

January 2007

TREASURER'S UPDATE

BY: HEIDI BRAUER, CMA

GST WORKSHOPS

1. Not-For-Profit Groups (those *without* charity status)

➤ February 22, 2007

2. Charity Status Groups (those *with* a Federal Charity Number)

➤ March 01, 2007

**See Registration Flyer in this
mailing.**

December Draw Winner

**Terry Day
Highwood CA**

Won the \$ 50 gift certificate for
the Bay from Smith Insurance
Brokers Ltd. to supplement her
Christmas shopping fund.

Congratulations Terry!



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WORKSHOPS

We had a very informative workshop in December about various grants available to community associations. Participants had a choice between **CFEP** and **CIP**. John Bracegirdle from Edmonton conducted the workshop, and we would like to thank him for his informative presentation.

We also handed out information and discussed the City of Calgary Capital Conservation Grant, which can be used as a matching grant.

At this workshop, participants expressed the desire to have workshops for the **Wild Rose, Alberta Sports and Wildlife** and the **Calgary Foundation** grants. I already contacted the presenters. We have not yet decided on the exact date. Watch for our February newsletter, where we will announce the date. It will be in March of this year.

Alberta Gaming is again conducting free workshops in Calgary in February and March for Gaming Information for Charitable Groups (**GAIN**) and Use of Proceeds. Check the Alberta Gaming website for the dates www.aglc.gov.ab.ca.

We are trying to be as pro-active as possible to help you with the administration of your organizations, but we don't always know what you need, so please contact me if there are other workshops you are interested in. We do not conduct workshops for accounting programs, as there are other organizations which specialize in this field, however if you need help in setting up your Simply Accounting file we can be of assistance.

GIFI CODES

Not for profit groups filing a T2 Short will have to attach Schedules 100 and 125, which breaks the financial data down into GIFI (General Index of Financial Information) codes. Yes, this will be additional work for you, but you will not have to attach your financial statements any longer.

To receive the codes and the schedules, you can access the Canada Revenue Agency website at www.cra-arc.gc.ca, press "English", then click on Forms and Publications, then "Forms listed by number", "T2 Short" and scroll down to "T2 Sch 100 E" and "Sch 125 E". You can print out the forms, which will include instructions and the GIFI codes.

Transfer the information from your financial statements according to these codes and remit with your T2 Short to the Canada Revenue Agency

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Children's Fitness Tax Credit

The Government of Canada proposes to allow, starting in 2007, a non-refundable tax credit on eligible amounts of up to \$ 500 paid by parents to register a child in an eligible program of physical activity.

This information is based on legislation, that has been tabled in the House of Commons, but that has not yet become law.

As community associations, which have sports programs for children under 16 years of age, could be affected by this, it is important to prepare for it.

As with most other non-refundable tax credits, the credit is calculated by multiplying the eligible amount by the lowest marginal tax rate (\$15.5% in 2007).

In order to **qualify** for the tax credit, the program must be:

- ongoing (either a minimum of eight weeks duration with a minimum of one session per week or, in the case of children's camps, five consecutive days);
- supervised
- suitable for children; and
- substantially all of the activities must include a significant amount of physical activity, that contributes to cardio-respiratory endurance, plus one or more of: muscular strength, muscular endurance, flexibility or balance.

Starting in 2007, the organization will have to provide receipts for eligible programs, which should include the following:

- Organization's name and address
- Name of the eligible program or activity
- Total amount received, date received, and the amount that is eligible for the children's fitness tax credit
- Full name of the payer
- Name of the child and the child's year of birth
- Authorized signature

Please keep in mind, only payments physically made in 2007 may qualify.
NOTE: if someone paid in 2006 for a program in 2007, this payment does not qualify.

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