I. GENERAL PROVISIONS

Scope

Article 1

This Law shall govern the manner of acquisition and provision of financial funds for regular operation and the election campaign of political entities, the prohibitions and restrictions on disposal with state-owned property, funds and public authorities in the course of campaign as well as the control, supervision and auditing of financing and financial operations of political entities, in order to achieve the legality and transparency of their operation.

Political Entity and Election Campaign

Article 2

Political entities, in terms of this Law, are: political parties, coalitions, groups of voters and candidates for the election of the President of Montenegro.

Election campaign, in terms of this Law, is a set of activities of a political entity from the day of calling of the elections until the day of proclamation of the final election results.

Sources of Financing

Article 3

Political entities may acquire funds for regular operation and the election campaign from public and private sources, in accordance with this Law.

Control over Financing

Article 4

Control over financing of political entities and election campaigns shall be performed by the Anti-Corruption Agency (hereinafter referred to as: the Agency) established in accordance with a special Law.

Public Sources

Article 5

Public sources, in terms of this Law, are the funds allocated from the Budget of Montenegro and local self-government budgets (hereinafter referred to as: the budget funds).

Private Sources

Article 6

Private sources, in terms of this Law, are: membership fees, contributions, income from the activities of political parties, income from property and legacies and borrowing from banks and other financial institutions in Montenegro.

Membership fee is the amount of money that a member of a political party pays regularly, in manner and under conditions determined by Articles of Association or other act of the political party, which shall not exceed the amount of 10% of the average monthly net earning in Montenegro for the previous year, at monthly level.

Contributions are:

- Payments made by natural persons and legal persons, companies and entrepreneurs voluntarily to a political entity;
- Provision of services or products given to a political entity without compensation or under conditions whereby the entity is placed in a privileged position compared to other consumers and as well as borrowing from banks and other financial institutions and organizations under conditions deviating from market conditions, as well as write-off of a part of debts (hereinafter referred to as: in-kind contribution);
The management body of the legal entity or company referred to in paragraph 3 of this Article shall make a decision on the contribution and submit it to the recipient of the contribution.

Volunteer work for the needs of a political entity, which requires no special qualifications, shall not be considered as services referred to in paragraph 3 of this Article.

In-kind contributions shall be calculated at market value and reported as income. The method of calculating and reporting of in-kind contributions shall be determined by the rules of the Agency.

Income from the activities is the income that political entities generate from publishing, sales of promotion materials and event organization.

Income from property consists of the income that political parties generate from the sale and leasing of property owned by the entity or income from the ownership share in other legal entities and companies.

Legacy is a gift which consists of money or movable goods of artistic, cultural or historical value or real estate that is placed at the disposal and use of a political entity.

Borrowing from banks and other financial institutions in Montenegro means credits, loans and other services of banks and other financial institutions, in accordance with law.

Private sources referred to in paragraph 1 of this Article may be raised solely through a corresponding gyro-account.

**Use of Budget Funds**

**Article 7**

Budget funds may be used to finance:

1) regular operation of political entities;
2) costs of election campaigns for the election of Members of Parliament and councillors and election of the President of Montenegro.

Budget funds referred to in paragraph 1 item 1 of this Article shall not include the funds for financing of the employees in the MP and councillor clubs and providing for business premises for the needs of political entities.

Funds for financing of the employees in the MP and councillor clubs and providing for business premises for the needs of political entities shall be provided for by the Parliament of Montenegro (hereinafter referred to as: the Parliament) and assemblies of the local self-government units, i.e. body in charge of property affairs.

**Right to Budget Funds**

**Article 8**

A political entity which participates in the elections and wins at least one MP or councillor seat shall be entitled to budget funds referred to in Article 7 paragraph 1 item 1 of this Law.

Submitter of the verified and proclaimed electoral list and the candidate for the election of the President of Montenegro shall be entitled to budget funds referred to in Article 7, paragraph 1, item 2 of this Law.

**Use of Funds from Private Sources**

**Article 9**

Political entity may use funds from private sources for financing of the regular operation and costs of the election campaign, in accordance with this Law.

**II. FINANCING OF THE REGULAR OPERATION OF POLITICAL ENTITIES**

**Article 10**

Costs of the regular operation of political entities are the costs referring to: costs for employees’ earnings and costs for hiring experts and associates; payroll taxes and social security contributions; administrative and office-related costs, including the costs of renting premises for work, overheads, costs of transportation, costs of organization of meetings and events, costs of promotion of operation and goals of the political entities between elections, costs of international activities of political entities, costs of organizing trainings for the members and activists of political entities, costs of public opinion polls, costs of procurement and maintenance of equipment, bank commissions and similar costs characterizing the regular operation of political entities.

**Distribution of Budget Funds**

**Article 11**

Budget funds for financing of the regular operation of the political entities in the Parliament shall amount to 0.6% of planned total budget funds, minus the capital budget funds and state funds budget (current budget), for the year for which the budget is adopted.
Budget funds for financing of the regular operation of the political entities in the municipal assemblies, assemblies of the Capital and the Old Royal Capital (hereinafter referred to as: municipal assembly) shall amount to 1.1% of the planned total budget funds, minus the capital budget funds (current budget), for the year for which the budget of the municipality, the Capital and the Old Royal Capital (hereinafter referred to as: the municipality) is adopted.

Notwithstanding, for the municipalities with a budget of less than five million euros, the budget funds for financing of the regular operation of the political entities in municipal assemblies shall range from 1.1% to 3% of the planned total budget funds, minus the capital budget funds (current budget), for the year for which the budget of the municipality is adopted.

Funds referred to in paragraphs 1, 2 and 3 of this Article in the amount of 20% shall be distributed in equal amounts to political entities in the Parliament, and municipal assemblies respectively, and the remaining 80% of funds in proportion to the total number of MP and councillor seats they have at the time of distribution.

Funds referred to in paragraph 4 of this Article awarded to a political entity which participated in the elections as a coalition or a group of voters shall be distributed in accordance with the agreement and the Articles of Association of these political entities.

If an MP or MPs, a councillor or councillors, following the inauguration of the representative body to which they have been elected, leave or change their membership in a political entity, the financial funds distributed in accordance with paragraph 4 of this Article shall remain in a political entity to which the MP or the councillor belonged at the moment of inauguration of the representative body.

The state administration body in charge of financial affairs (hereinafter referred to as: the Ministry) and the competent local administration body in charge of financial affairs (hereinafter referred to as: the local administration body) shall transfer the funds referred to in paragraph 4 of this Article to political entities on monthly basis, by the fifth day of the month for the previous month.

