



|                                      |                          |                             |
|--------------------------------------|--------------------------|-----------------------------|
| Manual Part:<br>Human Resources (HR) | Policy Number:<br>HR23PO | Alberta Policing Standards: |
|--------------------------------------|--------------------------|-----------------------------|

# Taxable Gifts Policy

---

## 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.



|  |  |                                    |
|--|--|------------------------------------|
| <b>Manual Part:</b><br><b>Human Resources (HR)</b> | <b>Policy Number:</b><br><b>HR23PO</b> | <b>Alberta Policing Standards:</b> |
|--|--|------------------------------------|

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.