporting on Change in Person in Charge of Accounting)

(1) The selection and appointment authority shall, when there is a change in a person in charge of accounting, make a written report on the change in the person in charge of accounting to the competent election commission within 14 days from the date on which such change occurs (the selection and appointment authority provided for in the provisions of Article 34 (1) 5 and 6 shall promptly make such report in writing to the competent election commission).

(2) When there is a change in a person in charge of accounting, a person who transfers the accounting work and a person who takes over the accounting work shall promptly prepare a written transfer and takeover statement and then affix their signatures and seals thereto. They shall also transfer and take over custody of the property, the balance of the political funds, the accounting book, the deposit bankbook, the credit card, the association seal, the official seal of the representative, the imprint of that seal and other documents.

(3) When a report on a change in a person in charge of accounting is made, the written transfer and takeover statement referred to in the provisions of paragraph (2) shall also be submitted.

(4) The report on the change in the person in charge of accounting, the transfer and takeover and other necessary matters shall be determined by the Regulations of the National Election Commission.

### Article 36 (Accounting of Revenues and Expenditures Performed by Persons in Charge of Accounting)

(1) The accounting of revenue and expenditure for the political fund of



a political party (including a policy development institute and a party election campaign office; hereafter the same shall apply in this Chapter), a supporters' association, a National Assembly member who has his/her supporters' association, a candidate for an intra-party competition in a presidential election, a candidate for a party representative competition or a candidate or preliminary candidate to run in an election for public office shall be performed only by the person in charge of accounting (referring to a person in charge of accounting of an election campaign office or election campaign liaison office in cases of a candidate or preliminary candidate to run in an election for public office; hereinafter the same shall apply): *Provided*, That the same shall not apply to cases falling under any of the following subparagraphs: <Amended by Act No. 8880, Feb. 29, 2008; Act No. 9975, Jan. 25, 2010>

1. Where an assistant accountant (limited to any person eligible to wage an election campaign for public office) commissioned by a person in charge of accounting in writing to perform accounting, fixing the purpose of disbursement to the extent to know the content of such disbursement in general and the scope of the amount thereof disburses;
2. Where expenditure is made by means of credit cards, check-cards and other means equivalent thereto the settlement account of which is a savings account for expenditure of political funds reported pursuant to Article 34 under the administration and control of the person in charge of accounting.
- (2) Where a person in charge of accounting receives and disburses political funds, he/she shall perform the receipt and disbursement of such political funds through the deposit account on which a report has already been made to the competent election commission pursuant to the provisions of Article 34 (4). In such cases, only one deposit account shall be used to disburse political funds.
- (3) Even if the candidate for an intra-party competition in a presidential election, the candidate for a party representative competition or the candidate to run in an election for public office disburses political funds in use of his/her property, he/she shall disburse such political fund through a person in charge of accounting. The same shall apply to cases where any National Assembly member who has a supporters' association disburses his/her political funds in use of his/her property beginning 120 days prior to an election day without reporting him/her as a preliminary candidate

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to run in the relevant election for National Assembly members.

(4) Allowances and actual expenses of an election campaign manager, etc. provided for in Article 135 of the Public Official Election Act shall be paid in a way so that they are placed into the deposit account of any financial institution that is designated by the election campaign manager, etc.

(5) A person in charge of accounting of a candidate or preliminary candidate to run in an election for public office, who has a supporters' association, shall be prohibited from disbursing the support payments made by the supporters' association for a purpose whose need for disbursement accrues before the registration of the supporters' association: *Provided*, That the same shall not apply to cases for election campaigns permitted under Chapter VII of the Public Official Election Act (excluding election campaigns by utilizing the Internet homepage under subparagraph 3 of Article 59 of the same Act and the collection of campaign pledges of preliminary candidates under Article 60-4 of the same Act). *<Amended by Act No. 9975, Jan. 25, 2010>*

(6) Where any preliminary candidate to run in a presidential election becomes a party-fielded candidate, a person in charge of accounting of an election campaign office of the preliminary candidate shall promptly inform the person in charge of accounting of the election campaign office of the party-fielded candidate of the details of disbursement so as to make it possible to ensure the smooth disbursement of election expenses.

(7) Ways of disbursing political funds and other necessary matters shall be determined by the Regulations of the National Election Commission.

### Article 37 (Keeping and Entries of Accounting Books)

(1) Every person in charge of accounting shall keep an accounting book and enter matters concerning the revenue and the expenditure of political funds in the accounting book under the conditions as prescribed in each of the following subparagraphs. In such cases, the accounting of subsidies, political funds other than subsidies, election expenses and political funds other than election expenses shall be separately performed by opening separate accounts for each: *<Amended by Act No. 8880, Feb. 29, 2008>*

1. The person in charge of accounting of every political party (including persons in charge of accounting of election campaign offices and election campaign liaison offices for the party-fielded candidate to run in a presidential election, an election for proportional representative National

Assembly members or an election for proportional representative local council members):

(a) Revenue:

The details of revenue, such as party membership fees, deposits, subsidies, borrowings, campaign payments, the publication of a party organ and other incidental revenue;

(b) Expenditure:

The details of expenditure (including the disbursement of political funds for fielded candidates to run in a presidential election, an election for proportional representative National Assembly members and an election for the proportional representative local council members);

2. The person in charge of accounting of a supporters' association:

(a) Revenue:

The details of support payments, revenues, etc.: *Provided*, That in cases of the contributions that are made anonymously pursuant to the provisions of Article 11 (3), dates, amount and ways by which such contributions are made in anonymous names;

(b) Expenditure:

The details of expenditure including dates on which contributions are made to the designation authority of a supporters' association, the amount thereof and expenses needed to collect contributions, etc.;

3. The person in charge of accounting of a National Assembly member who has a supporters' association:

(a) Revenue:

The details of the date on which the support payment is made by the affiliated political party, the amount thereof and revenue including the property of the selection and appointment authority who intends to deduct it from the support payment;

(b) Expenditure:

The details of expenditure;

4. Persons in charge of accounting of a candidate for an intra-party competition in a presidential election or the candidate for a party representative competition or persons in charge of accounting of a candidate or preliminary candidate to run in an election for public office (excluding persons in charge of accounting of election campaign offices and election cam-

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paign liaison offices for the party-fielded candidate to run in a presidential election, an election for proportional representative National Assembly members or an election for proportional representative local council members):

(a) Revenue:

The details of the revenue that include the support payment of the affiliated political party, the contribution date and amount of the support payment made by the supporters' association and the revenue and property (including borrowings) of the selection and appointment authority and the support payment of the person in charge of accounting (limited to the person in charge of accounting in an election campaign liaison office), etc.;

(b) Expenditure:

The details of expenditure.

(2) The definitions of the terms used in the provisions of paragraph (1) shall be as follows:

1. The term "details of revenue" means the date and the amount of the revenue, the names, the dates of birth, domiciles, occupations and telephone numbers of persons who have made contributions of such revenue and other details;
2. The term "details of expenditure" means the date, amount and purposes of expenditure and the names, dates of birth, domiciles, occupations and telephone numbers of persons to whom such expenditure is paid. Where printed materials, establishments, goods, equipment, etc. are used without compensation therefor or far below ordinary market prices and rentals, every person in charge of accounting shall pay the amount that includes the value equivalent to the ordinary market prices and rentals that are determined by the Regulations of the National Election Commission.