If the local administration body referred to in paragraph 7 of this Article shall not transfer funds to a political entity by the fifth day of the month for the previous month, a political entity has the right to, in within additional period of 15 days, to submit an application for the transfer of funds to the Ministry referred to in paragraph 7 of this Article.

The Ministry shall transfer the funds demanded from the previous paragraph to the political entity within 15 days of receipt of the request referred to in paragraph 8 of this Article.

The Ministry and the local administration body shall suspend the payment of funds referred to in paragraph 4 of this Article to a political entity, if the consolidated financial statement for the previous year has not been submitted within the period prescribed under Article 37 of this Law.

Financing from Private Sources
Article 12

The amount of funds from private sources which are raised by the political entity for regular operation in the current calendar year may amount up to 100% of the funds belonging to it from the budget funds, in accordance with Article 11 paragraph 4 of this Law.

A political entity that is not entitled to budget funds may raise funds from private sources in the amount of up to 10% of total funds referred to in Article 11 paragraph 1 of this Law.

A political entity shall adopt the decision on the amount of membership fees for the current year, by the end of January of the current year at the latest, and submit it to the Agency, which shall publish it on its website no later than seven days from the day of receipt.

A natural person may pay a maximum of 2,000 euros, while a legal entity may pay a maximum of 10,000 euros for the financing of a political entity, per annum.

The Decision on the amount of budget funds referred to in paragraph 1 of this Article shall be adopted by the Ministry and local administration body respectively, not later than by 31 January of the current year and shall publish it on its website no later than seven days from the day of adoption of the decision.

III. FINANCING OF THE ELECTION CAMPAIGN FOR THE ELECTION OF MEMBERS OF PARLIAMENT AND COUNCILLORS
Costs of the Election Campaign

Article 13

Costs of the election campaign are the costs relating to: campaign rallies, commercials and promotional material, media presentations, advertisements and publications, public opinion polls, engagement of authorized representatives of the political entities in extended composition of the bodies in charge of conducting elections, overheads and general administration, as well as transportation costs in the period of the election campaign.

A political entity shall submit to the Agency and publish the amount of prices and possible discount granted for media advertising of the election campaign.

Entities offering services of media advertising of the election campaign shall submit the price list for the services of media advertising to the Agency.

The Agency shall publish on its website the price list referred to in paragraph 3 of this Article within seven days from the day of receipt.

Costs of the election campaign of a political entity must not exceed the amount referred to in Articles 14 and 17 of this Law.

Distribution of Budget Funds

Article 14

Budget funds for financing of the costs of the election campaign for the election of MPs and councillors referred to in Article 13 paragraph 1 of this Law shall be provided for in the year in which regular elections are held in the amount of 0.25% of the planned total budget funds minus the capital budget funds and state funds budget (current budget), for the year for which the budget is adopted.

The funds referred to in paragraph 1 of this Article in the amount of 20% shall be distributed in equal amounts to the political entities, within eight days from the expiry of deadline for submission of the electoral lists.

The funds referred to in paragraph 1 of this Article in the amount of 80% shall be distributed to the political entities that won seats, in proportion to the number of seats awarded.

The funds referred to in paragraph 3 of this Article shall be distributed within seven ten days from the day when the political entities submit to the Agency the reports on funds raised and expended for the election campaign with the supporting documents referred to in Article 37 of this Law Article 39 of this Law.

Manner of Transfer of Budget Funds

Article 15

Ministry and local administration body respectively shall transfer the funds referred to in Article 14 paragraph 3 of this Law to the political entities, after receiving notification from the competent Election Commission on the number of seats awarded and the notification of the Agency on the fulfilment of the conditions referred to in Article 14, paragraph 4 of this Law.

The Act on transfer of funds referred to in paragraph 1 of this Article, with corresponding documentation, shall be published on the websites of the Ministry and the local administration body, within seven days from the day of its adoption.

Extraordinary Elections

Article 16

In case of holding of the extraordinary elections, the funds necessary to finance the costs of the election campaign shall be established and distributed from the current budget reserve in accordance with Article 14 of this Law.

Funds from Private Sources

Article 17

Political entities may raise funds for financing of the election campaign costs from private sources only during the election campaign.

Amount of funds from private sources raised by the political entity for the financing of the costs of the election campaign for the election of MPs or councillors may not exceed the thirty-fold amount of funds belonging to it in terms of Article 14 paragraph 2 of this Law.

Mandatory Opening of a Separate Gyro Account

Article 18
For the purpose of raising funds to finance the election campaign costs, the political entity shall open a separate gyro account with an institution authorized for payment operations, of which it shall inform the Agency, and that account shall not be used for any other purpose. For the purpose of raising funds to finance the election campaign costs, the political entity shall open a separate bank account with an institution authorised for payment operations, of which it shall inform the Agency within three days from the day of opening the separate account, and that account shall not be used for any other purpose.

Notwithstanding paragraph 1 of this Article, in the event that a political entity starts an election campaign before verifying the electoral list, it shall open the account referred to in paragraph 1 of this Article before the beginning of the election campaign.

All funds intended for the financing of election campaign shall be paid into the account referred to in paragraph 1 of this Article and all payments of election campaign costs shall be carried out by the political entity via with that account.

When two or more political entities submit a joint list, funds intended for financing of the election campaign of these political entities shall be paid into the account referred to in paragraph 1 of this Article, of one of the political entities that submitted the joint list, which shall be determined by the agreement of these political entities, of which they shall inform the Agency.

If the funds for financing of the election campaign raised from private sources exceed the amount referred to in Article 17 paragraph 2 of this Law, surplus funds shall be transferred to the permanent gyro account of the political entity or political entities, in accordance with the mutual agreement.

If the total amount of funds on the permanent gyro account of the political entity exceeds the amount referred to in Article 12 paragraphs 1 and 2 of this Law, funds shall be refunded to the Budget of Montenegro and local self-government budget, respectively.

**Responsible Person**

**Article 19**

Political entity shall designate a person responsible for the purposeful spending of funds and submission of reports (hereinafter referred to as: the responsible person).

Signature of the responsible person shall be deposited with an institution authorized for payment operations.

Political entity shall inform thereof the Agency and the State Audit Institution within three days from the day of designation of the person referred to in paragraph 1 of this Article, and of any changes relating to the status of that person.

**IV. FINANCING OF THE ELECTION CAMPAIGN OF A CANDIDATE FOR THE ELECTION OF THE PRESIDENT OF MONTENEGRO**

**Distribution of Budget Funds**

**Article 20**

Budget funds for financing of a part of election campaign costs referred to in Article 13 paragraph 1 of this Law, for a candidate for the election of the President of Montenegro shall be provided in the amount of 0.07% of the planned total budget funds minus the capital budget funds and state funds budget (current budget), for the year for which the budget is adopted.

