

Federal Tax Credits & Grants For Employers

Apprenticeship Job Creation Tax Credit (AJCTC)

The AJCTC is a non-refundable tax credit that encourages the hiring of young apprentices in certain high demand trades. An "eligible apprentice" is someone who is working in a Red Seal trade in the first two years of his or her apprenticeship contract.

The AJCTC is equal to 10 per cent of the eligible salaries and wages payable to eligible apprentices. The maximum credit an employer can claim is \$2,000 per year for each eligible apprentice.

For more information on the Apprenticeship Job Creation Tax Credit, visit:

<http://www.cra-arc.gc.ca/tx/ndvdl/tpcs/ncm-tx/rtrn/cmpltng/ddctns/Ins409-485/412/jctc-eng.html>

Canada Job Grant

The Canada Job Grant provides employers with funds to cover the cost of training provided by third-party trainers to train new or existing employees for jobs that need to be filled. Eligible trainers include community and career colleges, trade union centres, and private trainers. Training can take place in a variety of settings including in a classroom, online and in the workplace.

Any business, including not-for-profit organizations, which have a plan to train employees for a new or better job is eligible.

For more information on the Canada Job Grant, visit:

<http://actionplan.gc.ca/en/initiative/canada-job-grant>

The grant may be used to cover the following training costs:

- tuition fees or costs of a training provider;
- mandatory student fees;
- software, textbooks and other required materials; and
- examination fees.

The Government could provide two-thirds of the cost of training, up to a maximum of \$10,000 per grant. Employers will be required to contribute the remaining one-third of training costs.

Employers can apply for a Canada Job Grant directly through their province or territory at:

http://www.esdc.gc.ca/eng/jobs/training_agreements/cjg/info.shtml

Provincial Tax Credits For Employers

Employer's Training Tax Credit

The Employer's Training Tax Credit provides refundable tax credits to employers who employ apprentices enrolled in apprenticeship programs that are administered through the Industry Training Authority. The tax credit includes three elements: the basic tax credit, the completion tax credit and the enhanced tax credit.

For detailed eligibility requirements for employers and information on how to claim all three elements of the Employer's Tax Credit, visit:

http://www.sbr.gov.bc.ca/documents_library/bulletins/cit_013.pdf

Basic Tax Credit

The Basic Tax Credit is based on the salary and wages paid to an eligible apprentice in the first 24 months of a non-Red Seal apprenticeship program.

Level	Before July 1, 2009	After July 30, 2009
First 24 months	10% of eligible salary & wages up to \$2,000	20% of eligible salary & wages up to \$4,000

Completion Tax Credit

The Completion Tax Credit is based on salary and wages paid to an apprentice in the 12 months following the apprentice completing level 3 or higher of technical training or work-based training hours or receiving a certificate. The credit is available for both Red Seal and non-Red Seal apprenticeship programs.

Level	Credit
3	15% of eligible salary and wages up to \$2,500
4	15% of eligible salary and wages up to \$3,000
5	15% of eligible salary and wages up to \$3,000

Enhanced Tax Credit

The Enhanced Tax Credit is available to employers of apprentices who are First Nation or who have disabilities who are also entitled to a basic or completion tax credit or to the federal Apprenticeship Job Creation Tax Credit for the year.

Credits Enhanced Tax Credit Maximum Tax Credit

The Enhanced Tax Credit is available to employers of apprentices who are First Nation or who have disabilities who are also entitled to a basic or completion tax credit or to the federal Apprenticeship Job Creation Tax Credit for the year.

Credits	Enhanced Tax Credit	Maximum Tax Credit
Basic Tax Credit	Before July 1, 2009, 50% of basic tax credit up to \$1,000 After June 30, 2009, 50% of basic tax credit up to \$2,000	Before July 1, 2009, up to \$3,000 After June 30, 2009, up to \$6,000
Completion Credit Level 3	50% of completion tax credit for level 3 up to \$1,250	Up to \$3,750
Completion Credit Level 4	50% of completion tax credit for level 4 up to \$1,500	Up to \$4,500
Completion Credit Level 5	50% of completion tax credit for level 5 up to \$1,500	Up to \$4,500
Federal Apprenticeship Job Creation Tax Credit	Before June 3, 2010, 15% of eligible salary and wages up to \$1,000 After June 2, 2010, 5.5% of eligible salary and wages up to \$1,000	Up to \$1,000

For further information on the basic tax credit, completion tax credit and the enhanced tax credit, please visit:

<http://www2.gov.bc.ca/gov/topic.page?id=0D8636D5ECA0476F888043C3B9D77DCB&title=Training%20Tax%20Credit%20For%20Employers>