(3) The kinds and forms of the accounting book referred to in paragraph (1), methods of entering matters in the accounting book and other necessary matters shall be determined by the Regulations of the National Election Commission.

### Article 38 (Performance of Accounting by Political Parties)

(1) The party headquarters shall prescribe the procedures, etc. for performing the accounting of political funds in accordance with its party constitution and its party rules in order to ensure the open and democratic disburse-

ment of political funds.

(2) The matters falling under each of the following subparagraphs shall be entered in the party constitution and the party rules referred to in paragraph (1):

1. Matters concerning the composition and operation of the budget and settlement committee;
  2. Matters concerning the disbursement decision paper that explicitly indicates the details falling under each of the following items:
    - (a) The disbursement account, the purposes of disbursement and the date and the amount of the disbursement;
    - (b) The names, dates of birth, domiciles, occupations and telephone numbers of persons who have been paid or are entitled to be paid;
  3. Matters concerning written requests for decisions on purchases and payments when the party headquarters (including the policy development institute) and City/*Do* party branch offices intend to purchase or enter into a contract for the purchase of goods and services.
- (3) The budget and settlement committee of the party headquarters (referring to the representative in cases of the City/*Do* party branch office; hereinafter the same shall apply) shall confirm and check matters falling under each of the following subparagraphs in each quarter of a year and disclose without delay the results thereof to its members:
1. Whether the procedures for performing accounting are observed according to the party constitution and the party rules;
  2. The balance of the deposit account;
  3. The amount of revenue for political funds and the details thereof;
  4. The amount of expenditure from political funds and the details thereof.
- (4) Necessary matters concerning the performance of accounting, etc. by political parties shall be determined by the Regulations of the National Election Commission.

#### Article 39 (Receipts and Evidential Documents)

Where every person in charge of accounting receives and disburses political funds, he/she shall keep receipts and other evidential documents: *Provided*, That the same shall not apply where the Regulations of the National Election Commission prescribe otherwise.

#### Article 40 (Accounting Report)

(1) Every person in charge of accounting shall make an accounting report (hereinafter referred to as "accounting report") on the revenue and ex-

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penditure of political funds to the competent election commission by the deadline that is set in the following subparagraphs: *<Amended by Act No. 8880, Feb. 29, 2008>*

1. The person in charge of accounting of each political party:

- (a) The year during which the relevant political party does not participate in elections for public office:

By February 15 (by January 31 in cases of a City/*Do* branch office) of the next year as at December 31 from January 1 of every year;

- (b) The year during which the relevant political party participates in nationwide elections for public office:

By 30 days (by 40 days in cases of a presidential election and the election for the proportional representative National Assembly members) after the relevant election day as at 20 days (referring to the closing day where a party election campaign office is closed 20 days later) after the election day from January 1 of each year (referring to the establishment day in cases of a party election campaign office) and by February 15 (by January 31 in cases of the City/*Do* party branch office) of the next year as at December 31 from 21 days after the election day;

- (c) The year during which the relevant political party participates in elections for public office, which are held in part of the national constituencies:

The party headquarters and the policy development institute are governed by item (a) and the relevant City/*Do* party branch office and party election campaign office are governed by item (b);

2. The person in charge of accounting of the National Assembly who has a supporters' association:

- (a) The year during which he/she does not participate in an election for public office:

By 31 January of the next year as at December 31 from January 1 every year;

- (b) The year during which he/she participates in the elections for public office:

By 30 days after the election day as at 20 days after the election day from January 1 of every year and by 31 January of the next year as at December 31 from 21 days after the election day;

3. The person in charge of accounting of a supporters' association for a National Assembly member:
  - (a) The year during which they are permitted to collect the limited amount of annual contributions:

By July 31 of as at June 30 from January 1 of every year and by January 31 of the next year as at December 31 from July 1;
  - (b) The year during which they are permitted to collect twice the limited amount of annual contributions:

By 30 days after the election day as at 20 days after an election day from January 1 of every year and by January 31 of the next year as at December 31 from 21 days after the election day;
4. A candidate for an intra-party competition in a presidential election or a candidate for a party representative competition and a person in charge of accounting for supporters' association:

By 30 days after the competition election day as at 20 days after a competition election day of a candidate for an intra-party competition in a presidential election, the candidate for a party representative competition and a person in charge of accounting of the relevant political party. In such cases, for every person in charge of accounting of a National Assembly member who has a supporters' association, by 30 days after a competition election day as at 20 days after the competition election day from January 1 of every year and by January 31 of the next year of December 31 from 21 days after the competition election, notwithstanding the provisions of subparagraph 2;
5. A person in charge of accounting of a candidate and preliminary candidate to run in elections for public office and the supporters' association:

By 30 days (by 40 days for an independent candidate to run in a presidential election) after the election day as at 20 days (the day before the day on which candidates are registered for the person in charge of accounting of preliminary candidate in cases of a party-fielded candidate to run in a presidential election) after the election day. In such cases, the persons in charge of accounting of a party-fielded candidate to run in a presidential election, the election campaign office or election campaign liaison office of an election for proportional representative National Assembly members or proportional representative local council members are governed by the provisions of subparagraph 1 (b) or (c).

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(2) Notwithstanding the provisions of paragraph (1), when the ground falling under any of the following subparagraphs accrues, the person in charge of accounting shall make an accounting report to the competent election commission within 14 days from the date on which such ground accrues: *<Amended by Act No. 9975, Jan. 25, 2010>*

1. When the political party incurs the revocation of its registration or is dissolved;
2. Deleted; *<by Act No. 8880, Feb. 29, 2008>*
3. When the supporters' association is dissolved pursuant to the provisions of Article 19 (1) (excluding cases where a supporters' association is dissolved as the designation authority of supporters' association is disqualified to have a supporters' association due to completion of elections of competition);
4. When a National Assembly member, candidate to run in a presidential election or the candidate for a party representative competition who is eligible to have a supporters' association, retracts the supporters' associations' designations or are disqualified to have a supporters' association (excluding cases where a designation authority of a supporters' association is disqualified due to completion of elections of competition);
5. The preliminary candidate to run in an election for public office or his/her supporters' association is disqualified or dissolved 30 days before the election period commences.