In case of holding of just one round of elections, the funds referred to in paragraph 1 of this Article shall be distributed in the following manner:
1) 20% to all candidates whose candidacy has been verified, in equal amounts, within 10 days from the day of verification of the candidate list;
2) 80% to the candidates who win more than 3% of votes, in proportion with the percentage of the votes won.

In case of holding of two rounds of elections, the funds referred to in paragraph 1 of this Article shall be distributed in the following manner:
1) 20% to all candidates whose candidacy has been verified, in equal amounts, within 10 days from the day of verification of the candidate list;
2) 40% to all candidates who win more than 3% of votes, in proportion with the percentage of the votes won;
3) 40% to both candidates, in proportion with the percentage of the votes won,
Distribution of funds referred to in paragraph 2 item 2 and paragraph 3 items 2 and 3 of this Article shall be carried out following the publication of final election results, within seven days from the day of submission of the report on funds raised and expended for the election campaign with the supporting documents referred to in Article 39 of this Law to the Agency.

In case of holding of the extraordinary elections, the funds for covering the costs of the election campaign shall be established and distributed in accordance with paragraphs 1, 2, 3 and 4 of this Article.

**Funds from Private Sources**

**Article 21**

Political entities may raise funds from private sources only during the election campaign.

The amount of funds from private sources that a candidate raises to finance the election campaign shall not exceed total amount of funds referred to in Article 20 paragraph 1 of this Law.

The total value of the payment and contribution of a natural person or an entrepreneur for financing of the election campaign shall not exceed the amount of 2,000 euros, and the total value of the payment and contribution of a legal entity or company for financing of the election campaign shall not exceed 10,000 euros.

**Mandatory Opening of a Separate Gyro Account**

**Article 22**

For the purpose of raising funds to finance the election campaign costs, the candidate shall open a separate gyro account with an institution authorized for payment operations and the account shall not be used for any other purpose.

All funds intended for the financing of election campaign shall be paid into the account referred to in paragraph 1 of this Article and all payments of election campaign costs shall be carried out via with that account.

If the funds for financing of the election campaign raised from private sources exceed the amount referred to in Article 21, paragraph 2 of this Law, funds shall be refunded to the Budget of Montenegro.

Costs of the election campaign of a political entity shall not exceed the amount of funds referred to in Articles 20 and 21 of this Law.

**Responsible Person**

**Article 23**

Candidate shall designate a person responsible for the purposeful spending of funds and submission of reports.

Signature of the responsible person shall be deposited with an institution authorized for payment operations.

Candidate, i.e. the submitter of the proposal for the candidate shall inform thereof the Agency within three days from the day of designation of the person referred to in paragraph 1 of this Article, and of any changes relating to the status of that person.

**IV. PROHIBITIONS AND RESTRICTIONS**

**Prohibition of Financing**

**Article 24**

It is prohibited that the political entities receive material and financial assistance and in-kind contributions from: other states, companies and legal entities outside the territory of Montenegro; natural persons and entrepreneurs who do not have the right to vote in Montenegro, anonymous donors, public institutions, legal entities and companies with a share of state-owned capital; trade unions; religious communities and organizations; non-governmental organizations; casinos, bookmakers and other providers of games of chance.

It is prohibited that a person who was convicted by a final judicial decision for a criminal offense with the elements of corruption and organized crime finances a political entity.

In the period from the day of calling until the day of holding of the elections, it is prohibited that the natural and legal persons referred to in paragraphs 1 and 2 of this Article run media and public campaigns on behalf or for the needs of a political entity.

Political entities shall not borrow from natural persons.
Legal entities, companies and entrepreneurs and related natural persons which, based on a contract with the competent bodies, in accordance with the Law, performed affairs of public interest or concluded a contract in the public procurement procedure, in the period of two years preceding the conclusion of the contract, for the duration of the business relationship, as well as two years after the termination of the business relationship shall not give contributions to the political entities.

Natural persons and legal entities against which the tax authority initiated a procedure of compulsory collection by adoption of the conclusion on compulsory collection of tax, shall not make contributions to political entities.

Legal entity which has not met the outstanding obligations towards the employees within the past three months shall not make contributions to legal entities.

Prohibition of Exerting Pressure
Article 25

It is prohibited that the political entities, legal and natural persons exert any form of pressure on legal entities, companies and natural persons in the course of raising contributions or any other activity related to the election campaign and financing of political entities.

Prohibition of Use of State Funds and Distribution of Advertising Materials
Article 26

It is prohibited to use the premises of state bodies, state administration bodies, local self-government bodies, local administration bodies, public companies, public institutions and state funds and companies founded and/or owned in major part or partly by the state or local self-government unit for the preparation and implementation of the campaigning activities, unless the same conditions are provided for all participants in the election process.

It is prohibited to distribute promotional materials of political entities in the state bodies, state administration bodies, local self-government bodies, local administration bodies, public companies, public institutions and state funds and companies founded and/or owned in major part or partly by the state or a local self-government unit.

Article 27

Paid-for advertising in Montenegro of state bodies and local self-government bodies, public companies, public institutions and state funds which could in any way place into a favoured position the political entities or their representatives during the election campaign is prohibited.

Restriction of the Use of State Funds
Article 28

State and local budget consumer units, except for the State Election Commission and the municipal election commissions, shall be prohibited monthly consumption higher than the average monthly consumption in the previous six months from the day of calling of the elections until the day of holding of the elections, except in cases of emergency situation, in accordance with the Law.

Notwithstanding paragraph 1 of this Article, if the elections are held in the first half of the year, budget consumer units shall be prohibited monthly consumption exceeding the amounts specified by monthly consumption plans established by the Ministry or local administration body at the beginning of the fiscal year.

All budget consumer units, at the state and local level, shall from the day of calling until the day of holding of the elections, as well as one month following the holding of the elections, publish on a seven-day basis on their web site the analytical cards from all the accounts in their possession and submit them to the working body of the Parliament in charge of monitoring of the implementation of the Law and other regulations of significance for the building of confidence in the election process (hereinafter referred to as: the Interim Committee).

Transparency of Social Welfare Payments
Article 29

Ministry in charge of Labour and Social Welfare shall collect the analytical cards containing the data on the amounts and number of beneficiaries of all types of social welfare during the election campaign, as well as the data on types and beneficiaries of social welfare.

Municipalities shall collect the data on distribution of all forms of social welfare at the local level during the election campaign, including the data on types, amounts and beneficiaries of social welfare.
Data referred to in paragraphs 1 and 2 of this Article shall be published on the websites of the institutions collecting them, taking care of the protection of personal data, and shall be submitted on a fifteen-day basis to the Interim Committee and the Agency.

