



CANADIAN RESEARCH INSTITUTE
FOR THE ADVANCEMENT OF WOMEN
INSTITUT CANADIEN DE RECHERCHES
SUR LES FEMMES

June 13th, 1991

Laurie Blakeman
Treasurer, CRIAW Conference

Dear Laurie,

I made several enquiries regarding whether or not our CRIAW/ICREF Conference would be subject to GST.

Following several phone calls to Donna MacPherson at the GST hotline on June 12th last, I was assured that our conference is GST exempt. Since CRIAW is a non-profit organization and has charity status and since the "place of amusement" clause does not apply to us we are not obliged to collect GST.

Furthurmore, because of our non-profit status, we can file a re-imbusement claim and be re-imbursed for 50% of all GST we pay to organize the conference.

You will find attached the excerpts from Bill C-62 that were forwarded to me regarding this matter.

Yours sincerely,

Marcelline Forestier

Marcelline Forestier
Conference coordinator

CRIAW nat'l (613) 563-0681
Linda Clappengale

GST registration:

CRIAW is non-profit, has charity status (donations tax deductible)

CRIAW nat'l

*

Donna ^{McPherson} at GST hotline 448-1309

- registration fees over \$30,000 are to collect GST however "amusement clause" does not apply to

- ^{us} universities must pay GST but CRIAW is hosting the conference
- we can file re-imbursement claim & be re-imursed for 50% of all GST we pay to organize the conference

CMHA: 482-6091 Marguerite - John Dykun

if cost of admission is for place of amusement

phrase on receipt: "GST exempt"
"not subject to GST"

to indicate to people not included or asked for in registration fee

Revenue Canada
Customs and ExciseRevenu Canada
Douanes et AcciseTELEFAX TRANSMISSION SHEET
FEUILLE DE TRANSMISSION PAR TÉLÉFAX

Date

June 12/91

TO / A

Marcelline Forestier

Telefax No. / N° de téléfax

492-1186

FROM / DE

Doma

REVENUE CANADA - EXCISE BRANCH

DISTRICT EXCISE OFFICE

15TH FLOOR PARK SQUARE

10001 BELLAMY HILL ROAD

EDMONTON, ALBERTA

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REMARKS / REMARQUES

Excerpts from Bill C-62 which amends the Excise
TAX Act to introduce the GST.

Pages

1 + 3

Telefax No. / N° de téléfax

Location / Endroit

EDMONTON, ALBERTA

	general commission agent or other independent agent acting in the ordinary course of business) who is acting in Canada on behalf of the particular person and through whom the particular person makes supplies in the ordinary course of business;	5	«jeu de hasard» Loterie ou autre mécanisme par lequel des prix ou des gains sont attribués à la suite d'une désignation fondée entièrement ou principalement sur le hasard.	5	«jeu de hasard, "game of chance"»
"person" «personne»	"person" means an individual, partnership, corporation, trust or estate, or a body that is a society, union, club, association, commission or other organization of any kind;	10	«juste valeur marchande» Juste valeur marchande d'un bien ou d'un service fourni à une personne, abstraction faite de la taxe exclue de la contrepartie de la fourniture en application de l'article 10 154.		«juste valeur marchande, "fair market value"»
"personal property" «bien meuble»	"personal property" means property that is not real property;		«lieu de divertissement» Local ou lieu, intérieur ou extérieur, dans tout ou partie duquel sont présentés ou tenus :		«lieu de divertissement, "place of amusement"»
"place of amusement" «lieu de divertissement»	"place of amusement" means any premises or place, whether or not enclosed, at or in any part of which is staged or held any	15	a) films, diaporamas, spectacles son et lumière ou présentations semblables;	15	
	(a) film, slide show, sound and light or similar presentation,	20	b) représentations ou expositions artistiques, littéraires, théâtrales, musicales ou autres;	20	
	(b) artistic, literary, theatrical, musical or other performance, entertainment or exhibition,		c) foires, cirques, ménageries, rodéos ou événements semblables;		
	(c) fair, circus, menagerie, rodeo or similar event, or	25	d) courses, jeux de hasard, concours d'athlétisme ou autres concours ou jeux.	25	
	(d) race, game of chance, athletic contest or other contest or game,		Y sont assimilés les musées, les sites historiques et les parcs zoologiques, fauniques ou autres, les endroits où l'on fait des paris et les endroits, constructions, dispositifs, machines et appareils qui ont pour objet de fournir des divertissements ou des distractions.	30	
	and includes a museum, historical site, zoo, wildlife or other park, place where bets are placed and any place, structure, apparatus, machine or device the purpose of which is to provide any type of amusement or recreation;	30	«logement en copropriété» Immeuble d'habitation qui est, ou est censé être, un espace délimité dans un bâtiment et désigné ou décrit comme étant une unité distincte sur le plan ou la description enregistrés y afférents, ou sur un plan ou une description analogues enregistrés en conformité avec les lois d'une province, ainsi que tous droits et intérêts fonciers afférents à la propriété de l'unité.	35	«logement en copropriété, "residential condominium unit"»
"precious metal" «métal précieux»	"precious metal" means a bar, ingot, coin or wafer that is composed of gold, silver or platinum and that is refined to a purity level of at least	35	«logement provisoire» Immeuble d'habitation ou habitation fournis par bail, licence ou accord semblable, pour être occupé à titre résidentiel ou de pension par un particulier donné pendant une durée de moins d'un mois.	40	«logement provisoire, "short-term accommodation"»
	(a) 99.5% in the case of gold and platinum, and				
	(b) 99.9% in the case of silver;	40			
"prescribed" Version anglaise seulement	"prescribed" means				
	(a) in the case of a form, the information to be given on a form or the manner of filing a form, prescribed by the Minister, and	45			
	(b) in any other case, prescribed by regulation or determined in accordance with rules prescribed by regulation;				

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Taxe sur les produits et services - Annexe

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(a) a division, department or agency of a government, municipality or school authority, the primary purpose of which is to supply public passenger transportation services, or

(b) a non-profit organization that

(i) receives funding from a government, municipality or school authority to support the supply of public passenger transportation services, or

(ii) is established and operated for the purpose of providing public passenger transportation services to disabled individuals.

la partie IX de la loi, qu'il a demandé, ou a le droit de demander, pour le bien ou le service.