(3) The matters that need to be entered in the accounting report pursuant to the provisions of paragraphs (1) and (2) shall be as follows: *<Amended by Act No. 8880, Feb. 29, 2008>*

1. Political parties and persons in charge of accounting of supporters' associations:
  - (a) The current status of property holdings:

For political parties, the accounting report of the current status of property holdings shall be limited to December 31;
  - (b) The details of revenue for political funds:

In cases of a person who provides revenue exceeding 300 thousand won at one time or three million won a year (five million won in cases of a supporters' association for a presidential candidate, etc. or a supporters' association for a candidate for an intra-party competition in a presidential election), name, date of birth, domicile,



occupation, telephone number, date on which such revenue is provided and the amount thereof, and in cases of a person who provides revenue not exceeding the aforementioned amounts, the number of payments provided and the total amount thereof by date: *Provided*, That the same shall not apply to party membership fees;

- (c) The details of expenditure that are entered in the accounting book pursuant to the provisions of Article 37 (1);
- 2. Persons in charge of accounting for a designation authority of supporters' association, a candidate for an intra-party competition in a presidential election, a candidate for a party representative competition, a candidate or preliminary candidate to run in an election for public office (sub-paragraph 1 shall apply to a candidate fielded by a party to run in a presidential election, an election for proportional representative National Assembly members and an election for proportional representative local council members):
  - (a) The current status of property that has been purchased or acquired in use of support payments and the contributions of the affiliated political party;
  - (b) The details of revenue and expenditure that are entered in the accounting book pursuant to the provisions of Article 37 (1).
- (4) When the accounting report is made pursuant to the provisions of paragraphs (1) through (3), such accounting report shall be accompanied by documents falling under each of the following subparagraphs: *<Amended by Act No. 8880, Feb. 29, 2008>*
  - 1. The statement showing the revenue and expenditure of the political fund;
  - 2. The copies of receipts and evidential documents provided for in the provisions of the main sentence of Article 39;
  - 3. The copies of deposit bankbooks that are used to receive and disburse revenue and expenditure of the political fund;
  - 4. The written audit opinion compiled by the internal audit office provided for in the provisions of the main sentence of Article 41 (1) or the copy [limited to any political party (excluding any party election campaign office) and any person in charge of accounting of a supporters' association] of the written examination resolution (including the disclosed data provided for in the provisions of Article 38 (3)) of the representative organ (including any organ delegated by the representative organ) and the budget and settlement committee;

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5. The written audit opinion compiled by a certified public accountant provided for in the proviso to Article 41 (1) (limited to party headquarters): *Provided*, That the same shall not apply where there is no record of revenue and expenditure of political funds;
  6. The written transfer and takeover statement of residual property (limited to the person responsible for document custody transfer). In such cases, the written transfer and takeover statement of the refund and preservation expenses provided for in the provisions of Article 58 (1) shall be submitted by 30 days from the date on which the expenses are refunded and preserved;
  7. The copy of the written detailed statement showing the disbursement of the election expenses of a preliminary candidate provided for in the provisions of Article 36 (6) (limited to the person in charge of accounting of an election campaign office for a party-fielded candidate to run in a presidential election and a person in charge of accounting for a preliminary candidate to run in a presidential election).
- (5) The person in charge of accounting of the election campaign office or election campaign liaison office shall, when he/she makes an accounting report, have the representative of the relevant political party, or the candidate to run in the elections for public offices and the election campaign manager to jointly affix their signatures and seals to the accounting report: *Provided*, That in the case of an election campaign liaison office, the head of the election campaign liaison office shall affix his/her signature and seal to the accounting report.
- (6) The accounting report and other necessary matters shall be determined by the Regulations of the National Election Commission.
- Article 41 (Internal Audit of Accounting Reports, etc.)
- (1) A person in charge of accounting for a political party (excluding any party election campaign office) and a person in charge of accounting for a supporters' association shall, when they intend to make an accounting report, go through an examination and resolution by the representative organ (including any organ delegated by the representative organ) or the budget and settlement committee and attach a copy of the relevant written resolution and a written audit opinion of the internal audit office respectively thereto: *Provided*, That the party headquarters of a political party shall attach such written audit opinion compiled by a certified public accountant who is not a member of the relevant political party, to the accounting report. <Amended by Act No. 8880, Feb. 29, 2008>

(2) The certified public accountant referred to in the provisions of paragraph (1) shall perform the audit earnestly.

Article 42 (Perusal of Accounting Reports and Delivery of Copies Thereof)

(1) The competent election commission shall, upon receiving the accounting report submitted pursuant to the provisions of Article 40, publish the fact of its receipt, its pursual, the period during which the copy thereof is delivered and expenses needed to deliver the copy thereof, etc., within seven days from the deadline for submitting the accounting report.

(2) The competent election commission shall keep the current status of property holdings, the details of revenue and expenditure of political funds and the accompanied documents that are reported pursuant to the provisions of Article 40 (3) and (4) and make it available for public inspection for three months (hereinafter referred to as "inspection period") from the date on which they are published under paragraph (1): *Provided*, That the statement showing the revenue and expenditure of political funds under Article 40 (4) 1, from among election expenses-related documents subject to perusal may be offered for public inspection through the Internet homepage of the election commission, but they shall be offered for public inspection only for the inspection period. <Amended by Act No. 9975, Jan. 25, 2010>

(3) Anyone may file an application in writing with the competent election commission for delivering copies of the accounting report, the details of revenue and expenditure of the political fund and the accompanied documents (excluding the documents referred to in subparagraphs 2 and 3) provided for in the provisions of Article 40 (4). In such cases, necessary expenses for delivering the copies shall be borne by the applicant for their delivery.

(4) Notwithstanding the provisions of paragraphs (2) and (3), the personal details of a person who contributes not more than three million won (referring to five million won in cases of a supporters' association for a presidential candidate, etc. or a candidate for an intra-party competition in a presidential election) a year to a supporters' association and the amount thereof shall not be published. <Amended by Act No. 8880, Feb. 29, 2008>

(5) Everyone shall be prohibited from posting the details of political funds that are published pursuant to the provisions of paragraphs (2) and (3) on the Internet homepage to use them for political purposes.

(6) Anyone who is dissatisfied with the current status of property hold-

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ings, the details of revenue and expenditure of political funds or the attached documents that are reported to the competent election commission under Article 40 may raise an objection accompanied by evidential documents in writing to the competent election commission during the inspection period.

(7) The competent election commission shall, upon receiving the objection raised pursuant to the provisions of paragraph (6), examine and verify matters concerning the objection raised (excluding the matters falling under the provisions of the proviso to Article 39) within 60 days from the date on which such objection is submitted and inform the applicant of the result of such examination and confirmation.

(8) The competent election commission shall, upon receiving the objection raised regarding the election expenses pursuant to the provisions of paragraph (6), ask the person in charge of accounting and other persons concerned to submit explanatory materials concerning the fact of the objection. The person in charge of accounting and other persons concerned shall submit such explanatory materials within seven days from the date on which they are asked to submit them. In such cases, the competent election commission shall, when it receives the explanatory materials, publish the contents of the objection raised and the explanatory materials and if the explanatory materials are not submitted, publish that no objection is raised and no explanatory materials are submitted and then inform without delay the relevant person who raises the objection of the fact.

(9) The publication referred to in paragraph (1), the inspection of the accounting report, etc., the raising of the objection, the delivery of copies and other necessary matters shall be determined by the Regulations of the National Election Commission.

### Article 43 (Request for Submitting Materials, etc.)

(1) Members and employees of the election commission at various levels (excluding the *Eup/Myeon/Dong* election commission; hereafter in this Article the same shall apply) shall, when it is deemed necessary to confirm the revenue and expenditure of the election expenses, check accounting books and disbursement and receipt documents and interview candidates and preliminary candidates to run in elections for public office, persons in charge of accounting of political parties, persons who are paid expenses from election funds or are entitled to receive them and other persons concerned and also ask for the making of reports and submission

of materials.

