



Manitoba Co-operator (Winnipeg, MB)

Order/Commande

129713

Date 11.03.2010

Circ.

14000

Page

56

1 / 1

Supporting research lowers your taxes

WGRF RELEASE

The federal government annually provides a Scientific Research and Experimental Development (SR&ED) tax credit to producers offering them money back on their checkoff investments.

The tax credit percentage for producers who contributed to the Wheat and Barley Checkoff (administered by the Western Grains Research Foundation) in 2009 are 83 per cent for wheat and 76 per cent for barley.

It should be noted that the checkoff on barley in Alberta is collected by the Alberta Barley Commission and will be subject to a tax credit rate of 23 per cent.

The percentages above are calculated by looking at the amount of the checkoff dollars spent directly on research, this is then determined to be the eligible portion. Each checkoff organization may vary, as they will have their own eligible percentage.

The tax credit is earned at a rate of 20 per cent for individuals and 35 per cent for corporate producers that are Canadian-controlled private corporations (CCPC).

Producers who choose to opt out of the program are not eligible for the tax credit.

If a producer contributed \$300 to the Wheat Checkoff in 2009, the eligible amount would be calculated by taking 83 per cent (the wheat percentage) of the \$300 = \$249.

If the producer files taxes as an individual they would take the \$249 and would earn 20 per cent of this amount as a tax credit (\$49.80).

For producers who file as a corporation, they would earn 35 per cent of the \$249 as a tax credit or \$87.15.

Producers can visit the WGRF website at www.westerngrains.com under the Current Info tab for links to the Canadian Revenue Agency website where the appropriate forms can be obtained and options for tax credit use are outlined.