**Transparency of Budget Expenditures**

**Article 30**

The Ministry shall, on a fifteen-day basis, publish on its website the statements from the State Treasury as well as the analytical card on the expenditures of funds from the budget reserve in the period from the day of calling until the day of holding of the elections.

The local administration body shall, on a fifteen-day basis, publish on the website of the municipality the statements from the local treasury as well as the analytical card on the expenditures of funds from the budget reserve in the period from the day of calling until the day of holding of the elections.

Data referred to in paragraphs 1 and 2 of this Article shall be submitted on a fifteen-day basis to the Interim Committee and the Agency, taking care of the protection of personal data.

**Prohibition of Donation or Debt Write-Off**

**Article 31**

It is prohibited that the legal entities founded, owned in major part or partly by the state or a local self-government unit, in the period from the day of calling until the day of holding of the elections, as well as one month following the holding of the elections, arrange for debt write-off to citizens, including the bills for electricity, water and bills for all types of municipal services.

**Use of Official Cars**

**Article 32**

Public officials are prohibited to use official cars in the period of the election campaign, except for the needs of official duty.

The prohibition referred to in paragraph 1 of this Article shall not apply to persons who have the status of protected persons.

All state bodies, state administration bodies, local self-government bodies, local administration bodies, public companies, public institutions and state funds and companies founded and/or owned in major part or partly by the state or local self-government unit shall publish on a seven-day basis on their website all issued travel orders for official cars, from the day of calling of the elections until the day of holding of the elections.

Travel orders referred to in paragraph 3 of this Article shall be submitted to the Agency at the weekly level, which shall afterwards immediately submit them to the Interim Committee.

**Recruitment and Hiring of Employees**

**Article 33**

In the period from the day of calling until the day of holding of the elections, in exceptional cases for reason of ensuring smooth and regular functioning of state bodies, state administration bodies, local self-government bodies, local administration bodies, public companies, public institutions and state funds, and based on a decision of the competent body of these entities, persons may be employed for a fixed-term as well as hired under a temporary service contract, only if it is so envisaged by the act on job descriptions.

Bodies and legal entities referred to in paragraph 1 of this Article shall submit all decisions on employment adopted in line with the laws governing labour relations, rights and obligations of civil servants and state employees and obligation relations, with the complete supporting documentation, to the Agency within three days from the day of adoption of the decision.

The Agency shall publish the submitted documents referred to in paragraph 2 of this Article on its website within seven days from the day of submission.

Public officials, except for the MPs and councillors, and employees in state bodies, state administration bodies, local self-government bodies, local administration bodies, public companies, public institutions and state funds are prohibited to engage, during working hours, in the activities of the election campaign.

**Article 34**

Measures and restrictions referred to in Article 28 paragraph 3, in Article 29 paragraph 2, in Article 30 paragraph 2, Article 31, Article 32 paragraphs 3 and 4 and Article 33 paragraphs 1, 2 and 3 of this Law shall apply in the case of holding of the elections for the President of Montenegro, elections for the MPs and
elections for the councillors if at least 20% of the total number of voters entered into the voting register are entitled to vote at these elections.

If the elections for councillors are held in one or more municipalities where less than 20% of the total number of voters entered into the voting register are entitled to vote at these elections.

Article 35
Method of performing control of application of provisions of Articles 24 to 34 of this Law shall be governed by a special act adopted by the Agency.

V. FINANCIAL OPERATION OF A POLITICAL ENTITY

Taxation of the Income of a Political Entity
Article 36
Incomes acquired by a political entity from membership fees and contributions shall not be subject to taxation.
Other incomes acquired by a political entity shall be taxed in accordance with the law.

Obligation of Keeping Accounting Records
Article 37
A political entity shall keep the accounting records of incomes, property and expenditures by origin (especially for funds from public and private sources), the amount and structure of incomes, property and expenditures, in accordance with the regulation of the Ministry.
A political party shall submit the statement of accounts and the consolidated financial statement to the administrative body in charge of keeping the single register of taxpayers, to the State Audit Institution and the Agency, not later than by 31 March of the current year for the previous year.
On the occasion of submission of the statement referred to in paragraph 2 of this Article, a political entity shall submit to the State Audit Institution and the Agency the financial statements and reports on assets of all legal entities and companies it founded or in which it has an ownership share as supporting documents.
Statement referred to in paragraph 2 of this Article shall be submitted in hard copy and electronic forms, on a form defined by the Ministry.
The Agency shall publish documents referred to in paragraphs 2 and 3 of this Article on its website, within seven days from the day of receipt.

Internal Control of Financial Operation
Article 38
Political entity shall regulate the manner of performance of internal control over financial operation by its own acts.
Political entity shall designate a person responsible for the financial operation and prescribe the manner of gaining insight of an entity member into incomes and expenditures of the entity and adopt a financial plan and programme of work by the end of the current year for the next year.

VI. SUBMITTING AND PUBLISHING OF THE REPORT

Submitting of the Report on Funds Expended on the Electoral Campaign
Article 39
Political entity shall prepare a report on the origin, the amount and structure of the funds from public and private sources raised and expended on the election campaign, and shall submit it to the Agency, with supporting documentation, within 30 days from the day of holding of the elections.
The report referred to in paragraph 1 of this Article shall be submitted in hard copy and electronic forms, on a form established by the Agency.
If a joint election campaign is run for multiple elections held on the same day, a political entity shall submit a unified report on the origin, amount and structure of the funds raised and expended to the Agency, within 30 days from the day of holding of the elections.

The reports referred to in paragraphs 1 and 3 of this Article shall show the total amount of funds raised, separately for budget funds and funds from private sources.

Along with the reports referred to in paragraphs 1 and 3 of this Article, a political entity shall submit bank statements that show all revenues and expenditures from these accounts, in the period from its opening until the day of filing of the report with the documentation.

**Publishing of the Report**

**Article 40**

The Agency shall publish on its website the reports referred to in Article 39 of this Law within seven days from the day of receipt.

**Submitting of the Report on Incomes and Assets of the Candidate for the Election of the President of Montenegro**

**Article 41**

Candidate for the election of the President of Montenegro shall submit to the Agency the report on incomes and property for himself/herself, spouse or partner and children if they live in the same household, within 15 days from the day of candidacy.

Reports referred to in paragraph 1 of this Article shall be published on the web-site of the Agency, not later than within seven days from the day of receipt.

**Disclosure of Names of Natural Persons and Legal Entities**

**Article 42**

Political entity shall submit to the Agency a report on the contributions of legal and natural persons on a fifteen-day basis, during the election campaign.

The Agency shall prescribe the content of the reports referred to in paragraph 1 of this Article on a special form.

The Agency shall publish the report referred to in paragraph 1 of this Article on the website, within seven days from the day of receipt.