(2) Anyone who receives the request referred to in the provisions of paragraph (1) from the election commission shall promptly comply with such request.

(3) The election commission shall, if the entries of false facts, illegal or excessive expenditures and other facts that violate this Act are identified after examining the objection raised under Article 42 (6), the inspection and reports referred to in paragraph (1) of this Article and submitted materials from among the contents of accounting books, disbursement and receipt documents and accounting reports, file a complaint with the competent investigation agency and ask the competent investigation agency to investigate such irregularities or take necessary measures against them.

Article 44 (Transfer and Keeping of Accounting Books, etc.)

(1) The person in charge of accounting shall promptly transfer the ledger of party membership fee receipts, the ledger of political fund receipts, the accounting book, the statement showing the revenues and expenditures of the political fund, receipts, evidential documents, the deposit passbook, the disbursement decision paper and the written request for decision on purchase and payment (hereinafter referred to as “accounting book, etc.”; hereafter the same shall apply in paragraph (2)) to the selection and appointment authority after making the accounting report pursuant to the provisions of Article 40. The selection and appointment authority shall retain them for three years from the date on which the person in charge of accounting makes the accounting report.

(2) Notwithstanding the provisions of paragraph (1), the person in charge of accounting may commission the competent election commission to retain the accounting book, etc. after obtaining the consent thereof from the selection and appointment authority.

## CHAPTER VIII PENAL PROVISIONS

Article 45 (Offense of Giving and Receiving Political Funds)

(1) Anyone (referring to a person who commits the relevant act of violation as a member of a political party, a supporters’ association, a corporation or other organization; hereinafter the same shall apply) who contributes or receives political funds in violation of this Act shall be punished by imprisonment for not more than five years or by a fine not exceeding

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ten million won: *Provided*, That the same shall not apply where anyone who contributes or receives political funds is a relative of the degree of relationship provided for in the provisions of Article 777 of the Civil Act.

(2) Anyone falling under any of the following subparagraphs shall be punished by imprisonment for not more than five years or by a fine not exceeding ten million won:

1. One, not being the designation authority of supporters' associations provided for in the provisions of Article 6, who has established and operated a supporters' association or an organization similar thereto for the purpose of contributing the political fund;
  2. One who has made contributions in violation of the provisions of Article 11 (1) and one who has received any support payment, collected contributions or made contributions in violation of the provisions of Article 11 (2), 12 (1) and (2), or 13 (1);
  3. One who has published, advertised or collected any support payment in violation of the provisions of Articles 14 through 16 (1);
  4. One who has made or received political funds without entrusting them with the election commission in violation of the provisions of Article 22 (1);
  5. One who has contributed or received political funds in violation of the provisions of Article 31 or 32;
  6. One who has received or arranged the contribution of political funds in violation of the provisions of Article 33.
- (3) In cases of paragraphs (1) and (2), the money and goods provided and the property interest shall be confiscated and when it is impossible to confiscate them, the value equivalent thereof shall be collected in addition thereto.

### Article 46 (Offense of Violating Various Restrictions)

Anyone falling under any of the following subparagraphs shall be punished by imprisonment for not more than three years or by a fine not exceeding six million won:

1. One who has contributed or received an amount that is different from that entered or from the face value of party membership fee receipts or political fund receipts in violation of the provisions of Article 5 (1) and (2), or 17 (11), or one who has falsely prepared and issued party membership fee receipts or political fund receipts or has used them after counterfeiting or falsifying them;

2. One who has coerced the inspection of the membership roll in violation of the provisions of Article 8 (3) or has leaked facts regarding the membership roll that he/she has learned while performing his/her duty, in violation of paragraph (5) of the same Article;
3. One who has contributed political funds in violation of the provisions of the latter part of Article 10 (1);
4. One who has published the serial numbers of political fund receipts that are issued to a supporters' association without going through the procedures, in violation of the provisions of Article 17 (12) or has notified other State agencies of them;
5. One who has failed to keep the accounting book or entered false matters therein in violation of the provisions of Article 37 (1) or 40 (1) through (4), or has failed to make the accounting report, has failed to submit the current status of property holdings, the amount of revenue and expenditure of the political fund and their details, the statement showing the revenue and expenditure, receipts, evidential documents and the copy of the deposit bankbook or has falsely submitted them or has falsely entered, counterfeited or forged receipts concerning revenue and expenditure or other evidential documents;
6. One who has failed to transfer or keep the ledger of membership fee receipts, the ledger of political fund receipts, the account book, the statement showing the revenue and expenditure of political funds and evidential documents, the deposit bankbook, the disbursement decision paper or the written request for decision on purchase and payment in violation of the provisions of Article 44 (1);
7. One who has leaked confidential information that he/she has learned while performing his/her duty in violation of the provisions of Article 63.

Article 47 (Offense of Violating Various Mandatory Regulations)

(1) Anyone falling under any of the following subparagraphs shall be punished by imprisonment for not more than two years or by a fine not exceeding not more than four million won: *<Amended by Act No. 7938, Apr. 28, 2006; Act No. 9975, Jan. 25, 2010>*

1. One who has disbursed the political fund for purposes other than political activities in violation of the provisions of Article 2 (3);
2. One who has failed to issue or deliver party membership receipts or political fund receipts by the deadline for submitting the accounting

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report (referring to the accounting report as at December 31 of every year in cases of the accounting report made under Article 40 (1) by political parties and supporters' associations for a National Assembly member) provided for in the provisions of Article 40 (1) and (2) in violation of the provisions of Article 5 (1) or 17 (1) and (3), and one who has delivered receipts of unspecified amounts in violation of the scope of their use;

3. One who has failed to transfer the ledger of political fund receipts, matters concerning the identities of contributors or support payments without any justifiable grounds in violation of the provisions of Article 16 (2);
  4. One who has used subsidies in violation of the provisions of Article 28 (1) through (3);
  5. One who has failed to refund the balance of subsidies in violation of the provisions of Article 30 (1);
  6. One who has failed to make a report on the deposit account for the revenue and expenditure of the political fund in violation of the provisions of Article 34 (4) 1;
  7. One who has failed to transfer or take over the balance of the property and the balance of the political fund, or the accounting book, etc. in violation of the provisions of Article 35 (2);
  8. One who has received and disbursed political funds without getting the person in charge of accounting to do so in violation of the provisions of Article 36 (1) or (3);
  9. One who has received and disbursed political funds without using the deposit account on which a report is made, in violation of the provisions of Article 36 (2);
  10. One who has failed to keep receipts and evidential documents or falsely entered details therein, counterfeited or forged them in violation of the provisions of the main sentence of Article 39;
  11. One who has made a false audit report in violation of the provisions of Article 41 (2);
  12. One who has posted the details of published political fund contributions online in order to use them for political purposes in violation of the provisions of Article 42 (5);
  13. One who has violated the provisions of Article 53 (2).
- (2) Anyone who has failed to comply with the request by the election com-



mission for audit, for the confirmation of materials or for submission of materials without any justifiable grounds, in violation of the provisions of Article 28 (4), 42 (7) or 52 (1) and (4), submitted false materials or obstructed access to any place shall be punished by imprisonment for not more than one year or by a fine not exceeding two million won.

