



# Search and Rescue Volunteer Association of Canada (SARVAC) Guidelines - SAR Volunteers Tax Credit (SRVTC)

**Reference: A. Income Tax Act, Excise Act, Payment for Volunteer Services, ITA, 81(4)  
B. Income Tax Act, Excise Act, Search and Rescue Volunteers Tax Credit,  
ITA118.07 (<http://www.fin.gc.ca/drleg-apl/2014/nwmm-amvm-0314-n-eng.asp>)**

## **Purpose**

To provide Volunteer Ground Search and Rescue (GSAR) Associations/Organizations with correct criteria to determine, record and report 'Eligible Volunteer Hours' for a Search and Rescue Volunteers Tax Credit for their respective members regardless of Province /Territory of residence within Canada.

This Tax Credit is a welcomed benefit to the GSAR Volunteers who commit their personal time, effort, and equipment to finding lost persons in their communities. The new Tax Credit (SRVTC) is represents federal recognition of the important role played by search and rescue volunteers in contributing to the security and safety of the citizens and visitors to our country. The establishment of this Search and Rescue Volunteer Tax Credit, is a strong statement on behalf of the Government Canada and the general public in support of our efforts.

## **Qualifying Criteria**

- Volunteers who perform in excess of 200 'Eligible Hours' in a calendar year will be able to claim a **\$3,000** non refundable tax credit on their personal tax return at **15%** credit rate such that they would receive **\$450** in tax savings.
- **The sum of \$3,000 must be entered on Line 395 of your personal tax return.**
- **The credit cannot be claimed in conjunction with any honorarium, bursary or paid service.**
- **The breakdown of Primary Service and Secondary Service is required along with the total number of hours.**
- **The accreditation must appear on Authorized letterhead (SARVAC, attached)**

- **The credit is available for 2014 tax year and beyond. Hours are accumulated based on the calendar year (January 1 to December 31) and cannot be carried forward into the next year.**
- **The credit is nonrefundable and as such, members need to have taxable income and tax payable in the year to benefit from this credit.**
- **If you don't meet the minimum 200 hour criteria, then you are NOT eligible to claim the tax credit.**

### **Primary Service (Mandatory minimum 101+ hours)**

Primary Service is defined as Service in “Direct” support of GSAR Operations.

- Eligible hours for **Primary Services**:
  - Responding to call for a search and rescue or related emergency as a search and rescue volunteer as requested by your respective Authority Having Jurisdiction (AHJ);
  - Being placed on Standby at your place of assembly by your respective (AHJ);
  - Attending Provincial/Territorial meetings for Boards, Associations and Teams; dealing with Provincial/Territorial Operations;
  - Participating in required training both knowledge based and practical skills related to search and rescue services; and
  - Please see detailed breakdown in Primary Services Table 1.

### **Secondary Service**

Secondary Service is service is Service in Support of GSAR Operations

- Eligible hours for **Secondary (other) Services**:
  - Time devoted to assisting the GSAR Unit, Region, Provincial/Territorial Association, or National organization, with general administration including, policies and training package development, Social Media, and event planning;
  - Participation in a community event for the purpose of promoting the organization and the delivery of SAR prevention materials;
  - Participation in maintenance activity of dedicated GSAR equipment, vehicles or vessels; and
  - Participation in fundraising activities at the local level to support the operations of GSAR teams.
- To meet the criteria of the SRVTC, the number of eligible GSAR search and rescue volunteer service hours of **Primary Service** described above, **must exceed**, the number of hours devoted to **Secondary Service**.

- The applicable policies and procedures of the Search and Rescue Volunteer Association of Canada, (SARVAC) shall be applied to determine the number of hours of Primary and Secondary Service for current tax year.
- To be eligible, a Provincial or Territorial GSAR Association or Organization **must** be a member of the Search and Rescue Volunteer Association of Canada (SARVAC).
- The P/T Association or Organization must provide qualified volunteers with a letter of confirmation supporting the 200 hours and attesting to the number of hours of eligible search and rescue services performed by the individual on behalf of the Association/Organization by GSAR team in the current tax year. This letter can also be provided (as directed by SARVAC) by Association/team presidents or other individuals who fill an administrative role. (All hours must be supported with proper documentation)

### **Primary / Secondary Service Hours**

- As per CRA guidance: For the purpose of determining the number of eligible search and rescue volunteer service hours, the number of **Primary Service** hours **must exceed 101**, but the **combined Primary and Secondary** hours must be a **minimum of 200** hours. Some individuals may meet the 200 minimum hour criteria with their Primary hours, before adding any Secondary hours.
- After the minimum requirements have been met, there is no restriction on the amount of hours a volunteer may contribute.
- A few examples of whether an individual is eligible:
 

101 Primary, 99 Secondary	YES, minimum 200 hour criteria met
215 Primary, 25 Secondary	YES, minimum 200 hour and the Primary 101 hour criteria met
78 Primary, 200 Secondary	NO, minimum 101+ Primary criteria not met
105 Primary, 60 Secondary	NO, minimum 200 hour criteria not met

### **Guidelines - Eligible Volunteer Hours**

- Time spent in the following list of activities will be considered ‘Eligible Volunteer Hours’ for the purpose of this reporting:

