



Mr. Gavin Duncan
Controller
Tradebank Inc. Corporate
264 Welland Avenue
Suite 200
St. Catharines ON L2R 2P8

Voire référence Your file

December 7, 2006 *Notre référence Our file*

Dear Mr. Duncan;

This letter was written in response to your recent inquiry to Client Services at the Canada Revenue Agency regarding the possibility of issuing a donation receipt to a corporation for their donation of trade or “barter” dollars to a Canadian registered charity.

The answer to your question is yes, they can be receipted for the trade dollars. However, the seller(s) of these trade or barter dollars are responsible for collecting appropriate taxes (PST and GST) and remitting these to the government, and these barter dollars are seen as sales that are taxable events and must be reported as income by the seller for income tax purposes.

According to the Rulings Directorate at the Canada Revenue Agency, receipting for a donation of such “barter” or trade dollars can therefore qualify as any donation of a “gift in kind”.

I trust the information provided is sufficient for your purposes at this time. If you need further clarification, please do not hesitate to contact the undersigned at 1-800-267-2384 if you wish to discuss this matter further. You can also write to us at the Charities Directorate, Canada Revenue Agency, Ottawa, Ontario, K1A 0L5.

Yours sincerely,

Chloe Levasseur
Charities Officer
for Elizabeth Tromp,
Director General
Charities Directorate