

MEMORANDUM

To: Bird Studies Canada staff

Subject: Tax Relief Policy & Procedure (revised)

Date: 1 March 2006

The following is a description of the current “Cheque Exchange” policy available to volunteers of select Bird Studies Canada programs. This policy was put in place in accordance with guidelines established by Revenue Canada as a way to compensate volunteers for expenses incurred during the course of volunteering, by providing them with a *tax receipt*. Income tax guidelines state that a charity can pay for services rendered and later accept the return of all or a portion of the payment as a gift, provided it is returned voluntarily.

Volunteers file a tax relief claim form, provided by BSC, and attach a cheque made out to BSC for the total amount of expenses. This payment may also include an additional donation. Upon receipt and approval of this claim, BSC accounting staff issue a cheque in the same amount (less any additional donation) to the volunteer. The volunteer is then sent a tax-receipt in the amount of expenses claimed plus any additional donation. The volunteers’ cheque is then deposited into BSC’s account after a 1-week waiting period.

Under the current policy, approved programs for Tax Relief are:

- Breeding Bird Survey
- Nocturnal Owl Survey
- Red-shouldered Hawk & Spring Woodpecker Survey
- New Brunswick Forest Hawks Survey
- Marsh Monitoring Program
- Coastal Waterbird Survey
- Beached Bird Survey
- H.E.L.P
- LPBO program (Volunteer Field Biologists, Friends of LPBO)

Projects chosen are typically those where the volunteers are required to travel away from their homes at a particular time to survey a route/area that is of key interest to BSC or in a case where the volunteer expends a considerable amount of direct expenditures in support of BSC projects (e.g LPBO volunteers). Programs like the CLLS, CBC, and PFW, which engage volunteers in more “recreational” types of birding activities are normally not eligible. Some exceptions are extended to other programs. One common example is in the case of project “Ambassadors” (e.g. CLLS), who volunteer additional hours to attend meetings and distribute materials in promotion of the project.

Acceptable expenses for cheque exchange are divided into two categories: 1. *Mileage and other transportation* and 2. *Out-of-Pocket expenses*.

Mileage is compensated at BSC's standard rate of \$0.35/km, which is applied to all provinces and territories in Canada. This covers all expenses associated with the use of personal vehicles (fuel, insurance, etc.). The rate is subject to change, in accordance with BSC's policy for compensation for staff travel. Other Transportation includes fares related to travel by bus, train, air, and ferry.

Out-of-pocket expenses are divided into three categories: Food, Accommodation, and Other. The "other" category is used for miscellaneous project materials, which are used solely for the purposes of the survey (e.g. new batteries, timer, flashlight, insect repellent). It also includes such things as long-distance telephone charges, photocopying, and postage/courier. It does not include equipment such as binoculars, cameras, GPS units, or clothing.

In order for a claim to be processed, receipts must be attached for Other Transportation and Out-of-pocket expenses. Receipts are not necessary for mileage. Only Canadian participants are eligible for tax relief through BSC.