

Financial Assistance For Apprentices & Tradespeople

Federal

Apprenticeship Incentive Grant (AIG)

The AIG is a taxable cash grant available to registered apprentices who have successfully finished their first or second year/level (or equivalent) of an apprenticeship program in one of the Red Seal trades.

An apprentice must be:

- a Canadian citizen, permanent resident or protected person
- not a high school student
- a registered apprentice with an employer, training trust fund, union training centre, joint apprenticeship training committee or apprenticeship authority
- in a Red Seal trade program that is designated as such in the province or territory where he or she is registered as an apprentice
- able to show through required supporting documents that he or she has successfully completed the first or second year/level (or equivalent) within an eligible apprenticeship program
- meet the application deadline of June 30 of the calendar year following the date he or she completed the year/level (or equivalent) for which he or she is applying

This taxable cash grant is for \$1,000 per year, up to a maximum of \$2,000 per person.

For more information on the AIG, including links to access required supporting documents, visit:

<http://www.servicecanada.gc.ca/eng/goc/apprenticeship/incentivegrant/program.shtml>

Apprenticeship Completion Grant (ACG)

The ACG is a taxable cash grant available to registered apprentices who have successfully completed their apprenticeship training and obtained their journey person certification in a designated Red Seal trade on or after January 1, 2009. The cash grant is for \$2,000.

To be eligible, an apprentice must be:

- a Canadian citizen, permanent resident or protected person
- not a high school student
- able to show through required supporting documents that he or she has successfully completed an apprenticeship program as a registered apprentice in a designated Red Seal trade
- meet the application deadline of June 30 of the calendar year following the date he or she completed the apprenticeship program

For more information on the ACG, visit:

<http://www.servicecanada.gc.ca/eng/goc/apprenticeship/completiongrant/program.shtml>

Tradesperson's Tool Deduction

Tradespersons and apprentices may be able to deduct the cost of eligible tools purchased in each taxation year to earn employment income as a tradesperson.

An eligible tool is one that:

- a tradesperson bought to use in his or her job as a tradesperson and was not used for any purpose before it was purchased
- the tradesperson's employer certified as being necessary for the tradesperson to provide as a condition of, and for use in, the individual's job as a tradesperson
- is not an electronic communication device (like a cell phone) or electronic data processing equipment (unless the device or equipment can be used only for the purpose of measuring, locating, or calculating)

Tradespersons may deduct up to a maximum of \$500 for the purchase of eligible tools.

For more information, including how to calculate the tool deduction, visit:

<http://www.cra-arc.gc.ca/tx/ndvdl/tpcs/ncm-tx/rtrn/cmpltnq/ddctns/Ins206-236/229/trds/menu-eng.html>

Tuition Tax Credit for Certification Examination Fees

Workers who incur occupational trade or professional examination fees over \$100 will be eligible for the Tuition Tax Credit if the examination is required to obtain a professional status, certification or license that is recognized by federal or provincial statute and allows the individual to practice the profession or trade within Canada.

Examination fees will qualify if they are paid to a university, college or other educational institution providing courses at a post-secondary level in Canada; an educational institution in Canada that has been certified by Employment and Social Development Canada (ESDC) for courses to develop or improve skills in an occupation, a professional association, a provincial ministry or a similar institution.

For more information on the Tuition Tax Credit, visit:

<http://www.actionplan.gc.ca/en/initiative/tuition-tax-credit-certification-examination-fees>

Canada Apprenticeship Loan

Apprentices can apply for up to \$4,000 in interest-free loans per period of technical training to support them to complete their apprenticeship. Loans will support apprentices to pay for tuition, tools, equipment and living expenses, to cover lost wages and, where applicable, to support one's family.

To be eligible, an apprentice must be:

- registered in a Red Seal Trade apprenticeship program that is designated by the province or territory where you are registered as an apprentice,
- pass a credit check (required if you are applying for the first time)
- be enrolled in block-release technical training or the equivalent full-time technical training with an approved technical training provider.

An apprentice is eligible for up to \$4,000 per period of block training for up to five periods of technical training. Loans are interest-free for up to six years as long as the recipient is confirmed as being registered in a Red Seal Trade apprenticeship program. No payments on the loan are required as long as the loan has interest-free status.

For more information on the Canada Apprenticeship Loan, including links to apply online, visit:

http://www.esdc.gc.ca/en/support_apprentices/loans.page

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Provincial

Training Tax Credit for Apprentices

The Training Tax Credit for Apprentices provides refundable income tax credits for apprentices who are enrolled in 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 apprentices and how to claim all three elements of the Training Tax Credit for Apprentices, visit:

http://www.sbr.gov.bc.ca/documents_library/bulletins/pit_002.pdf

Basic Tax Credit

The Basic Tax Credit is available for apprentices who have completed the requirements for levels 1 and 2 of a recognized program in British Columbia on or after January 1, 2007.

Training Tax Credit	Level Completed	Non-Red Seal Program	Red Seal Program
Basic	1	\$1,000	N/A*
Basic	2	\$1,000	N/A*

*As the federal government provides an Apprenticeship Incentive Grant of \$1,000 to apprentices in the first two years of a Red Seal program, BC does not provide a training tax credit for completing the first two levels of a Red Seal program.

Completion Tax Credit

The Completion Tax Credit is available for an apprentice who has completed the requirements for levels 3, 4 or 5 of a Red Seal or non-Red Seal program on or after January 1, 2007.

Training Tax Credit	Level Completed	Non-Red Seal Program	Red Seal Program
Completion	3	\$2,000	\$2,000
Completion	4	\$2,500	\$2,500
Completion	5	\$2,500	\$2,500

Enhanced Tax Credit

An Enhanced Tax Credit is available to apprentices who are First Nation or who have a disability and are also entitled to a basic or completion tax credit or have received a federal apprenticeship incentive grant for the year.

Training Tax Credit	Level Completed	Non-Red Seal Program	Red Seal Program
Basic & Enhanced	1	\$1,500	\$500*
Basic & Enhanced	2	\$1,500	\$500*
Completion & Enhanced	3	\$3,000	\$3,000
Completion & Enhanced	4	\$3,750	\$3,750
Completion & Enhanced	5	\$3,750	\$3,750

*As the federal government provides an Apprenticeship Incentive Grant of \$1,000 to apprentices in the first two years of a Red Seal program, BC only provides an Enhanced Tax Credit of \$500 for the first two years of a Red Seal program.

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

<http://www2.gov.bc.ca/gov/topic.page?id=DD50515D6A034E06B8EEE17610AD6323&title=Training%20Tax%20Credit%20for%20Apprentices>

Certification Tax Credit

If an apprentice obtained a Certificate of Qualification by successfully challenging a program, they may be entitled to a BC certification tax credit.

See the list of eligible programs and completion requirements here:

http://www.sbr.gov.bc.ca/documents_library/bulletins/pit_002.pdf

Apprentice Financial Support

The Employment Program of BC Apprentice Financial Supports is managed by the Ministry of Social Development and Social Innovation. Through the program, apprentices may be eligible to receive financial assistance to help cover their expenses during technical training.

Assistance may be provided for living supports to assist with basic living expenses, dependent care and childcare expenses, commuting costs, travel costs for relocation to temporary residence at the beginning and end of technical training, disability related costs and living away from home costs to maintain temporary residence.

For more information, visit:

https://www.workbc.ca/WorkBC/media/WorkBC/Documents/Docs/4-5_How-to-Apply-for-EPBC-Apprentice-FS.pdf

<http://www.workbc.ca/Job-Seekers/Employment-Services/Apprenticeship-Training-Supports/Apply-for-financial-supports-online.aspx>