Type of Activity	Description
<b>Primary Hours (GSAR Operations)</b>	
GSAR Search Calls	Responding to search and rescue and related emergency calls as a search and rescue volunteer as requested by the Authority Having Jurisdiction
Standby	<p>Standby hours are hours spent assembled at a specific location, in preparation of a response to a request from a tasking agency. The individual is unable to freely pursue personal interests.</p> <p>Hours may be also be assigned in a situations where a team/unit manager has requested a volunteer team or specialty team members for a specified period of time. This would require a physical response to an anticipated search activity. Members would be assembled for the purpose of preparing (pre-panning, equipment readiness) for an activation.</p>
Field Training	Practical application of skill sets, requiring hands-on, demonstrating observable performance related to ground search and rescue services.
Classroom Training	<p>Participating in required classroom theoretical subjects related to search and rescue services.</p> <p>Examples include Searcher, Team Leader, SAR Manager, first aid courses, certification courses, etc.</p>
SAR Meetings	Attending GSAR Team/Unit meetings. These should be meetings directed towards the day to day operations of a specific GSAR Provincial Association/team/unit, and not confused with attending Regional, or National administration meetings considered in Secondary Hours below.

Table 1

Type of Activity	Description
<b>Secondary Hours (In Support of GSAR Operations)</b>	
Administration	Time devoted to assisting the GSAR Regional, Territorial, or National organizations with general administration including meetings, policy creation, educational prevention or training package development, and “train the trainer”.
Community Event	Participating in a local community event for the purpose of promoting the GSAR Association/Organization
Maintenance	Participating in the maintenance of dedicated GSAR equipment, vehicles or vessels
SAR Prevention programs	Participating in SAR Prevention activities including public educational seminars, course presentations. These involve local community based prevention programs (survival training, outdoor skills training, and safety programs) supported by SARVAC and P/T Associations, and include the national AdventureSmart suite of programs.
Fundraising	Participating in fundraising activities at the local community level to support the operation of GSAR team/unit

Table 2

### Supporting Volunteer Hours

- A. Support by proper record keeping and documentation - It is of critical importance that in every instance, the collecting and reporting of volunteer hours is controlled such that the person certifying the hours has the ability to support the hours reported to the Canada Revenue Agency should they enquire or audit.
- B. Certification – Each Association or Provincial/Territorial (P/T) organization should ensure that their member teams follow the CRA rules for the Tax Credit being claimed. They should identify the appropriate persons or authority that is able to certify and issue letters of support for hours incurred as defined above. For whatever method of recording hours that is utilized, it is necessary for the person certifying at years-end to be able to support the hours with evidence. These people need to be aware that they are providing evidence to support a tax credit and as such it needs to be treated with the utmost diligence. Any reporting of illegitimate hours in particular could be considered non-compliance with the law. The P/T Associations or organizations can determine the most appropriate person in each circumstance such as the Regional Directors, volunteer supervisors/managers, GSAR Team executives, or others as designated.

- C. Notification to the Volunteer – As per above, all volunteers need to be informed that the hours being reported, is also their (the volunteer) responsibility. They are to ensure that it is a true reflection of the volunteer hours given for the year. It is the Volunteer’s personal tax return that this credit will be applied to. Knowingly providing false information could lead to audit, re-assessment, or legal proceedings against them, and compromise the benefit for all.
- D. Tracking – It is anticipated that for P/T Associations or GSAR organizations who are responsible for volunteer GSAR teams, and are using a type of SAR Management System (SMS), that this system will be able to record and support the hours noted above. In cases where this system is not available or appropriate, it is required that another system is utilized to accumulate and support the hours such as spreadsheets, databases, other software, or a paper based method be put in place.
- E. Timely Reporting – The person(s) responsible for providing the necessary supporting document should do so no later than the end of February each year. This is consistent with other tax document reporting deadlines (i.e. T4, RRSP, etc.). This will allow the eligible member ample opportunity to complete their tax return in a timely manner.

### Other issues

- Volunteer perception – It is clear that a portion of the membership will not be able to achieve 200 hours a year which may have the unintended consequence of members who are upset or discontent. It needs to be made clear to these members that their organization significantly appreciates all the volunteer efforts large or small, and that the tax credit is simply an additional form of recognition and support for active members. This threshold has been set by government, not the GSAR community. This recognition of qualifying members is an added and unexpected benefit for all those who volunteer without expectation of remuneration.
- Inappropriate volunteering – Concern has been raised that certain members of the public may see volunteers use our Associations/Organizations as a method to gain a personal tax credit. SARVAC views this as a remote likelihood especially if all policies herein are followed as per CRA Criteria. The 200 hour requirement is a significant accomplishment and a very low rate of return is received on the volunteer’s investment of time and dedicated efforts. However; it is worth noting that it is up to the Associations/Organizations to continue with appropriate recruiting, screening, and management of applicants to ensure that new members are not joining for the wrong reasons.
- **Line 395 Schedule 1 Federal Tax – Search and Rescue volunteer Tax Credit (SRVTC)**. Please refer to the CRA General Income Tax and Benefit Guide for important filing information for this tax credit and related issues. In addition, go to [www.cra.gc.ca](http://www.cra.gc.ca) and search for “SRVTC” for more information.