



# Taxable Gifts Policy

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## Purpose:

To provide guidance on taxable gifts to employees, contractors, volunteers and work experience students.

## Statement of Principle:

In a commitment to professionalism, transparency, accountability and in compliance with the legislative requirements; EPS, employees, contractors, volunteers and work experience students should ensure they are compliant with the regulation set out by Canada Revenue Agency (CRA).

## Policy Statement:

1. According to the CRA, cash and near-cash gifts are always a taxable benefit for employees, contractors and their family members regardless of the amount. In consideration of CRA requirements, EPS employees **shall not** give cash and near-cash gifts to fellow employees or contractors using EPS funds.

A near-cash item is one that can be easily converted to cash such as a gift certificate, gift card, securities, or stocks.

2. EPS employees who wish to give non-taxable gifts using EPS funds under their command or otherwise should consider the following guidance from the CRA.

Items of small or trivial value will not be considered a taxable benefit. Examples of items for small or trivial value may include:

- coffee or tea (no gift certificates),
  - t-shirts, hats, socks with the EPS logos,
  - mugs, water bottles etc., and
  - pins, plaques or trophies.
3. It is not considered a taxable gift if a supervisor is giving a gift or participating in gift exchanges, using their own monies and is not using EPS funds.



4. Gift cards and gift certificates given to non-employees such as volunteers and work experience students are not taxable if:
  - a. there is no expectations for remuneration for their service, and
  - b. the gift is not in lieu of any services.
5. It is therefore acceptable for gift certificates (or gift cards) and non-cash gifts to be given to volunteers and / or work experience students provided that the combined total value does not exceed \$500 in a calendar year.

EPS employees shall follow the Taxable Gifts Procedures.

6. For further information, contact Pay and Benefits Section or Financial Planning and Reporting Section.