Article 48 (Offense, etc. of Neglecting Supervisory Obligation)

Anyone falling under any of the following subparagraphs shall be punished by a fine not exceeding two million won:

1. Where the person in charge of accounting commits the offense provided for in the provisions of subparagraph 5 of Article 46, the selection and appointment authority who has neglected his/her duty of care in selecting, appointing and supervising the relevant person in charge of accounting;
2. One who has contributed and disbursed political funds in a manner that makes it impossible to identify his/her real name in violation of the provisions of Article 2 (4) or disbursed political funds in excess of the annual limited amount within which the political fund is permitted to be disbursed in cash;
3. One who has contributed political funds in another person's name or in a false name, in violation of the provisions of Article 2 (5);
4. One who has failed to revert the membership fees, etc. to the national treasury without any justifiable grounds in violation of the provisions of Article 4 (2), 11 (4), 21 (3) through (5), or 58 (4);
5. One who has failed to keep the membership roll or prepared a false membership roll in violation of the provisions of Article 8 (2);
6. One who has made any contribution in violation of the limited amount for anonymous contributions provided for in the provisions of Article 11 (3).

Article 49 (Penal Provisions concerning Offences related to Election Expenses)

- (1) The person in charge of accounting who has failed to make the accounting report on the election expenses provided for in the provisions of Article 40 (1) and (2) without any justifiable grounds, entered false details in the accounting report, counterfeited, forged the accounting report or omitted (referring to where election expenses are omitted in order to conceal the revenue and expenditure of the election expenses) matters required to be entered in the accounting report shall be punished

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by imprisonment for not more than five years or by a fine not exceeding 20 million won.

(2) Anyone falling under any of the following subparagraphs, in connection with the election expenses shall be punished by imprisonment for not more than two years or by a fine not exceeding four million won:

1. One who has violated the provisions of Article 2 (4);
2. One who has failed to make a report on the person in charge of accounting and the deposit account in violation of the provisions of Article 34 (1) and (4) 1, or 35 (1);
3. One who has violated the provisions of Article 36 (1), (3) and (5), one who has received revenue or disbursed expenditure without using the deposit account that is reported on in violation of the provisions of paragraph (2) of the same Article and one who has made any payment without placing the money to the deposit account in violation of the provisions of paragraph (4) of the same Article;
4. One who has failed to inform the details of the disbursement of election expenses in violation of the provisions of Article 36 (6);
5. One who has failed to keep the accounting book or to enter matters therein, entered false matters therein, counterfeited or forged the accounting book in violation of the provisions of Article 37 (1);
6. One who has entered false matters in receipts or evidential documents provided for in the provisions of the main sentence of Article 39 or counterfeited and forged such receipts and evidential documents;
7. One who has failed to submit a copy of the deposit bankbook in violation of the provisions of Article 40 (4) 3;
8. One who has violated the provisions of Article 43 (2);
9. One who has violated the provisions of Article 44 (1).

(3) Anyone falling under any of the following subparagraphs in connection with election expenses shall be punished by a fine for negligence not exceeding two million won:

1. One who has neglected selecting, appointing, or changing the person in charge of accounting or making a report on the concurrent office of the person in charge of accounting in violation of the provisions of Article 34 (1) and (3), or 35 (1);
2. One who has failed to submit the written agreement provided for in the provisions of Article 34 (4) 2;

3. One who has failed to prepare the written transfer and takeover statement in violation of the provisions of Article 35 (2);
4. One who has violated the provisions of Article 40 (5).

Article 50 (Joint Penal Provisions)

When the person in charge of accounting and his/her assistant accountant of the political party and the supporters' association or the officer or the employee of the corporation and the organization commit violations falling under any of Articles 45 through 48 in the course of performing his/her duty, the relevant political party, supporters' association, corporation or organization shall be deemed to have committed violations and thus, not only shall such offender be punished accordingly, but the relevant political party, the supporters' association, the corporation or organization shall also be punished by the fine prescribed in the relevant Article: *Provided*, That the same shall not apply to cases where the relevant political party, or supporters' association or the corporation and individual has paid due attention to or diligently supervised the relevant business in order to prevent such violation. <Amended by Act No. 9975, Jan. 25, 2010>

Article 51 (Imposition and Collection of Fines for Negligence, etc.)

(1) Anyone who has committed an offence falling under any of the following subparagraphs shall be punished by a fine for negligence not exceeding three million won: <Amended by Act No. 9975, Jan. 25, 2010>

1. One who has neglected issuing and delivering party membership fee receipts or political fund receipts in violation of the provisions of Article 5 (1) or 17 (1);
2. One who has had employees in charge of clerical services employed on payroll in excess of their fixed number in violation of the provisions of Article 9 (2) and (3);
3. One who is a flagrant offender or a quasi-flagrant offender as provided for in the provisions of Article 211 of the Criminal Procedure Act and who has refused to comply with a request to accompany under Article 52 (5).

(2) Anyone who has committed an offence falling under any of the following subparagraphs shall be punished by a fine for negligence not exceeding two million won:

1. One who has delayed the transfer and takeover in violation of the provisions of Article 35 (2);

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2. One who has disbursed political funds, not based on the disbursement decision paper and the written request for a decision on purchase and payment in violation of the provisions of Article 38 (2).
- (3) One who has committed an offence falling under any of the following subparagraphs shall be punished by a fine for negligence not exceeding one million won: *<Amended by Act No. 8880, Feb. 29, 2008>*
  1. One who has neglected to file a declaration, report or application in violation of Article 7 (1) and (4), 19 (2) and (3) (main sentence), 34 (1) and (3), 35 (1) or 40 (1) and (2);
  2. One who has falsely filed an application for the registration of a supporters' association or an application for changing the registration of a supporters' association in violation of the provisions of Article 7;
  3. One who has caused anyone who is not eligible for a member of the supporters' association to admit him/her to such supporters' association in violation of the provisions of Article 8 (1);
  4. One who has failed to make a report on the actual use of political fund receipts or to return political fund receipts to the competent election commission in violation of the provisions of Article 17 (10);
  5. One who has neglected the obligation to transfer the residual property, the refunded deposits and the preservation expenses in violation of the provisions of Article 21 (1) and (2) or 58 (1);
  6. One who has become a person in charge of accounting in violation of the provisions of the main sentence of Article 34 (2);
  7. One who has failed to perform the separate accounting of subsidy and political funds other than subsidies, election expenses and political funds other than the election expenses in violation of the provisions of the latter part of Article 37 (1);
  8. One who has failed to attach copies of the published materials, a copy of the written resolution, a copy of the written audit opinion and a copy of the written transfer and takeover statement that explicitly indicate the fact that the budget and settlement committee confirms and verifies in violation of the provisions of Article 40 (4) 4 through 6;
  9. One who has failed to comply with a request for attendance in violation of the provisions of Article 52 (5).
- (4) The fines for negligence provided for in the provisions of this Act

shall be imposed by the competent election commission (excluding *Eup/Myeon/Dong* election commissions and hereafter in this Article shall be referred to as “imposition authority”) on any offender under the conditions as prescribed by the Regulations of the National Election Commission and when any offender fails to pay a fine for negligence by the payment deadline, the imposition authority shall commission the head of the competent tax office to collect the fine for negligence and the head of the competent tax office shall collect the fine for negligence in question in accordance with manner of disposition taken to collect national taxes in arrears: *Provided*, That where any political party is subject to a disposition taken to collect national taxes in arrears, the fine for negligence shall be deducted from subsidies that are to be distributed or paid to the relevant political party. In cases of any candidate (including the head of the election campaign liaison office and a person in charge of accounting subject to the disposition of fines for negligence under Article 49 (3)), the fine for negligence may be deducted from the deposit or the preservation amount of election expenses that are to be refunded or paid to the relevant candidate (referring to the party-fielded candidate to run in a presidential election or a political party that fields its candidates in cases of an election for the proportional representative National Assembly members or an election for the proportional representative local council members) provided for in the provisions of Articles 57 and 122-2 of the Public Official Election Act. <Amended by Act No. 9975, Jan. 25, 2010>