«service ménager à domicile» Service ménager ou personnel, notamment le ménage, la lessive, la préparation des repas et la garde des enfants, donné à un particulier qui, en raison de son âge, d'une infirmité ou d'une invalidité, a besoin d'aide.

«service municipal de transport» Service public de transport de passagers (sauf un service d'affrètement ou un service qui fait partie d'un voyage organisé) fourni par une commission de transport et dont la totalité, ou presque, des fournitures consistent en services publics de transport de passagers offerts dans une municipalité et ses environs.

2. A supply made by a charity of any personal property or a service, but not including a supply of

(a) property or a service included in Schedule VI and not included in section 6 or 10; *Zero-rated supply for non-commercial*

(b) property or a service the supply of which is deemed under Part IX of the Act to have been made by the charity; *Self-supply*

(c) property (other than capital property of the charity or property that was acquired, manufactured or produced by the charity for the purpose of making a supply of the property) where, immediately before the time tax would be payable in respect of the supply if it were a taxable supply, the property was used (otherwise than in making the supply) in commercial activities of the charity; *if entitled to tax*

(d) capital property of the charity where, immediately before the time tax would be payable in respect of the supply if it were a taxable supply, the property was used (otherwise than in making the supply) primarily in commercial activities of the charity; *taxable Subject to tax*

(e) tangible property that was acquired, manufactured or produced by the charity for the purpose of making a supply of the property and was neither donated to the charity nor used by another person before its acquisition by the charity, or any service supplied by the charity in respect of such other than property, other than such property or such a service supplied by the charity under a contract for catering; *New goods for resale donated goods or catered*

(f) property made by way of lease, licence or similar arrangement in conjunction with a supply of real property included in paragraph 25(f); *rental of equipment w/ rental of space*

(g) property or a service made by the charity under a contract for catering for an event or occasion sponsored or arranged by another person who contracts with the charity for catering; *catering contract*

(h) an admission in respect of a place of amusement or a membership where the membership

(i) entitles the member to supplies of admissions in respect of a place of amusement that would be taxable supplies if they were made separately from the supply of the membership, or to discounts on the value of consideration for such supplies, or

(ii) includes a right to participate in a recreational or athletic activity, or use facilities, at a place of amusement.

2. La fourniture de biens meubles ou de services par un organisme de bienfaisance, sauf la fourniture :

a) d'un bien ou d'un service figurant à l'annexe VI, mais non à l'article 6 ou 10;

b) du bien ou du service qui, aux termes de la partie IX de la loi, est réputé fourni par l'organisme;

c) du bien, sauf l'immobilisation de l'organisme ou un bien qu'il a acquis, fabriqué ou produit en vue de le fournir, qui, immédiatement avant le moment où la taxe serait payable relativement à la fourniture s'il s'agissait d'une fourniture taxable, était utilisé (autrement que pour effectuer la fourniture) dans le cadre des activités commerciales de l'organisme;

d) de l'immobilisation de l'organisme qui, immédiatement avant le moment où la taxe serait payable relativement à la fourniture s'il s'agissait d'une fourniture taxable, était utilisé (autrement que pour effectuer la fourniture) principalement dans le cadre des activités commerciales de l'organisme;

e) du bien corporel que l'organisme acquiert, fabrique ou produit en vue de le fournir et qui n'a pas été donné à l'organisme ni utilisé par une autre personne avant son acquisition par l'organisme, ou du service que l'organisme fournit relativement au bien, à l'exception d'un tel bien ou service que l'organisme fournit en exécution d'un contrat pour des services de traiteur;

f) d'un bien, effectuée par bail, licence ou accord semblable, conjointement avec la fourniture d'un immeuble visé à l'alinéa 25f);

g) du bien ou du service par l'organisme en exécution d'un contrat pour des services de traiteur lors d'un événement commandité ou organisé par l'autre partie contractante;

h) du droit d'entrée dans un lieu de divertissement ou du droit d'adhésion qui :

(i) donne au membre le droit de recevoir des fournitures de droits d'entrée dans un lieu de divertissement — lesquelles fournitures seraient taxables si elles étaient effectuées séparément de la fourniture du droit d'adhésion — ou le droit à des rabais sur la valeur de la contrepartie de telles fournitures,

↑
those normally made by business. Sec. 3 & 6 override w/ volunteer activities & nominal consideration

except where the value of the supplies, discounts or right described in subparagraph (i) or (ii) is insignificant in relation to the consideration for the membership;

(i) services of performing artists in a performance where the supply is made to a person who makes taxable supplies of admissions in respect of the performance;

(j) a service involving, or a membership or other right entitling a person to, supervision or instruction in any recreational or athletic activity; *ex: aerobics classes*

(k) a right to play or participate in a game of chance; *overridden by 5.1*

(l) a service of instructing individuals in, or administering examinations in respect of, any course where the supply is made by a vocational school, as defined in section 1 of Part III, or a school authority, public college or university; or

(m) an admission in respect of a seminar, conference or similar event supplied by a university or public college.