**Submission of interim report**

**Article 42a**

A political entity shall submit to the Agency an interim report on the election campaign costs five days prior to the election day.

The form and content of the report referred to in paragraph 1 of this Article shall be prescribed by the Agency. The Agency shall publish on its website the report referred to in paragraph 1 of this Article within 24 hours from the moment of receipt.

**VII. SUPERVISION**

**Implementing Bodies**

**Article 43**

Supervision over implementation of this Law and shall be carried out by the Agency, within the competences determined under this Law.

State Audit Institution shall perform the audit of the consolidated financial statements of the political entities whose total income exceeds 10,000 euros.

**Proceeding and Deciding in Case of Violation of the Law**

**Article 44**

Procedure in which it is decided whether there is a violation of this Law and measures are pronounced in accordance with this Law shall be initiated by the Agency.
Procedure referred to in paragraph 1 of this Article may be initiated ex officio by the Agency, based on own knowledge or report of a natural or legal person. Agency shall prescribe the manners and procedure of reporting and resolving objections filed in the course of the election campaign due to the suspicion of existence of violation of this Law. Agency shall inform the political entity on initiation of the procedure referred to in paragraph 1 of this Article.

Ascertaining of Facts and Circumstances

Article 45

Procedure referred to in Article 44 of this Law shall be conducted by the Director of the Agency through a person authorized by the Agency (hereinafter referred to as: authorized officer).

The authorized officer shall, ex officio, obtain the data and notifications on facts necessary for conducting of the procedure and decision-making, of which the official records are kept by the competent state bodies, state administration and local administration and local self-government bodies, and public companies, companies, institutions or other natural and legal persons.

Bodies, legal and natural persons referred to in paragraph 2 of this Article shall, within the deadline not exceeding 15 days and in manner determined by the Agency, submit the requested data and notifications i.e. make possible the insight into the requested documentation in accordance with the law.

If the bodies, legal and natural persons referred to in paragraph 2 of this Article fail to act within the deadline and in manner referred to in paragraph 3 of this Article, they shall immediately inform the Agency of the reasons for that.

In case referred to in paragraph 4 of this Article, the Agency shall inform the body performing supervision over their work and submit a special report to the Parliament.

Implementation of Control and Supervision during the Election Campaign

Article 46

For the duration of the campaign, political entities shall keep and update regularly the records of funds raised from private sources and costs of the election campaign.

With a view to exercising control and supervision during the election campaign, the Agency shall regularly collect the data on all the activities of political entities during the election campaign in relation to the funds expended for financing of the costs of the election campaign.

A political entity shall, at the request, and within the deadline determined by the Agency, not longer than three days, submit the data that the Agency needs in order to perform the affairs under its competence.

During the election campaign, the Agency shall perform control and supervision of the calculation of in-kind contributions, paid-for media advertising, and prohibition of financing of political entities or running campaigns on their behalf and other prohibitions and restrictions prescribed by law.

Should the Agency, during the control or supervision, obtain data indicating irregularities or violation of law, it shall within 15 days from the day of detected irregularity or violation of law, submit a report or a motion with the competent body.

Reports on exercised supervision during the election campaign and exercised control of financing of the election campaign of the political entities shall be adopted by the Agency and published on its web site, 60 days from the day of proclamation of the final election results.

The method of performing control and supervision during the election campaign shall be governed in more detail by the Rulebook adopted by the Agency.

Application of Rules of the Administrative Procedure

Article 47

Provisions of the Law governing the Administrative Procedure shall apply accordingly to the procedure of ascertaining violation of provisions of this Law.

Measures

Article 48

Agency shall pronounce the measures of warning to a political entity if it ascertains the shortcomings which can be removed in the procedure of control.

Should the political entity fail to act upon the warning measure, until the expiry of the deadline defined in the decision, or should the violation of this Law occur, which shortcomings cannot be removed, the Agency shall file a motion for initiation of a misdemeanour procedure before the competent court.
In case of violation of the Law referred to in Article 11 paragraph 10, Article 14 paragraph 4 and Article 20 paragraph 4 of this Law, the Agency shall adopt a decision on temporary suspension of transfer of budget funds to the political entity until the adoption of the final decision in the misdemeanour procedure.

The Agency may pronounce the measure of partial or full loss of entitlement to budget funds for financing of the election campaign costs to a political entity in case when the funds for financing of the election campaign costs are not used for financing of the election campaign costs, in accordance with Article 13 of this Law, as well as in case of acquiring of funds contrary to Article 18 and 22 of this Law.

Decision of the Agency referred to in paragraph 4 of this Article is final and an administrative dispute cannot be instituted against that decision.

Decision referred to in paragraphs 3 and 4 of this Article shall be submitted by the Agency to the Ministry and the local administration body, respectively.

**Consistent Application**

**Article 49**

Funds raised contrary to this Law shall be seized in accordance with the Law on Misdemeanours.

**Audit**

**Article 50**

State Audit Institution shall perform the audit of the consolidated financial statements, based on which it shall give the opinion and recommendations for the removal of irregularities and take other measures, in accordance with this Law and the law governing the rights, obligations and manner of operation of that institution.

**IX. PENAL PROVISIONS**

**Misdemeanours**

**Article 51**

A fine from 5,000 euros to 20,000 euros shall be imposed for a misdemeanour on a legal entity, if:

1) it fails to adopt the decision on contribution and fails to submit it to the recipient of the contribution (Article 6 paragraph 4)
2) it pays more than 10,000 euros per annum for financing of the political entity (Article 12, paragraph 4);
3) provides services of media advertising of the election campaign and fails to submit to the Agency the price list of election advertising (Article 13 paragraph 3);
4) makes a payment or a contribution in the amount exceeding 10,000 euros for the financing of election campaign (Article 21 paragraph 3);
5) in the period from the day of calling until the day of holding of the elections, runs a media and public campaign on behalf or for the needs of political entities (Article 24 paragraph 3);
6) acts contrary to Article 24 paragraph 5 of this Law;
7) makes a contribution to a political entity against which the tax authority initiated the procedure of compulsory collection by adoption of the conclusion on compulsory collection of tax (Article 24 paragraph 6);
8) makes a contribution to a political entity, whereas it did not meet the outstanding obligations towards the employees for a period of three months (Article 24 paragraph 7);
9) exerts pressure on legal entities, companies and natural persons on the occasion of raising contributions or any other activity related to the election campaign or financing of political entities (Article 25);
10) in the period from the day of calling until the day of holding of the elections, as well as one month after the elections, arrange for debt write-off to citizens, including bills for electricity, water as well as bills for all types of municipal services (Article 31);
11) fails to publish on seven-day basis on its web site all issued travel orders of official cars, from the day of calling until the day of holding of the elections (Article 32 paragraph 3);
12) fails to submit to the Agency, at the weekly level, travel orders referred to in Article 32 paragraphs 3 of this Law (Article 32 paragraph 4);
13) in the period from the calling until the day of holding of the elections, employs a person for a fixed term or concludes a temporary service contract contrary to Article 33 paragraphs 1 of this Law;
14) fails to submit all the decisions on employment adopted in line with the laws governing labour relations, rights and obligations of civil servants and state employees and obligation relations, with complete supporting documents to the Agency within three days from the day of adoption of the decision (Article 33 paragraph 2);
15) fails to submit the requested data and notifications, i.e. fails to make possible the insight into the requested documentation in accordance with the law within the deadline and in the manner determined by the Agency (Article 45 paragraph 3).