(5) Anyone who is dissatisfied with a disposition taken to impose a fine for negligence provided for in the provisions of paragraph (4) may raise an objection to the imposition authority within 20 days from the date on which he/she is notified of such disposition.

(6) When anyone who is subject to the disposition taken to impose the fine for negligence under the provisions of paragraph (4) raises an objection referred to in paragraph (5), the imposing authority shall, without delay, notify the competent court, which, in turn, shall proceed to a trial on fines for negligence according to the Non-Contentious Case Litigation Procedure Act.

(7) The raising of the objection and the proceeding of the trial referred to in the provisions of paragraph (5) or (6) shall not influence the effect, the execution or the continuation of procedures of any disposition taken to impose the fine for negligence.

## CHAPTER IX SUPPLEMENTARY PROVISIONS

Article 52 (Investigation of Offense Involving Political Funds, etc.)

(1) Where it is recognized that the offense of violating this Act is suspected or a report on any flagrant offender is received, the members and employees of the election commission at various levels (excluding the *Eup/Myeon/Dong* election commission; hereafter the same in this Article shall apply) may enter the place of any political party and any supporters' association to question and investigate any National Assembly member who has a supporters' association, any candidate for an intra-party competition in a presidential election, any candidate for a party representative competition, any candidate or preliminary candidate to run in elections for public office, any person in charge of accounting, anyone who has contributed or received political funds, anyone who has been paid expenses from political funds or is entitled to expenses from political funds and other persons concerned, or request them to submit related documents and materials needed to conduct their investigation.

(2) Where it is deemed inevitable to conduct an investigation of the revenue and expenditure of the political fund, the election commission at various levels may ask the head of any financial institution to submit materials pertaining to the financial transactions falling under any of the following subparagraphs of anyone who is recognized to be highly suspected of paying or receiving political funds in violation of this Act, notwithstanding the provisions of other Acts: *Provided*, That the same shall not apply to the account of any other person, which is used to place or withdraw his/her money. In such cases, the head of the relevant financial institution is not authorized to ban using such account:

1. The details of opening the account;
  2. A copy of the ledger of the bankbook;
  3. Matters concerning the identity of the party to the transaction in cases of any account transfer;
  4. In cases of any transaction that is performed by means of check, matters concerning the financial institution that first issues the check and the identity of the person who asks the financial institution to issue it.
- (3) Where evidential materials that are used to commit any offense prohibited by this Act are at risk of being destroyed, the members and employees

of the election commission at various levels may collect them on the spot, as far as they fall within the scope of the need to conduct their investigation. In such cases, when the members and employees of the relevant election commission at various levels use the collected evidential materials to file a complaint for the related offense or to ask for them to be investigated, they shall transfer such collected evidential materials to the competent investigation agency and when they do not intend to do so, they shall return without delay the collected evidential materials to the person who owns, possesses or manages them.

(4) No one shall obstruct access to the place referred to in the provisions of paragraph (1) and anyone who is requested to answer questions, undergo investigation or submit materials shall immediately comply with such request.

(5) The members and employees of the election commission at various levels may, when it is deemed necessary to question and investigate any person in connection with the investigation of any offense involving political funds, ask him/her to appear at election commission and may ask him/her to go along if there is hard evidence that supports his/her suspicion of offense: *Provided*, That the election commission at various levels shall be prohibited from asking any candidate (including the a candidate for intra-party competition for a party representative) to go along or appear during the elections for public office (including an intra-party competition to elect a candidate for an intra-party competition in a presidential election or a candidate for intra-party competition for a party representative).

(6) The members and employees of the election commission at various levels shall, where they question, investigate, ask for the submission of materials or enter any place pursuant to the provisions of paragraph (1) or ask anyone to go along or appear pursuant to the provisions of paragraph (5), carry and produce their certificates showing their identities, declare their commission and names and explain their objectives and reasons to persons concerned.

(7) Anyone who has learned information and materials pertaining to the details of financial transactions pursuant to the provisions of paragraph (2) (hereinafter referred to as "transaction information, etc.") shall be prohibited from furnishing or leaking the transaction information, etc. to any other person or using it for purposes other than their key objectives.

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(8) The written request for submitting materials under paragraphs (1) through (6), the collection of evidential materials, the standards of certificates and other necessary matters shall be determined by the Regulations of the National Election Commission.

### Article 53 (Protection. etc. of Whistle Blowers on Offense Involving Political Funds)

(1) In cases where significant grounds for recognizing that facts exist that anyone who has suffered damage or is feared to suffer damage for furnishing clues to investigation by reporting, making a petition, filing an accusation, filing a complaint, making a statement and testimony, furnishing materials, tipping off or participating in arrest activities (hereafter in this Article referred to as "whistle blower, etc.") with respect to any offense involving political funds (referring to the offenses falling under Chapter VIII; hereafter in this Chapter the same shall apply), the provisions of Articles 5, 7, 9 through 12, and 16 of the Protection of Reporters, etc. of Specific Crimes Act shall apply *mutatis mutandis* to such person in the course of pursuing criminal procedures against offenses involving political funds and investigations by the election commission.

(2) No one shall divulge facts that make it possible to infer details of identity or the whistle blower, etc. of any offense involving political funds to any other person, publish or report such fact, knowing that anyone who is protected pursuant to the provisions of paragraph (1) is a whistle blower, etc.

### Article 54 (Payment of Bounties to Whistle Blowers of Political Fund)

(1) The election commission at various levels (excluding the *Eup/Myeon/Dong* election commission; hereafter in this Article the same shall apply) or any investigation agency may pay a bounty to anyone who reports on the act of committing any offense involving political funds before the election commission or the investigation agency recognizes such offense under the conditions as prescribed by the Regulations of the National Election Commission.

