



Office of the Prime Minister  
80 Wellington Street  
Ottawa, ON K1A 0A2

May 11, 2016

Dear Prime Minister Trudeau,

The Canadian School Boards Association unanimously supports BILL C-241, An Act to amend the Excise Tax Act (school authorities). This proposed bill would amend the Excise Tax Act so as to increase the goods and services tax rebate rate for school authorities from 68% to 100%.

School boards across the country are funded through provincial government grants and, to some degree, through federal transfer payments. While funding levels may vary slightly from province to province, the range is between 85% and 100% government grants-based.

This funding is tax-generated. Therefore, charging the GST on school board purchases means that the federal government is, in effect, adding a layer of taxation. This form of double taxation costs school boards millions of dollars, makes no sense, and takes money away from the classrooms where it belongs.

Canadian school boards continuously strive to innovate, to streamline, and become more effective in the face of increasingly restricted resources. The GST exacerbates these struggles. In addition, it imposes a complicated and expensive administrative burden. The current system of rebates, claims, and payments is onerous and complex and, in pursuit of maximizing resources for students, school boards are obliged to engage expertise to help obtain the largest rebates possible while complying with regulations. In fact, the federal government has offered courses to boards to help deal with the complexity.

This is not about the federal government sending money to school boards; it is about stopping the claw-back of the support provided through provincial grants and federal transfer payments. It is illogical that school boards, as publicly funded – *taxpayer funded* – institutions, should be paying the Goods and Services Tax.

All provincial governments share the desire to maintain the high quality of public education for which Canada is admired around the world. We believe that it is the intent of the federal government to support school boards in their pursuit of excellence. We call on the government to recognize the value of efficiency in ensuring that school boards across Canada can maximize the revenues that provincial taxpayers provide to support education. We urge your government to support BILL C-241, An Act to amend the Excise Tax Act (school authorities).

Sincerely,

Janet Foord  
President  
Canadian School Boards Association