(ii) comprend le droit de prendre part à une activité récréative ou sportive dans un tel lieu ou d'y utiliser les installations,

sauf si la valeur des fournitures, rabais ou droits visés au sous-alinéa (i) ou (ii) est négligeable par rapport à la contrepartie du droit d'adhésion;

i) des services d'artistes exécutants d'un spectacle, si l'acquéreur de la fourniture est la personne qui effectue des fournitures taxables de droits d'entrée au spectacle;

j) d'un service de supervision ou d'enseignement dans le cadre d'une activité récréative ou sportive, ou d'un droit d'adhésion ou autre droit permettant à une personne de bénéficier d'un tel service;

k) du droit de jouer à un jeu de hasard ou d'y participer;

l) d'un service consistant à donner des cours à des particuliers, ou les examens y afférents, si la fourniture est effectuée par une école de formation professionnelle, au sens de l'article 1 de la partie III, ou par une administration scolaire, un collège public ou une université;

m) d'un droit d'entrée à un colloque, une conférence ou un événement semblable, effectuée par une université ou un collège public.

3. A supply made by a charity of any property or service where

(a) the supply is made in the course of a business of making supplies of such property or such a service or of similar property or services carried on by the charity, and the day-to-day administrative functions and other functions performed in carrying on the business are performed exclusively by volunteers;

(b) the supply is made in the course of an activity engaged in by the charity otherwise than in the course of, or as part of, a business referred to in paragraph (a), and the day-to-day administrative functions and other functions performed in carrying on the activity, including the provision of any property or service in the course of the activity, are performed exclusively by volunteers;

(c) the property or service is, and is represented to prospective recipients to be, supplied as part of a program established by the charity that consists of a series of classes or other activities and the non-administrative functions performed in providing the activities are performed exclusively by volunteers;

but not including a supply of

(d) property or a service included in paragraph 2(a), (b), (c), (d) or (k); *ex: sale of property used in common activity*

(e) an admission in respect of a place of amusement at which bets are placed or a game of chance is conducted; or

(f) real property made by way of sale.

3. La fourniture de biens ou de services par un organisme de bienfaisance, si, selon le cas:

a) la fourniture est effectuée dans le cadre de l'entreprise de l'organisme qui consiste à fournir de tels biens ou services ou des biens ou services semblables, et les tâches administratives quotidiennes et autres tâches qui interviennent dans l'exploitation de l'entreprise sont accomplies exclusivement par des bénévoles;

b) la fourniture est effectuée dans le cadre d'une activité que l'organisme exerce autrement que dans le cadre de l'entreprise visée à l'alinéa a), et les tâches administratives quotidiennes et autres tâches qui interviennent dans l'exercice de l'activité, y compris la livraison de biens ou la prestation de services dans le cadre de l'activité, sont accomplies exclusivement par des bénévoles;

c) le bien ou le service est fourni, ou est présenté aux acquéreurs éventuels comme devant être fourni, dans le cadre d'un programme établi par l'organisme qui comporte une série de cours ou d'autres activités, et les tâches non administratives qui interviennent dans l'exercice des activités sont accomplies exclusivement par des bénévoles.

Les fournitures suivantes ne sont pas exonérées:

d) la fourniture de biens ou de services visés à l'alinéa 2a), b), c), d), ou k);

e) la fourniture du droit d'entrée dans un lieu de divertissement où des paris sont engagés ou des jeux de hasard organisés;

f) la fourniture d'un immeuble par vente.

4. La fourniture par vente d'un bien meuble corporel (sauf les boissons alcooliques et les produits du tabac) effectuée par un organisme du secteur public si, à la fois:

Volunteer
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Revenue Canada
Customs and ExciseRevenu Canada
Douanes et AcciseTELEFAX TRANSMISSION SHEET
FEUILLE DE TRANSMISSION PAR TÉLÉFAX

Date

June 12

TO / A

Marcelline Forestier

Telefax No. / N° de téléfax

492 - 1186

FROM / DE

Donna
REVENUE CANADA - EXCISE BRANCH

DISTRICT EXCISE OFFICE

15TH FLOOR PARK SQUARE

10001 BELLAMY HILL ROAD

EDMONTON, ALBERTA

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495-3420

REMARKS / REMARQUES

As per our telephone conversation. I am also mailing an information
booklet re: Charities and the Non-registrant rebate
application

Pages

1 + 4

Telefax No. / N° de téléfax

Location / Endroit

EDMONTON, ALBERTA

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presentation includes only the rental cost of film and equipment used for the presentation.

For purposes of determining direct cost, the consideration for supplies made to a public sector body includes the applicable GST, net of any input tax credits or rebates which the organization may be entitled to claim.

"homemaker service" This defines the services which are exempted under section 16 of this Part when provided on a subsidized basis to individuals.

"municipal transit service" Under Section 24 of this Part, municipal transit services are exempt. A public passenger transportation service is considered to be a municipal transit service if it is supplied by a transit authority (defined below) and at least 90 per cent of those services are within a particular municipality and its surrounding areas. Specifically excluded from the definition of municipal transit service are charter services and sightseeing tours provided by a transit authority.

"transit authority" Municipal transit services provided by a transit authority are exempt from GST. For purposes of this exemption, transit authority includes a division of a government, municipality or school authority that is established to provide such services. It also includes non-profit organizations in receipt of subsidies from governments to provide municipal transit services, as well as non-profit organizations (whether or not subsidized), if they are established and operated to provide transportation services to disabled individuals.

Section 2 General exemption for charities

Under this section, all supplies of goods and services by charities are exempt from GST, except for the list of supplies set out in paragraphs (a) to (m). The supplies included in this list are of a type generally made by commercial businesses.

It is important to note that any particular supply excluded from the general exemption for charities may still be exempt under one of the overriding exemptions provided in other sections of this Schedule. Two particularly noteworthy overriding exemptions are provided in sections 3 and 6 of this Part which deal, respectively, with volunteer activities and supplies made for nominal consideration.

