



# TAX EXEMPTION INFORMATION FOR THE WAASIGAN PROJECT



***Please note  
this is for  
information  
ONLY.***

*Contact Revenue  
Canada for all rules  
and regulations.*

## QUESTIONS

Please contact Payroll at 780-436-9876 or at [payrolltimesheets@valard.com](mailto:payrolltimesheets@valard.com) regarding any questions or concerns.

Under Canada Revenue Regulations, Valard employees may be eligible for their employment income to be tax exempt if they meet at least one of the following criteria:

1. **All duties performed on reserve.** If 90% or more of employment duties are performed on a reserve, all related income is tax exempt.
2. **Employer is resident on reserve and is a qualifying Indigenous organization.** Even if duties are performed off-reserve, all employment income is usually tax exempt if the employer is a resident on a reserve and is a band, tribal council, or Indigenous organization dedicated to supporting reserve residents, and the duties relate to non-commercial activities for the benefit of Indians living on reserves.
3. **More than 50% of duties performed on a reserve, plus one more connecting factor.** Connecting factors are:
  - the employer is a resident on a reserve; or
  - the employee lives on a reserve.

 **While the Waasigan project route falls within Traditional Lands of First Nations, construction work will not occur within First Nation Reserve Lands.**

## EMPLOYEE RESPONSIBILITY

**Important!** The employee **must fill out both** the TD1 and TD1IN forms provided in their new hire package. All hours worked on First Nations Reserve Land must be tracked daily and validated by the employee's supervisor. The employee is responsible to file yearly tax returns to receive money back from Service Canada.

## VALARD PAYROLL RESPONSIBILITY

Upon confirmation, Valard Payroll will ensure that all T4s will notify Service Canada that the employee qualified under the Indian Act Exemption for Employment Income Guidelines and the proper TD1 forms were filled out.