For the misdemeanour referred to in paragraph 1 of this Article, the responsible person in the legal entity shall also be fined by a fine from 500 euros to 2,000 euros.

Article 52

A fine from 5,000 euros to 20,000 euros shall be imposed for a misdemeanour on a political entity, if:

1) it fails to submit to the Agency and fails to publish the amount of price and possible discount in price for media advertising of the election campaign (Article 13 paragraph 2);

2) fails to transfer surplus funds for financing of the election campaign, raised from private sources, to the permanent gyro account of the political entity or political entities, in line with the mutual agreement (Article 18 paragraph 4 Article 18 paragraph 5);

3) fails to return funds into the budget of Montenegro, and local self-government budget respectively, in case that the total amount of funds on the permanent gyro account exceeds the amount referred to in Article 12 paragraphs 1 and 2 of this Law (Article 18, paragraph 5 Article 18 paragraph 6);

4) fails to designate a person responsible for the purposeful spending of funds and submitting of reports (Article 19, paragraph 1);

5) the signature of the responsible person is not deposited with an institution authorized for payment operations (Article 19 paragraph 2);

6) it fails, within three days from the designation of the person referred to in Article 19 paragraph 1 of this Law, to notify the Agency and the State Audit Institution or of any change relating to the status of that person (Article 19 paragraph 3);

7) distributes the promotional material of a political entity in state bodies, state administration bodies, local self-government bodies, local administration bodies, public companies, public institutions, state funds and companies founded and/or owned in major part or partly by the state or a local self-government unit (Article 26 paragraph 2).

For the misdemeanour referred to in paragraph 1 of this Article, the responsible person in the political entity shall also be fined by a fine from 500 euros to 2,000 euros.

Article 53

A fine from 10,000 euros to 20,000 euros shall be imposed for a misdemeanour on a political entity if it:

1) fails to raise the private sources referred to in Article 6 of this law through a corresponding gyro account (Article 6 paragraph 12);

2) raises funds from private sources for the regular operation in the current calendar year in the amount exceeding 100% of funds belonging to it from the budget funds in accordance with Article 11 paragraph 4 of this Law (Article 12 paragraph 1);

3) raises funds from private sources in the amount exceeding 10% of total funds referred to in Article 11 paragraph 1 of this Law if it is not entitled to budget funds (Article 12 paragraph 2);

4) fails to adopt a decision on the amount of membership fee for the current year at the latest by the end of January of the current year and fails to submit it to the Agency (Article 12 paragraph 3) fails to submit to the Agency the decision on the amount of membership fees for the current year no later than the end of January of the current year (Article 12 paragraph 3);

5) costs of the election campaign exceed the amount of funds referred to in Articles 14 and 17 of this Law (Article 13 paragraph 4.5);

6) pays in an amount exceeding the thirty-fold amount of funds belonging to it in the sense of Article 14 paragraph 2 of this Law for financing of costs of the election campaign for the election of MPs and councillors (Article 17 paragraph 2);

7) fails to open a separate gyro account for the purpose of raising funds for financing of the election campaign with an institution authorized for payment operations on the following day from the day of the electoral list verification of which it shall inform the Agency (Article 18 paragraph 1);

7a) fails to notify the Agency within three days from the day of opening a separate bank account (Article 18 paragraph 1);

8) uses the separate gyro account referred to in Article 18 paragraph 1 of this Law for other purposes (Article 18 paragraph 1);
8a) launches an election campaign before electoral list verification, and fails to open a separate bank account from Article 18 paragraph 1 of this Law (Article 18 paragraph 2);

9) fails to pay all the funds intended for the financing of election campaign into the account referred to in Article 18 paragraph 1 of this Law and fails to pay for all the costs of the campaign via that account (Article 18 paragraph 2 Article 18 paragraph 3);

10) raises funds from private sources for financing of costs of the election campaign in the amount exceeding the total amount of funds referred to in Article 20 paragraph 1 of this Law (Article 21 paragraph 2);

11) fails to open a separate gyro account for the purpose of raising funds for financing of the election campaign with an institution authorized for payment operations (Article 22 paragraph 1);

12) uses the separate gyro account referred to in Article 22 paragraph 1 of this Law for other purposes (Article 22 paragraph 1);

13) fails to pay all the funds intended for the financing of election campaign into the account referred to in Article 22 paragraph 1 of this Law and fails to pay for all the costs of the campaign via that account (Article 22 paragraph 2);

14) costs of the election campaign exceed the amount of funds referred to in this Law (Article 22 paragraph 4);

15) receives material and financial assistance and in-kind contributions from: other states, companies and legal entities outside the territory of Montenegro, natural persons and entrepreneurs who do not have the right to vote in Montenegro, anonymous donors, public institutions, legal entities and companies with the share of state-owned capital, trade unions, religious communities and organizations, non-governmental organizations, casinos, bookmakers or other providers of games of chance (Article 24 paragraph 1);

16) borrows from natural persons (Article 24 paragraph 4);

17) exerts pressure on legal entities, companies and natural persons in raising contributions or any other activity related to the election campaign or financing of political entities (Article 25);

18) fails to keep accounting records of incomes, property and expenditures by origin, amount and structure of incomes, property and expenditures (Article 37, paragraph 1);

19) fails to submit the statement of accounts and consolidated financial statement to the administrative body in charge of keeping a single register of taxpayers and the State Audit Institution and the Agency, not later than by 31 March of the current year for the previous year (Article 37 paragraph 2);

20) fails to submit, as supporting documents, to the State Audit Institution and the Agency, the financial statements and reports on assets of all legal entities and companies it founded or in which it possesses an ownership share (Article 37 paragraph 3);

21) fails to govern by its acts the manner of performing the internal control of financial operation (Article 38 paragraph 1);

22) fails to designate a person responsible for financial operation, fails to prescribe the manner of gaining insight by a member of the entity into incomes and expenditures of the entity and fails to adopt a financial plan and program of work by the end of the current year for the next year (Article 38 paragraph 2);

23) within 30 days from the day of holding of the elections, fails to submit to the Agency the report of the origin, amount and structure of the funds from public and private sources raised and expended for election campaign (Article 39 paragraph 1);

24) fails to submit the report referred to in Article 39 paragraph 1 of this Law in hard copy and electronic forms on a form defined by the Agency (Article 39, paragraph 2);

25) fails to submit along with the reports referred to in Article 39 paragraphs 1 and 3 of this Law the bank statements showing all incomes and expenses from these accounts in the period from their opening up to the date of filing the statements with documentation (Article 39 paragraph 5);

26) fails to submit to the Agency a report on the contributions of legal and natural persons on a fifteen-day basis, during the election campaign (Article 42 paragraph 1);

27) fails to submit to the Agency an interim report on the election campaign costs five days prior to the election day (Article 42a paragraph 1).