The following are excluded from the general exemption for charities:

- (a) a zero-rated supply For example, the sale of prescription drugs or medical devices is zero-rated, except where the supply is made free-of-charge or for nominal consideration. Consequently, if a hospital sells prescription drugs out of a pharmacy, no GST applies and the hospital is able to claim full input tax credits on purchases for use in operating the pharmacy. However, if a charity supplies a medical device, such as a wheelchair, free-of-charge or for nominal consideration, the supply is treated as exempt. In this case, the charity would not be able to claim input tax credits for purchases for use in making the exempt supply. Of course, since wheelchairs are sold tax-free throughout the production-distribution chain, the charity will not have paid tax on the original acquisition of the devices;

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(b) deemed supplies (that is, any supply considered to have been made by the charity). An example would be where a charity appropriates, for the benefit of an employee, goods for which it has claimed an input tax credit;

(c) & (d) property used in a commercial activity Given that the charity is entitled to claim input tax credits in respect of non-capital property acquired for use in a commercial activity, or capital property primarily used in a commercial activity, the resupply of such properties by the charity is subject to tax;

(e) new goods acquired or produced for resale purposes (other than catered meals or donated goods);

(f) short-term rentals of personal property with real property This applies where the property is supplied in conjunction with the short-term rental of commercial real property (e.g., the rental of a photo lab and processing equipment);

(g) catering services This applies only to catering for private functions or events (e.g., weddings). Catered meals sold by a hospital to a nursing home or an organization such as Meals-On-Wheels are exempt;

(h) admissions to a place of amusement (defined in section 123 of the Act) including museums, recreational complexes, theatres, and bingo halls and casinos are taxable. Also taxable are memberships in recreational clubs and other organizations that provide otherwise taxable admissions to members for no extra charge or for significant discounts;

(i) the professional services of performing artists These services are taxable when provided under a contract with another organization which is staging a professional performance (e.g., a symphony orchestra supplies its services to an opera company). In effect, this is a relieving measure as it allows the supplier to claim input tax credits in respect of the supply, recognizing that the purchaser (e.g. the opera company) can claim input credits on the purchase as well;

(j) instruction in a recreational or athletic activity (such as adult exercise classes);

(k) sales of lottery, raffle and break-open tickets (a special exemption for these is provided under section 5.1);

(l) instructional services supplied by educational institutions (Specific exemptions for educational services are contained in Part III of this Schedule); and

(m) admissions to university or college seminars, conferences or similar events.

Section 3 Volunteer exemption for charities

Where a charity supplies property or services in the course of a business, or an activity that is not part of an on-going business, those

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supplies are exempt under this section if, overall, the day-to-day administrative and other functions involved in carrying on the business or activity are performed substantially (meaning 90 percent or more) by volunteers. It should be noted that for the purpose of this test, periodic meetings of a board of directors or similar body responsible for overseeing the affairs of the business or activity are not considered to be part of the "day-to-day" functions.

Paragraph (c) addresses the situation where a charity operates a business that does not meet the volunteer test overall but, in the course of that business, the charity establishes a special volunteer-run program. For example, a community centre may be operated primarily by paid support staff and instructors, but still offer a special program (e.g., a series of exercise classes for senior citizens) where the instructors are all volunteers. While the community centre as a whole would not qualify as being volunteer-run under paragraph (a), the senior's program would fall under the exemption in paragraph (c). Therefore, charges for admission to the program would be exempt.

The volunteer exemption does not apply in the case of:

- zero-rated supplies;
- supplies considered to have been made by the charity as a result of the change of use of property;
- supplies of property used in a commercial activity of the charity;
- gambling activities (a special exemption is provided under sections 5.1 and 5.2 for certain gambling events); or
- sales of real property.

Section 4 Certain fund-raising activities by volunteers

The general volunteer exemption described above exempts sales by volunteers in the course of special fund-raising events carried out by charities. However, other public sector bodies such as non-profit sports clubs often undertake similar fund-raising activities. This section exempts sales made by such organizations otherwise than in the course of a business where the salespersons are volunteers, the items sold do not exceed \$5 in value and are not sold at an event where similar supplies are made by persons in the business of selling such property (e.g., sales of food on a fair ground). Sales of alcoholic beverages and tobacco products do not qualify for this exemption.

Section 5 Admissions to non-commercial gambling events

Under this section, admissions to gambling events are exempt when the event is carried out exclusively (i.e., 90 percent or more) by volunteers and, in the case of a bingo session or casino event, the games are not held in a commercial hall or other place used principally for conducting gambling activities. Gambling proceeds to the charity are exempt under sections 5.1 and 5.2.

Section 5.1 Bingos, raffles, etc.

This section exempts the gambling proceeds to a charity or non-profit organization that conducts a bingo or raffle or sells break-open tickets

or similar rights to play or participate in a game of chance. The exemption does not apply to sales by any non-profit organization that is a lottery corporation named in the regulations nor does it apply to any sale by a charity or non-profit organization of rights to play or participate in lotteries conducted by prescribed lottery corporations. While, technically, lottery tickets are taxable, subsection 188(5) entitles lottery corporations to a special notional input tax credit that removes from the GST base the proceeds from lottery sales that are distributed to governments and grant recipients.

Section 5.2 Bets on casino games, races etc.

This section exempts the gambling proceeds to a charity or non-profit organization (other than a prescribed lottery corporation) that conducts a casino event. All pari-mutuel betting on horse races is also exempt under this section. However, any admissions to casino parlours and race tracks are taxable.

Sections 6 to 10 Nominal consideration ✓

These sections provide exemptions for certain supplies made for consideration which does not exceed the direct cost of the supplies and supplies that are made for no consideration at all.

Section 6 exempts a supply of a service made in the course of a business where the consideration for the supply does not exceed its direct cost (as defined in section 1 of this Part). This exemption would apply, for example, in the case where a public sector body contracts with outside professionals to provide services to its clients and the charge by the public sector body to the client does not exceed the professional's fee to the organization.

Similarly, where a public sector body ordinarily sells inventory for no more than it pays for the goods (including any net GST payable by the body), those sales are exempt. However, if an organization normally sells particular goods for a price that includes a mark-up, and it decides to sell off excess stock at cost, such sales do not qualify for the exemption.