(2) In cases where a fact is found that a report was made in a deceitful method, such as collusion, after paying a bounty under paragraph (1), the election commissions of various levels or investigation agencies shall notify the relevant reporter of the amount to be refunded, and the relevant reporter shall pay it to the relevant election commission or investigation agency within 30 days from the date on which he/she is notified of such.  
<Newly Inserted by Act No. 8880, Feb. 29, 2008>



(3) In cases where the relevant reporter has failed to pay the amount to be refunded by the time limit for payment under paragraph (2), the election commissions of various levels or investigation agencies shall commission the head of a tax office having jurisdiction over the address of the relevant reporter to collect it and the head of the competent tax office shall collect it pursuant to the practices of dispositions on default of national taxes. *<Newly Inserted by Act No. 8880, Feb. 29, 2008>*

(4) Any money amount paid or collected under paragraph (2) or (3) shall revert to the National Treasury. *<Newly Inserted by Act No. 8880, Feb. 29, 2008>*

Article 55 (Court Appearance of Defendant)

(1) Where any defendant fails to appear in court for the trial of any offense involving political funds on the trial date after receiving a legitimate summons that is not made by means of service by publication, the trial date shall be reset.

(2) When the defendant fails to appear in court on the reset trial date or fails again to appear in court thereafter with no justifiable grounds, the trial may proceed without the attendance of the defendant.

(3) Where the trial proceeds pursuant to the provisions of paragraph (2), the opinions of any prosecutor and any defense lawyer who are present in the trial shall be heard.

(4) The court shall, when it hands down a ruling pursuant to the provisions of paragraph (2), notify the relevant defendant or the relevant defense lawyer (limited to cases where the relevant defense lawyer is appointed) of the fact by means of telephone or by other speedy means.

Article 56 (Notification of Indictment and Ruling)

(1) Every prosecutor who indicts the representative of a political party, a National Assembly member, a head of any local government, a local council member, a candidate or preliminary candidate to run in an election for public office, a candidate for an intra-party competition in a presidential election, a candidate for a party representative competition, a representative of any supporters' association, or a person in charge of accounting on charges of offending the political fund shall inform the competent election commission of his/her indictment of each of them.

(2) Any presiding judge who hands down a final ruling on the offense provided for in the provisions of Articles 45 through 48 shall deliver a certified copy of such final ruling to the competent election commission.

Article 57 (Restrictions on Holding Public Office for Committing Offenses Involving Political Funds)

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Anyone who is sentenced to imprisonment on the grounds of an offense falling under the provisions of Article 45 shall be prohibited from taking any public office or being appointed to any public office for ten years after the execution of the sentence is made definite or the enforcement of the sentence is terminated or exempted, anyone who is sentenced to a stay of the execution of the imprisonment shall be prohibited from taking any public office or being appointed to any public office for ten years after the execution of the sentence is made definite, anyone who is sentenced to a fine exceeding one million won shall be prohibited from taking any public office or being appointed to any public office falling under any subparagraph of Article 266 (1) of the Public Official Election Act for five years after the enforcement of the sentence is made definite and anyone who already takes any public office or is appointed to any public office shall be dismissed therefrom.

### Article 58 (Management of Deposits Refunded by Candidates and Preservation Expenses)

(1) Where any candidate to run in an election for public office pays his/her deposit or disburses election expenses provided for in the provisions of Article 56 of the Public Official Election Act with the support payment of his/her supporters' association or the campaign payment and such deposit and such election expenses are refunded to or preserved for him/her pursuant to the provisions of Article 57 or 122-2 of the same Act, the party-fielded candidate shall transfer the refunded expenses and the preservation expenses [referring to the balance obtained by deducting all expenses he/she has paid with his/her property (including his/her property and borrowings)] to the political party to which he/she belongs and the independent candidate shall transfer such refunded expenses and such preservation expenses to any public corporation or any social welfare establishment within 20 days from the date on which such election expenses are refunded to or preserved for him/her.

(2) Every elected member of the National Assembly may use the refunded expenses and the preservation expenses as his/her political fund notwithstanding the provisions of paragraph (1) and in such cases he/she shall place them into the deposit account (referring to his/her deposit account that is opened in his/her name where he/she does not have a supporters' association) provided for in the provisions of Article 34 (4) 1 to use them as his/her political fund.

(3) When any National Assembly member who does not have a supporters' association disburses all of the fund referred to in the provisions of paragraph (2) that is placed to the deposit account that is opened in his/her name, he/she shall make a report thereon to the competent election commission under the conditions as prescribed by the Regulations of the National Election Commission.

(4) Where any candidate who runs in elections for public office fails to transfer his/her deposit and preservation expenses that he/she is liable to transfer pursuant to the provisions of paragraph (1) within 20 days from the date on which such deposit and preservation expenses are refunded to and preserved for him, such deposit and such preservation expenses shall revert to the National Treasury. In such cases, the provisions of Article 4 (3) and (4) shall apply *mutatis mutandis* to the procedures for reverting them to the National Treasury.

Article 59 (Tax Exemption)

(1) With respect to anyone who makes a contribution of political funds or anyone who receives a contribution of political funds under this Act, the income tax and the gift tax on the amount equivalent to these political funds shall be exempted under the Restriction of Special Taxation Act. With respect to political funds that are contributed by individuals, such contribution shall entitle the contributor to a tax rebate of up to 100 thousand won and with respect to the amount exceeding 100 thousand won, the amount shall be deducted from the relevant contributor's assessable income: *Provided*, That the same shall not apply where any contribution is made anonymously pursuant to the provisions of Article 11 (3) and the political fund that is contributed or paid by the supporters' association and the affiliated political party, etc. is paid as party membership fees or is contributed to the supporters' association.

(2) Anyone who contributes 100 thousand won on an one-time basis and not more than 1.2 million won a year to political funds by means of placing them into the deposit account that is opened in the name of the supporters' association may use the financial transaction receipt certificate in which the details of contributions including the name of the supporters' association, the details of identity, such as the names and the dates of birth of contributors, the dates and amount of transactions or the original copies of electronic settlement receipts that are designed to prevent any

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counterfeit, any duplication and any forgery as tax-exempt receipts referred to in paragraph (1).

### Article 60 (Facilitation of Contribution, etc. of Political Fund)

The election commission at various levels (excluding the *Eup/Myeon/Dong* election commission) shall publicize ways, procedures and the need, etc. to contribute and deposit political funds, using printed materials, equipment and advertisements, etc. in order to facilitate the contribution and the deposition of political funds.

### Article 61 (Commercials for Collecting Political Fund)

(1) Every terrestrial broadcasting company provided for in the Broadcasting Act shall broadcast public-interest commercials in order to foster the culture of contributing clean political funds and the costs of such commercials shall be borne by the relevant broadcasting company.

(2) For the public-interest commercials referred to in paragraph (1), the Korea Broadcasting System (hereafter referred to as “Korea Broadcasting System” in this Article) provided for in the Korea Broadcasting System Act shall produce commercials at its cost and furnish terrestrial broadcasting companies with such commercials not less than once a year.

(3) The Korea Broadcasting System shall, when it intends to produce the commercials referred to in the provisions of paragraph (2), consult with the National Election Commission about the themes of such commercials.

### Article 62 (Exclusion of Application of the Act on the Collection and Use of Donations)

The Act on the Collection and Use of Donations shall not apply to cases where political funds are contributed and received under this Act. *<Amended by Act No. 7851, Mar. 24, 2006>*

### Article 63 (Obligation to Keep Confidential Information from being Divulged)

The members and employees of the election commission at various levels shall be prohibited from divulging confidential information that they have learned while performing their work in connection with the enforcement of this Act while in office or after their retirements.