For the misdemeanor referred to in paragraph 1 of this Article, the responsible person in a political entity shall also be fined by a fine from 500 euros to 2,000 euros.

Article 54

A fine from 500 euros to 2,000 euros shall be imposed on the responsible person of the Agency, if it:

1) fails to publish on its website the decision on the amount of membership fee of a political entity for the current year, at the latest seven days from the day of receipt of the decision (Article 12, paragraph 3);
1a) fails to publish on its website the price list from Article 13 paragraph 3 of this Law, within 7 days from the day of receipt (Article 13 paragraph 4);

2) fails to publish on its website the submitted documents referred to in Article 33 paragraph 2 of this Law within seven days from the day of submission (Article 33 paragraph 3);

3 ) fails to publish on its website all documents referred to in Article 37 paragraphs 2 and3 of this Law within seven days from the day of receipt (Article 37 paragraph 5);

4) fails to publish on its website the reports referred to in Article 39 of this Law within seven days from the day of receipt (Article 40);

5) fails to publish on its website the reports referred to in Article 41 paragraph 1 of this Law within seven days from the day of receipt (Article 41 paragraph 2);

6) fails to publish on its website the report referred to in Article 42 paragraph 1 of this Law within seven days from the day of receipt (Article 42 paragraph 3).

7) fails to publish on its website the report from Article 42a paragraph 1 of this Article, within 24 hours from the moment of receipt (Article 42a paragraph 3).

Article 55
A fine from 200 euros to 2 000 euros shall be imposed on the responsible person in a state body, state administration body, local self-government body of the local self-government unit, local administration body, public company, public institution, state fund and legal entity founded and/or owned in major part or partly by the state or a local self-government unit, if it:

1 ) fails to provide the budget funds for financing of regular operation of the political entities in the Parliament of Montenegro in accordance with Article 11 paragraph 1 of this Law;

2 ) fails to provide the funds for financing of regular operation of the political entities in the municipal assemblies in accordance with Article 11 paragraph 2 of this Law;

3) fails to provide the funds for financing of regular operation of the political entities in the municipal assemblies in accordance with Article 11 paragraph 3 of this Law;

4 ) fails to transfer funds referred to in Article 11, paragraph 4 of this Law to the political entities on monthly basis, by the fifth day of each month for the previous month (Article 11, paragraph 7);

5) it fails to suspend payment of funds referred to in Article 11 paragraph 4 of this Law to a political entity, if within the timeframe envisaged in Article 37 of this Law it fails to submit the consolidated financial statement for the previous year (Article 11 paragraph 8);

6) fails to adopt the decision on the amount of the budget funds referred to in Article 12 paragraph 1 of this Law by 31 January of the current year at the latest and fails to submit it on its web site within 7 days from the day of adoption of the decision (Article 12 paragraph 5);

7) fails to provide the budget funds for financing election campaign for MPs and councillors in accordance with Article 14 paragraph 1 of this Law;

8 fails to distribute the funds referred to in Article 14, paragraph 1 of this Law in the amount of 20% in equal amounts to political entities, within eight days from the expiry of the deadline for submission of election lists (Article 14, paragraph 2);

9 fails to distribute the funds referred to in Article 14, paragraph 1 in the amount of 80% to the political entities in proportion with the number of seats awarded (Article 14, paragraph 3);

10 fails to distribute the funds referred to in Article 14 paragraph 3 of this Law within seven days from the day when the political entities submit to the Agency the reports on funds raised and expended on the election campaign with the supporting documentation referred to in Article 37 of this Law (Article 14, paragraph 4);

11) fails to transfer funds referred to in Article 14 paragraph 3 of this Law to the political entities, following the notification by the competent election commission on the number of seats awarded and notification of the Agency on meeting the conditions referred to in Article 14 paragraph 4 of this Law (Article 15 paragraph 1);

12) fails to publish on its website the act on the transfer of funds referred to in Article 15, paragraph 1 of this Law with the supporting documentation within seven days from the day of adoption (Article 15, paragraph 2);

13) fails to distribute funds in accordance with Article 16 paragraphs 2 and 3 of this Law;

14) fails to provide the budget funds for financing of the costs of the election campaign for the election of the President of Montenegro in accordance with Article 20 paragraph 1 of this Law;

15) fails to transfer funds referred to in Article 20 paragraph 2 item 2 and paragraph 2 items 2 and 3 of this Article following the announcement of final results of the elections and within the
deadline of 7 days from the day of submission of the report on funds raised and expended on the election campaign with the supporting documents referred to in Article 39 of this Law to the Agency (Article 20 paragraph 4); 
16) conducts paid-for advertising in Montenegro which could in any way place into a more favourable position the political entities or their representatives during the election campaign (Article 27); 
17) monthly consumption in state and local budget consumption units exceeds the average monthly consumption in the previous 6 months form the day of calling until the day of holding of the elections, except for in the cases of emergency situations, in accordance with the law (Article 28 paragraph 1); 
18) elections are held in the first half of the year and monthly consumption in budget consumption units exceeds the amount determined by the monthly consumption plan defined by the Ministry or the local administration body at the beginning of the fiscal year (Article 28 paragraph 2); from the day of calling until the day of holding of the elections, as well as one month following the holding of the elections, fails to publish on its website, on a seven-day basis, the analytical cards from all the accounts in their possession (Article 28 paragraph 3); 
18a) from the day of calling until the day of holding of the elections, as well as one month following the holding of the elections, fails to submit to the Interim Committee, on a seven-day basis, the analytical cards from all the accounts in their possession (Article 28 paragraph 3); 
19) from the day of calling until the day of holding of the elections, as well as one month following the holding of the elections, fails to publish on its website, on a seven-day basis, the analytical cards from all the accounts in their possession and fails to submit it to the Interim Committee (Article 28 paragraph 3); 
20) fails to publish the data referred to in Article 29 paragraphs 1 and 2 of this Law on its web site and fails to submit it on a fifteen-day basis to the Interim Committee and the Agency (Article 29 paragraph 3); 
21) fails to publish the data referred to in Article 30 paragraphs 1 and 2 of this Law on its web site and fails to submit it on a fifteen-day basis to the Interim Committee and the Agency (Article 30); 
22) uses the official car in the period of the election campaign, except in cases of official duty (Article 32 paragraph 1); 
23) fails to publish on the web site, on a seven-day basis, all issued travel orders for official cars, from the day of calling until the day of holding of the elections (Article 32 paragraph 3); 
24) fails to submit to the Agency, on a weekly basis, the travel orders referred to in Article 32 paragraph 3 of this Law (Article 32 paragraph 4); 
25) in the period from calling until the day of holding of the elections, employs a person for a fixed term, or concludes temporary service contract contrary to Article 33 paragraph 1 of this Law; 
26) fails to submit all decisions on employment adopted in accordance with the laws governing the labour relations, rights and obligations of civil servants and state employees and obligation relations, with complete supporting documentation to the agency within three days from the day of adoption of the decision (Article 33 paragraph 2); 
27) fails to submit within the deadline and in manner determined by the Agency the requested data and notifications, i.e. fails to provide insight into the requested documentation in line with the Law (Article 45 paragraph 3). 