It should also be noted that there may be cases where there is more than one normal selling price for goods or services supplied by a public sector body, depending on the class of recipient. For example, in the case of the professional contract services mentioned above, the usual charge to the client may vary depending on the client's ability to pay. Fees charged to clients whose income is under a certain threshold might recover only the direct cost of the service and therefore would be exempt, while higher fees charged to other clients would not qualify for this exemption.

Section 7 applies to services supplied by a public sector body in the course of special events or activities that are not part of an on-going business. In such cases, the services most likely would be performed by the public sector body's own members or employees. Supplies of such services are exempt if the total revenue from those supplies made during the course of the entire event could not reasonably be expected to exceed the total cost of all direct materials consumed in providing the services.

Revenue Canada
Customs and ExciseRevenu Canada
Douanes et AcciseTELEFAX TRANSMISSION SHEET
FEUILLE DE TRANSMISSION PAR TÉLÉFAX

Date

June 12/91

TO / A

Marcelline Forestier

Telefax No. / N° de téléfax

492 - 1186

FROM / DE

Dana

REVENUE CANADA - EXCISE BRANCH

DISTRICT EXCISE OFFICE

15TH FLOOR PARK SQUARE

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REMARKS / REMARQUES

Excerpts from Bill C-62 which amends the Excise
TAX Act to introduce the GST.

Pages

1 + 3

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EDMONTON, ALBERTA

IN CASE OF PROBLEMS DURING TRANSMISSION, CALL
EN CAS DE PROBLÈMES PENDANT LA TRANSMISSION, PRIÈRE DE TÉLÉPHONE AU

1990

Taxe sur les produits et services

29

general commission agent or other independent agent acting in the ordinary course of business) who is acting in Canada on behalf of the particular person and through whom the particular person makes supplies in the ordinary course of business;

"person"
«personne»

"person" means an individual, partnership, corporation, trust or estate, or a body that is a society, union, club, association, commission or other organization of any kind;

"personal property"
«bien meubles»

"personal property" means property that is not real property;

"place of amusement"
«lieu de divertissement»

"place of amusement" means any premises or place, whether or not enclosed, at or in any part of which is staged or held any

(a) film, slide show, sound and light or similar presentation,

(b) artistic, literary, theatrical, musical or other performance, entertainment or exhibition,

(c) fair, circus, menagerie, rodeo or similar event, or

(d) race, game of chance, athletic contest or other contest or game,

and includes a museum, historical site, zoo, wildlife or other park, place where bets are placed and any place, structure, apparatus, machine or device the purpose of which is to provide any type of amusement or recreation;

"precious metal"
«métal précieux»

"precious metal" means a bar, ingot, coin or wafer that is composed of gold, silver or platinum and that is refined to a purity level of at least

(a) 99.5% in the case of gold and platinum, and

(b) 99.9% in the case of silver;

"prescribed"
Version anglaise seulement

"prescribed" means

(a) in the case of a form, the information to be given on a form or the manner of filing a form, prescribed by the Minister, and

(b) in any other case, prescribed by regulation or determined in accordance with rules prescribed by regulation;

«jeu de hasard» Loterie ou autre mécanisme par lequel des prix ou des gains sont attribués à la suite d'une désignation fondée entièrement ou principalement sur le hasard.

«jeu de hasard,
"game of chance"

«juste valeur marchande» Juste valeur marchande d'un bien ou d'un service fourni à une personne, abstraction faite de la taxe exclue de la contrepartie de la fourniture en application de l'article 154.

«juste valeur marchande,
"fair market value"

«lieu de divertissement» Local ou lieu, intérieur ou extérieur, dans tout ou partie duquel sont présentés ou tenus :

«lieu de divertissement,
"place of amusement"

a) films, diaporamas, spectacles son et lumière ou présentations semblables;

b) représentations ou expositions artistiques, littéraires, théâtrales, musicales ou autres;

c) foires, cirques, ménageries, rodéos ou événements semblables;

d) courses, jeux de hasard, concours d'athlétisme ou autres concours ou jeux.

Y sont assimilés les musées, les sites historiques et les parcs zoologiques, fauniques ou autres, les endroits où l'on fait des paris et les endroits, constructions, dispositifs, machines et appareils qui ont pour objet de fournir des divertissements ou des distractions.

«logement en copropriété» Immeuble d'habitation qui est, ou est censé être, un espace délimité dans un bâtiment et désigné ou décrit comme étant une unité distincte sur le plan ou la description enregistrés y afférents, ou sur un plan ou une description analogues enregistrés en conformité avec les lois d'une province, ainsi que tous droits et intérêts fonciers afférents à la propriété de l'unité.

«logement en copropriété,
"residential condominium unit"

«logement provisoire» Immeuble d'habitation ou habitation fournis par bail, licence ou accord semblable, pour être occupé à titre résidentiel ou de pension par un particulier donné pendant une durée de moins d'un mois.

«logement provisoire,
"short-term accommodation"

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Taxe sur les produits et services - Annexe

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(a) a division, department or agency of a government, municipality or school authority, the primary purpose of which is to supply public passenger transportation services, or

(b) a non-profit organization that

- (i) receives funding from a government, municipality or school authority to support the supply of public passenger transportation services, or
- (ii) is established and operated for the purpose of providing public passenger transportation services to disabled individuals.

la partie IX de la loi, qu'il a demandé, ou a le droit de demander, pour le bien ou le service.

«service ménager à domicile» Service ménager ou personnel, notamment le ménage, la lessive, la préparation des repas et la garde des enfants, donné à un particulier qui, en raison de son âge, d'une infirmité ou d'une invalidité, a besoin d'aide.

«service municipal de transport» Service public de transport de passagers (sauf un service d'affrètement ou un service qui fait partie d'un voyage organisé) fourni par une commission de transport et dont la totalité, ou presque, des fournitures consistent en services publics de transport de passagers offerts dans une municipalité et ses environs.