### Article 64 (Publication)

The competent election commission shall, when it receives the report or the application for registration provided for in the provisions of Article 7 and the main sentence of Article 19 (3), the accounting report provided for in the provisions of Article 40 (1) and (2), cancels the registration of the supporters' association pursuant to the provisions of Article 19 (4),

pays the political fund to any political party provided for in the provisions of Articles 23 and 27 or receives the report or the refund of subsidies pursuant to the provisions of Article 30, publish the intentions of such acts under the conditions as prescribed by the Regulations of the National Election Commission.

Article 65 (Enforcement Rules)

Necessary matters concerning the enforcement of this Act shall be determined by the Regulations of the National Election Commission.

ADDENDA

Article 1 (Enforcement Date)

This Act shall enter into force on the date of its promulgation.

Article 2 (Transitional Measures concerning Supporters' Associations of Party Headquarters and City/*Do* Party Branch Office)

The supporters' associations of the party headquarters and the City/*Do* party branch office provided for in this Act shall be disbanded on March 13, 2006 and all of the regulations governing the supporters' associations of the party headquarters and the City/*Do* party branch office shall be repealed.

Article 3 (Transitional Measures concerning Liaison Office of Supporters' Association)

The branch office of the supporters' association of the party headquarters that is registered pursuant to the previous provisions at the time this Act enters into force shall be deemed the liaison office of the supporters' association of the party headquarters that is set up pursuant to this Act.

Article 4 (Applicability to Number of Staff in Charge of Clerical Services on Payroll of Supporters' Association, etc.)

The amended provisions of Article 9 (2) and (3) shall apply to the constituency offices of National Assembly members and the supporters' associations that are registered at the time this Act enters into force beginning 30 days after this Act enters into force.

Article 5 (Transitional Measures concerning Periodicals for Advertising Collection of Support Payments, etc.)

The periodicals that are permitted to run advertisements on the collection of support payments, etc. pursuant to the amended provisions of Article 15 (2) shall be governed by the previous provisions before the Act on the Guarantee of Freedom and Functions of Newspapers, etc. enters into force.

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### Article 6 (Special Case concerning Political Fund Receipts)

The political fund receipts that are printed and issued pursuant to the previous provisions at the time this Act enters into force may be used after entering the dates of birth in each of their columns "resident registration numbers."

### Article 7 (Transitional Measures concerning Distribution and Payment of Deposits)

The deposits that are entrusted with the election commission at the time this Act enters into force shall be distributed and paid according to the amended provisions of Article 23 (1).

### Article 8 (Applicability to Written Request for Decision on Purchase and Payment)

The written request for the decision on purchase and payment provided for in the amended provisions of Article 38 (2) shall apply beginning 30 days after this Act enters into force.

### Article 9 (Transitional Measures concerning Penal Provisions)

The application of the penal provisions to any act performed prior to the enforcement of this Act shall be governed by the previous provisions.

### Article 10 (Relations with other Acts and Subordinate Statutes)

A citation of the previous Political Fund Act or any provision thereof by any other Act or subordinate statute in force at the time this Act enters into force shall be deemed a citation of this Act or the corresponding provision hereof in lieu of the former provision, if such a corresponding provision exists in this Act.

### ADDENDUM *<Act No. 7851, Mar. 2, 2006>*

This Act shall enter into force on the date of its promulgation.

### ADDENDA *<Act No. 7908, Mar. 24, 2006>*

#### Article 1 (Enforcement Date)

This Act shall enter into force six months after the date of its promulgation.

Articles 2 through 5 Omitted.

### ADDENDUM *<Act No. 7938, Apr. 28, 2006>*

This Act shall enter into force on the date of its promulgation.

ADDENDA <Act No. 8880, Feb. 29, 2008>

Article 1 (Enforcement Date)

This Act shall enter into force on the date of its promulgation: *Provided*, That the amended provisions of Article 17 (2) shall be enforced from the date on which the National Election Commission notifies, after completing technical measures to prevent forgery or alteration of any no fixed amount receipt which may be issued online, political parties and supporters' associations of the fact thereof.

Article 2 (Transitional Measures concerning Supporters' Association for Preliminary Candidate to Run in an Election for Constituency National Assembly Members)

(1) Any name of the constituency of a National Assembly member referred to in Article 25 (2) of the Public Official Election Act and any supporters' association for a preliminary candidate registered in a constituency which has been adjusted by the division, combination or rearrangement of the constituency for the National Assembly members following the amendment of such constituency shall be deemed to have been registered with the competent election commission as at the time this Act enters into force.

(2) When the competent election commission referred to in Article 7 is changed for any supporters' association for a preliminary candidate from among supporters' associations for a preliminary candidate under paragraph (1), the relevant supporters' association shall make a written report on change within ten days after the enforcement date of this Act, return its certificate of registration of supporters' association and have a new certificate of registration delivered.

Article 3 (Applicability to Accounting Reports by Supporters' Association which Contributed Support Payments)

The amended provisions of Article 10 shall also apply to a person in charge of accounting for a supporters' association which contributed any support payment to the designation authority of supporters' association before this Act enters into force and has failed to make an accounting report thereon.

Article 4 (Applicability to Disclosure of Persons who Contributed More Than Three Million Won Year in One to Supporters' Association, etc.)

The amended provisions of Articles 40 (3) 1 and 42 (4) shall also apply to any person who has contributed support payment during a period subject to accounting report implemented first after this Act enters into force.

Article 5 (Transitional Measures concerning Penalty Provisions)

Application of penalty to any act committed before this Act enters into force (including fines for negligence) shall be governed by the previous provisions.

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### Article 6 (Relations with other Acts and Subordinate Statutes)

In cases where any previous provision is cited in other Acts or subordinate statutes as at the time this Act enters into force, this Act or the corresponding provision thereof shall be deemed to have been cited in lieu of the previous provisions, if such provisions corresponding thereto exist in this Act.

### ADDENDA <Act No. 9785, Jul. 31, 2009>

#### Article 1 (Enforcement Date)

This Act shall enter into force six months after the date of its promulgation.

Articles 2 through 9 Omitted.

### ADDENDA <Act No. 9975, Jan. 25, 2010>

(1) (Enforcement Date) This Act shall enter into force on the date of its promulgation.

(2) (Transitional Measures concerning Issuance, Delivery, etc. of Receipts, etc. of Party Membership Fees) The amended provisions of Articles 5 (1), 12 (2) and 17 (1) and (5) shall apply to party membership fees and support payments paid or contributed in 2009.

(3) (Transitional Measures concerning Penal Provisions) The application of penal provisions to any conducts before this Act enters into force shall be governed by the previous provisions.

(4) (Relations with other Acts and Subordinate Statutes) Where the previous provisions are cited in other Acts and subordinate statutes as at the time this Act enters into force, the corresponding provisions shall be deemed cited in place of the previous provisions if such provisions equivalent thereto exist in this Act.

### ADDENDUM <Act No. 10395, Jul. 23, 2010>

This Act shall enter into force on the date of its promulgation.