Article 56

A fine from 1,000 euros to 2,000 euros shall be imposed for the misdemeanour on a candidate for the presidential elections if s/he: 
1) fails to return the funds to the Budget of Montenegro if the funds for financing of the election campaign raised from private sources exceed the amount referred to in Article 21 paragraph 2 of this Law (Article 22 paragraph 3); 
2) fails to designate a person responsible for purposeful spending of funds and submission of reports (Article 23 paragraph 1); 
3) fails to deposit the signature of the responsible person with the institution authorized for payment operations (Article 23 paragraph 1); 
4) fails to notify the Agency within three days from the day of designation of the person referred to in Article 23 paragraph 1 of this Law and of every change related to the status of that person (Article 23 paragraph 3);
5) fails to compile a report on origin, amount and structure of raised and expended funds from public and private sources for the election campaign and fails to submit it to the Agency with the supporting documentation, within 30 days from the date of holding of the elections (Article 39, paragraph 1);

6) fails to submit along with the reports referred to in Article 39 paragraphs 1 and 2 of this Law the bank statements showing all incomes and expenditures from these accounts, in the period from their opening until the day filing of the reports with the documentation (Article 39 paragraph 5);

7) fails to submit to the Agency the report on incomes and assets for him/herself, the spouse or partner and children if they live in a shared household, within 15 days from the day of candidacy (Article 41 paragraph 1).

Article 57

A fine from 500 euros to 2,000 euros shall be imposed for the misdemeanour on a natural person, if:

1) on a monthly level pays a membership fee exceeding the amount of 10% of the average monthly net earning in Montenegro for the previous year (Article 6 paragraph 2);

2) s/he pays more than 2,000 euros per annum for financing of a political entity (Article 12 paragraph 4);

3) makes the payment or contribution amounting to more than 2,000 euros for financing of the election campaign (Article 21 paragraph 3);

4) was convicted by a final judicial decision for a criminal offense with the elements of corruption and organized crime, and finances a political entity (Article 24 paragraph 2);

5) in the period from the day of calling until the day of holding of the elections, runs a media and public campaign on behalf and for the needs of political entities (Article 24 paragraph 3);

6) makes a contribution to a political entity against which the tax authority initiated the procedure of compulsory collection by adoption of a conclusion on compulsory collection of tax (Article 24 paragraph 6);

7) exerts pressure on legal entities, companies and natural persons on the occasion of raising contributions or any other activity related to the election campaign or financing of political entities (Article 25);

8) uses the official car in the period of election campaign, except for the cases of official duty (Article 32 paragraph 1);

9) engaged during working hours in the activities of the election campaign (Article 33 paragraph 4);

10) fails to submit, within the deadline and in the manner defined by the Agency, the requested data and notifications, i.e. does not make possible insight into the requested documentation in accordance with the law (Article 45 paragraph 3).

For the misdemeanour referred to in paragraph 1 item 2 of this Article, an entrepreneur shall be fined by a fine from 200 euros to 4,000 euros.

Statute of Limitations with Respect to Initiation of Misdemeanour Proceedings

Article 58

Misdemeanour proceedings cannot be initiated if the two years elapsed from the day when the misdemeanour was committed.

Statute of limitations with respect to misdemeanor prosecution shall take place in each case after four years elapse from the day when the misdemeanour was committed.

X. TRANSITIONAL AND FINAL PROVISIONS

Implementing by-laws

Article 59

By-laws for implementation of this Law shall be enacted within 60 days from the day of entry into force of his Law by the State Election Commission and the Ministry.

Until the enactment of by-laws referred to in paragraph 1 of this Article, the by-laws enacted on the grounds of the Law on Financing of Political Parties (Official Gazette of Montenegro 42/11, 60/11, 1/12 and 10/14) shall be applicable.

Harmonization of General Acts

Article 60

Political parties shall harmonize their operation with this Law within 90 days from the day of entry into force of this Law.

Misdemeanour Responsibility
Article 61

State Election Commission shall be in charge of implementation of the Law and misdemeanours referred to in Article 54 of this Law, until the commencement of operation of the Agency.

Taking over of Affairs

Article 62

State Election Commission will be performing the affairs falling under the competences of the Agency prescribed by this Law, until the commencement of operation of the Agency.

On the day of commencement of operation of the Agency, the Agency shall take over all the documentation of the State Election Commission related to financing of political entities.

Agency shall harmonize the by-laws for the implementation of this Law within 30 days from the day of commencement of operation.

Upon termination of the mandate of the Interim Committee, the affairs falling under its competences shall be taken over by the working body of the Parliament in charge of the anti-corruption affairs.

Article 63

Accrued and Unpaid funds from the Budget of Montenegro, or the Budget of the municipality, which have not been transferred to political entities before the entry into force of this Law Ministry, or the local authority, shall by the same procedure provided by this Law proceed with the payment no later than 30 days from the entry into force of this law.

Termination of Validity

Article 64

On the day of application of this Law, the Law on Financing of Political Parties (Official Gazette of Montenegro 42/11, 60/11, 1/12 and 10/14) and the Law on Financing of the Campaign for the Election of the President of Montenegro, Mayor and Presidents of Municipalities (Official Gazette of Montenegro 8/09) shall cease to be applicable.

Entry into Force and Implementation

Article 65

This Law shall enter into force on the eighth day from the day of its publication in the Official Gazette of Montenegro and shall be applicable as of 1 January 2015.