2. A supply made by a charity of any personal property or a service, but not including a supply of

(a) property or a service included in Schedule VI and not included in section 6 or 10; *Zero-rated supply for non-profit*

(b) property or a service the supply of which is deemed under Part IX of the Act to have been made by the charity; *Self-supply*

(c) property (other than capital property of the charity or property that was acquired, manufactured or produced by the charity for the purpose of making a supply of the property) where, immediately before the time tax would be payable in respect of the supply if it were a taxable supply, the property was used (otherwise than in making the supply) in commercial activities of the charity; *If supplied to ITC*

(d) capital property of the charity where, immediately before the time tax would be payable in respect of the supply if it were a taxable supply, the property was used (otherwise than in making the supply) primarily in commercial activities of the charity; *plus réelle, Subject to tax*

(e) tangible property that was acquired, manufactured or produced by the charity for the purpose of making a supply of the property and was neither donated to the charity nor used by another person before its acquisition by the charity, or any service supplied by the charity in respect of such property, other than such property or such a service supplied by the charity under a contract for catering; *New goods for resale, other than donated goods or catered meals*

(f) property made by way of lease, licence or similar arrangement in conjunction with a supply of real property included in paragraph 25(f); *rental of equipment or rental of space*

(g) property or a service made by the charity under a contract for catering for an event or occasion sponsored or arranged by another person who contracts with the charity for catering; *catering contract*

(h) an admission in respect of a place of amusement or a membership where the membership

(i) entitles the member to supplies of admissions in respect of a place of amusement that would be taxable supplies if they were made separately from the supply of the membership, or to discounts on the value of consideration for such supplies, or

(ii) includes a right to participate in a recreational or athletic activity, or use facilities, at a place of amusement.

2. La fourniture de biens meubles ou de services par un organisme de bienfaisance, sauf la fourniture :

a) d'un bien ou d'un service figurant à l'annexe VI, mais non à l'article 6 ou 10;

b) du bien ou du service qui, aux termes de la partie IX de la loi, est réputé fourni par l'organisme;

c) du bien, sauf l'immobilisation de l'organisme ou un bien qu'il a acquis, fabriqué ou produit en vue de le fournir, qui, immédiatement avant le moment où la taxe serait payable relativement à la fourniture s'il s'agissait d'une fourniture taxable, était utilisé (autrement que pour effectuer la fourniture) dans le cadre des activités commerciales de l'organisme;

d) de l'immobilisation de l'organisme qui, immédiatement avant le moment où la taxe serait payable relativement à la fourniture s'il s'agissait d'une fourniture taxable, était utilisé (autrement que pour effectuer la fourniture) principalement dans le cadre des activités commerciales de l'organisme;

e) du bien corporel que l'organisme acquiert, fabrique ou produit en vue de le fournir et qui n'a pas été donné à l'organisme ni utilisé par une autre personne avant son acquisition par l'organisme, ou du service que l'organisme fournit relativement au bien, à l'exception d'un tel bien ou service que l'organisme fournit en exécution d'un contrat pour des services de traiteur;

f) d'un bien, effectuée par bail, licence ou accord semblable, conjointement avec la fourniture d'un immeuble visé à l'alinéa 25(f);

g) du bien ou du service par l'organisme en exécution d'un contrat pour des services de traiteur lors d'un événement commandité ou organisé par l'autre partie contractante;

h) du droit d'entrée dans un lieu de divertissement ou du droit d'adhésion qui :

(i) donne au membre le droit de recevoir des fournitures de droits d'entrée dans un lieu de divertissement — lesquelles fournitures seraient taxables si elles étaient effectuées séparément de la fourniture du droit d'adhésion — ou le droit à des rabais sur la valeur de la contrepartie de telles fournitures,

those normally made by business. Sec. 36.6 override w. volunteer activities & nominal consideration

except where the value of the supplies, discounts or right described in subparagraph (i) or (ii) is insignificant in relation to the consideration for the membership;

(i) services of performing artists in a performance where the supply is made to a person who makes taxable supplies of admissions in respect of the performance;

(j) a service involving, or a membership or other right entitling a person to, supervision or instruction in any recreational or athletic activity; *ex: aerobics classes*

(k) a right to play or participate in a game of chance; *evening 5.1*

(l) a service of instructing individuals in, or administering examinations in respect of, any course where the supply is made by a vocational school, as defined in section 1 of Part III, or a school authority, public college or university; or

(m) an admission in respect of a seminar, conference or similar event supplied by a university or public college.

(ii) comprend le droit de prendre part à une activité récréative ou sportive dans un tel lieu ou d'y utiliser les installations,

sauf si la valeur des fournitures, rabais ou droits visés au sous-alinéa (i) ou (ii) est négligeable par rapport à la contrepartie du droit d'adhésion;

f) des services d'artistes exécutants d'un spectacle, si l'acquéreur de la fourniture est la personne qui effectue des fournitures taxables de droits d'entrée au spectacle;

j) d'un service de supervision ou d'enseignement dans le cadre d'une activité récréative ou sportive, ou d'un droit d'adhésion ou autre droit permettant à une personne de bénéficier d'un tel service;

k) du droit de jouer à un jeu de hasard ou d'y participer;

l) d'un service consistant à donner des cours à des participants, ou les examens y afférents, si la fourniture est effectuée par une école de formation professionnelle, au sens de l'article 1 de la partie III, ou par une administration scolaire, un collège public ou une université;

m) d'un droit d'entrée à un colloque, une conférence ou un événement semblable, effectuée par une université ou un collège public.

