



Creating a Better World
Créer un monde meilleur



MEMO FROM NATIONAL OFFICE

TO: Council Executive Directors and Council Commissioners

Re: Eligibility of Fees for the Children's Fitness Tax Credit

March 31, 2009 – We have followed up with the Canada Revenue Agency (CRA) regarding the eligibility of Scouts Canada's programs for the Children's Fitness Tax Credit.

Our understanding from the CRA is that the eligible amount needs to be noted clearly on the receipt. Tax receipts from Scouts Canada for this year (the 2008 tax year) did not contain a line item on the receipt. This has resulted in some claims not being accepted.

Scouts Canada is recommending that participating members claim 100 per cent of the registration fee (the full cost of a child's membership) as eligible for the Children's Fitness Tax Credit. If a parent has not yet submitted his or her claim, they should take the following step:

Print off a copy of the letter posted on the home page of our web site titled "***Letter from Scouts Canada - Clarification regarding the Children's Fitness Tax Credit***" and send it to the CRA along with your tax receipt. The letter states that 100 per cent of the membership fees paid for participation in Scouts Canada are eligible for the children's fitness tax credit (since more than 50 per cent of the activities offered to children who participate in our programs include a significant amount of physical activity). **It is our understanding from the CRA that it will accept this cover letter along with your original receipt and you should be eligible to receive the Children's Fitness Tax Credit.**

If a parent has already submitted and been denied the Children's Fitness Tax Credit for this year's tax return, and they wish to resubmit their claim, they should send in a copy of the letter along with their original receipt.

For next year, it will be necessary to modify the tax receipt to include the required eligibility details on the receipt. We have attached the "***Letter from Scouts Canada - Clarification regarding the Children's Fitness Tax Credit***" for your information. You do not need to forward it, as it is posted and can be retrieved from the home page of our web site. Hope this clarifies the situation.

J. Robert (Rob) Stewart
Executive Commissioner & Chief Executive Officer
Commissaire général et directeur general