3. A supply made by a charity of any property or service where

(a) the supply is made in the course of a business of making supplies of such property or such a service or of similar property or services carried on by the charity, and the day-to-day administrative functions and other functions performed in carrying on the business are performed exclusively by volunteers;

(b) the supply is made in the course of an activity engaged in by the charity otherwise than in the course of, or as part of, a business referred to in paragraph (a), and the day-to-day administrative functions and other functions performed in carrying on the activity, including the provision of any property or service in the course of the activity, are performed exclusively by volunteers; or

(c) the property or service is, and is represented to prospective recipients to be, supplied as part of a program established by the charity that consists of a series of classes or other activities and the non-administrative functions performed in providing the activities are performed exclusively by volunteers;

but not including a supply of

(d) property or a service included in paragraph 2(a), (b), (c), (d) or (k); *ex: sale of property used in charity activity*

(e) an admission in respect of a place of amusement at which bets are placed or a game of chance is conducted, or

(f) real property made by way of sale.

4. A supply of tangible personal property (other than alcoholic beverages or tobacco products) made by way of sale by a public sector body where

3. La fourniture de biens ou de services par un organisme de bienfaisance, si, selon le cas:

a) la fourniture est effectuée dans le cadre de l'entreprise de l'organisme qui consiste à fournir de tels biens ou services ou des biens ou services semblables, et les tâches administratives quotidiennes et autres tâches qui interviennent dans l'exploitation de l'entreprise sont accomplies exclusivement par des bénévoles;

b) la fourniture est effectuée dans le cadre d'une activité que l'organisme exerce autrement que dans le cadre de l'entreprise visée à l'alinéa a), et les tâches administratives quotidiennes et autres tâches qui interviennent dans l'exercice de l'activité, y compris la livraison de biens ou la prestation de services dans le cadre de l'activité, sont accomplies exclusivement par des bénévoles;

c) le bien ou le service est fourni, ou est présenté aux acquéreurs éventuels comme devant être fourni, dans le cadre d'un programme établi par l'organisme qui comporte une série de cours ou d'autres activités, et les tâches non administratives qui interviennent dans l'exercice des activités sont accomplies exclusivement par des bénévoles.

Les fournitures suivantes ne sont pas exonérées:

d) la fourniture de biens ou de services visés à l'alinéa 2a), b), c), d), ou k);

e) la fourniture du droit d'entrée dans un lieu de divertissement où des paris sont engagés ou des jeux de hasard organisés;

f) la fourniture d'un immeuble par vente.

4. La fourniture par vente d'un bien meuble corporel (sauf les boissons alcooliques et les produits du tabac) effectuée par un organisme du secteur public si, à la fois:

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Revenue Canada
Customs and ExciseRevenu Canada
Douanes et AcciseTELEFAX TRANSMISSION SHEET
FEUILLE DE TRANSMISSION PAR TÉLÉFAX

Date

June 12

TO / A

Marcelline Forestier

Telefax No. / N° de téléfax

492 - 1186

FROM / DE

Donna
REVENUE CANADA - EXCISE BRANCH

DISTRICT EXCISE OFFICE

15TH FLOOR PARK SQUARE

10001 BELLAMY HILL ROAD

EDMONTON, ALBERTA

T5J 4P5

Telephone No. / N° de téléphone

495-3420

REMARKS / REMARQUES

As per our telephone conversation. I am also mailing an information
booklet re: Charities and the Non-registrant rebate
application

Pages

Telefax No. / N° de téléfax

Location / Endroit

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EDMONTON, ALBERTA

IN CASE OF PROBLEMS DURING TRANSMISSION, CALL
EN CAS DE PROBLÈMES PENDANT LA TRANSMISSION, PRIÈRE DE TÉLÉPHONER AU

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presentation includes only the rental cost of film and equipment used for the presentation.

For purposes of determining direct cost, the consideration for supplies made to a public sector body includes the applicable GST, net of any input tax credits or rebates which the organization may be entitled to claim.

"homemaker service" This defines the services which are exempted under section 16 of this Part when provided on a subsidized basis to individuals.

"municipal transit service" Under Section 24 of this Part, municipal transit services are exempt. A public passenger transportation service is considered to be a municipal transit service if it is supplied by a transit authority (defined below) and at least 90 per cent of those services are within a particular municipality and its surrounding areas. Specifically excluded from the definition of municipal transit service are charter services and sightseeing tours provided by a transit authority.

"transit authority" Municipal transit services provided by a transit authority are exempt from GST. For purposes of this exemption, transit authority includes a division of a government, municipality or school authority that is established to provide such services. It also includes non-profit organizations in receipt of subsidies from governments to provide municipal transit services, as well as non-profit organizations (whether or not subsidized), if they are established and operated to provide transportation services to disabled individuals.

Section 2 General exemption for charities

Under this section, all supplies of goods and services by charities are exempt from GST, except for the list of supplies set out in paragraphs (a) to (m). The supplies included in this list are of a type generally made by commercial businesses.

It is important to note that any particular supply excluded from the general exemption for charities may still be exempt under one of the overriding exemptions provided in other sections of this Schedule. Two particularly noteworthy overriding exemptions are provided in sections 3 and 6 of this Part which deal, respectively, with volunteer activities and supplies made for nominal consideration.

The following are excluded from the general exemption for charities:

(a) a zero-rated supply For example, the sale of prescription drugs or medical devices is zero-rated, except where the supply is made free-of-charge or for nominal consideration. Consequently, if a hospital sells prescription drugs out of a pharmacy, no GST applies and the hospital is able to claim full input tax credits on purchases for use in operating the pharmacy. However, if a charity supplies a medical device, such as a wheelchair, free-of-charge or for nominal consideration, the supply is treated as exempt. In this case, the charity would not be able to claim input tax credits for purchases for use in making the exempt supply. Of course, since wheelchairs are sold tax-free throughout the production-distribution chain, the charity will not have paid tax on the original acquisition of the devices;

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(b) deemed supplies (that is, any supply considered to have been made by the charity). An example would be where a charity appropriates, for the benefit of an employee, goods for which it has claimed an input tax credit;

(c) & (d) property used in a commercial activity Given that the charity is entitled to claim input tax credits in respect of non-capital property acquired for use in a commercial activity, or capital property primarily used in a commercial activity, the resupply of such properties by the charity is subject to tax;

(e) new goods acquired or produced for resale purposes (other than catered meals or donated goods);

(f) short-term rentals of personal property with real property This applies where the property is supplied in conjunction with the short-term rental of commercial real property (e.g., the rental of a photo lab and processing equipment);

(g) catering services This applies only to catering for private functions or events (e.g., weddings). Catered meals sold by a hospital to a nursing home or an organization such as Meals-On-Wheels are exempt;

(h) admissions to a place of amusement (defined in section 123 of the Act) including museums, recreational complexes, theatres, and bingo halls and casinos are taxable. Also taxable are memberships in recreational clubs and other organizations that provide otherwise taxable admissions to members for no extra charge or for significant discounts;

(i) the professional services of performing artists These services are taxable when provided under a contract with another organization which is staging a professional performance (e.g., a symphony orchestra supplies its services to an opera company). In effect, this is a relieving measure as it allows the supplier to claim input tax credits in respect of the supply, recognizing that the purchaser (e.g. the opera company) can claim input credits on the purchase as well;

(j) instruction in a recreational or athletic activity (such as adult exercise classes);

(k) sales of lottery, raffle and break-open tickets (a special exemption for these is provided under section 5.1);

(l) instructional services supplied by educational institutions (Specific exemptions for educational services are contained in Part III of this Schedule); and

(m) admissions to university or college seminars, conferences or similar events.

Section 3 Volunteer exemption for charities

Where a charity supplies property or services in the course of a business, or an activity that is not part of an on-going business, those

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supplies are exempt under this section if, overall, the day-to-day administrative and other functions involved in carrying on the business or activity are performed substantially (meaning 90 percent or more) by volunteers. It should be noted that for the purpose of this test, periodic meetings of a board of directors or similar body responsible for overseeing the affairs of the business or activity are not considered to be part of the "day-to-day" functions.

Paragraph (c) addresses the situation where a charity operates a business that does not meet the volunteer test overall but, in the course of that business, the charity establishes a special volunteer-run program. For example, a community centre may be operated primarily by paid support staff and instructors, but still offer a special program (e.g., a series of exercise classes for senior citizens) where the instructors are all volunteers. While the community centre as a whole would not qualify as being volunteer-run under paragraph (a), the senior's program would fall under the exemption in paragraph (c). Therefore, charges for admission to the program would be exempt.

The volunteer exemption does not apply in the case of:

- zero-rated supplies;
- supplies considered to have been made by the charity as a result of the change of use of property;
- supplies of property used in a commercial activity of the charity;
- gambling activities (a special exemption is provided under sections 5.1 and 5.2 for certain gambling events); or
- sales of real property.

Section 4 Certain fund-raising activities by volunteers

The general volunteer exemption described above exempts sales by volunteers in the course of special fund-raising events carried out by charities. However, other public sector bodies such as non-profit sports clubs often undertake similar fund-raising activities. This section exempts sales made by such organizations otherwise than in the course of a business where the salespersons are volunteers, the items sold do not exceed \$5 in value and are not sold at an event where similar supplies are made by persons in the business of selling such property (e.g., sales of food on a fair ground). Sales of alcoholic beverages and tobacco products do not qualify for this exemption.

Section 5 Admissions to non-commercial gambling events

Under this section, admissions to gambling events are exempt when the event is carried out exclusively (i.e., 90 percent or more) by volunteers and, in the case of a bingo session or casino event, the games are not held in a commercial hall or other place used principally for conducting gambling activities. Gambling proceeds to the charity are exempt under sections 5.1 and 5.2.

Section 5.1 Bingos, raffles, etc.

This section exempts the gambling proceeds to a charity or non-profit organization that conducts a bingo or raffle or sells break-open tickets

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or similar rights to play or participate in a game of chance. The exemption does not apply to sales by any non-profit organization that is a lottery corporation named in the regulations nor does it apply to any sale by a charity or non-profit organization of rights to play or participate in lotteries conducted by prescribed lottery corporations. While, technically, lottery tickets are taxable, subsection 188(5) entitles lottery corporations to a special notional input tax credit that removes from the GST base the proceeds from lottery sales that are distributed to governments and grant recipients.

Section 5.2 Bets on casino games, races etc.

This section exempts the gambling proceeds to a charity or non-profit organization (other than a prescribed lottery corporation) that conducts a casino event. All pari-mutuel betting on horse races is also exempt under this section. However, any admissions to casino parlours and race tracks are taxable.

Sections 6 to 10 Nominal consideration ✓

These sections provide exemptions for certain supplies made for consideration which does not exceed the direct cost of the supplies and supplies that are made for no consideration at all.

Section 6 exempts a supply of a service made in the course of a business where the consideration for the supply does not exceed its direct cost (as defined in section 1 of this Part). This exemption would apply, for example, in the case where a public sector body contracts with outside professionals to provide services to its clients and the charge by the public sector body to the client does not exceed the professional's fee to the organization.

Similarly, where a public sector body ordinarily sells inventory for no more than it pays for the goods (including any net GST payable by the body), those sales are exempt. However, if an organization normally sells particular goods for a price that includes a mark-up, and it decides to sell off excess stock at cost, such sales do not qualify for the exemption.

It should also be noted that there may be cases where there is more than one normal selling price for goods or services supplied by a public sector body, depending on the class of recipient. For example, in the case of the professional contract services mentioned above, the usual charge to the client may vary depending on the client's ability to pay. Fees charged to clients whose income is under a certain threshold might recover only the direct cost of the service and therefore would be exempt, while higher fees charged to other clients would not qualify for this exemption.

Section 7 applies to services supplied by a public sector body in the course of special events or activities that are not part of an on-going business. In such cases, the services most likely would be performed by the public sector body's own members or employees. Supplies of such services are exempt if the total revenue from those supplies made during the course of the entire event could not reasonably be expected to exceed the total cost of all direct materials consumed in providing the services.