

GRANTS FOR ROOFING APPRENTICES:

Roofing is a red seal trade and is eligible for the Apprenticeship Incentive Grant (AIG) for Levels 1 and 2. Upon certification of Level 3, the apprentice is eligible for the Apprenticeship Completion Grant (ACG), and gets a tax credit (refundable BC training tax credit) the following year.

Grants are eligible by 1200 hour increments:

1200 work based hours + Level 1 technical training = Apprenticeship Incentive Grant (\$1000)

2400 work based hours + Level 2 technical training = Apprenticeship Incentive Grant (\$1000)

3600 work based hours + Level 3 technical training = Apprenticeship Completion Grant (\$2000), Refundable BC training tax credit (up to \$2500) and the red seal of Journeyman status.

Apprenticeship Incentive Grant

The Apprenticeship Incentive Grant (AIG) is a taxable cash grant available to registered apprentices once they have successfully completed their first or second year (level) of an apprenticeship program in one of the Red Seal trades. For a complete list of trades in Canada that have a [Red Seal trade designation](#) by jurisdiction, visit the [Interprovincial Standards Red Seal Program](#) Web site.

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

What is the Apprenticeship Incentive Grant?

The Apprenticeship Incentive Grant (AIG) is a taxable cash grant of \$1,000 per year, up to a maximum of \$2,000 per person, available to registered apprentices once they have successfully finished their first or second year/level (or equivalent) of an apprenticeship program in one of the [Red Seal](#) trades.

Specifically, the AIG is meant to:

- a. help cover some of the tuition, travel and tool costs
- b. encourage apprentices to complete their apprenticeship program and get their Red Seal, which will allow them to apply their skills and knowledge anywhere in Canada

How do I apply for the grant?

To apply for the AIG, visit this page:

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

GRANTS FOR ROOFING EMPLOYERS:

Apprenticeship Job Creation Tax Credit

1. What is the Apprenticeship Job Creation Tax Credit (AJCTC)?

The AJCTC is a non-refundable tax credit equal to 10% of the eligible salaries and wages payable to eligible apprentices in respect of employment after May 1, 2006. The maximum credit is \$2,000 per year for each eligible apprentice.

2. Who qualifies?

Any business that hires an "eligible apprentice".

3. Who is an "eligible apprentice"?

An "eligible apprentice" is someone who is working in a prescribed trade in the first two years of their apprenticeship contract. This contract must be registered with a federal, provincial or territorial government under an apprenticeship program designed to certify or license individuals in the trade.

4. What is a prescribed trade?

A prescribed trade includes the trades currently listed as **Red Seal Trades**. The Minister of Finance may, in consultation with the Minister of Human Resources and Social Development, prescribe other trades.

5. What are "eligible salaries and wages"?

"Eligible salaries and wages" are those payable by the employer to an eligible apprentice for the apprentices' employment in Canada in the tax year and during the first 24 months of the apprenticeship. It does not include remuneration based on profits, bonuses, and taxable benefits including stock options, and certain unpaid remuneration.

6. How do I claim the AJCTC?

Employers will be able to claim the credit on their income tax returns, using either **Form T2038(IND)**, *Investment Tax Credit (Individuals)* or **Form T2SCH31**, *Investment Tax Credit - Corporations*. Forms can be ordered on-line at www.cra.gc.ca/forms. You can also order forms and publications by calling us at 1-800-959-2221. Additional information will be available in the 2006 versions of the *General Income Tax and Benefit Guide*, *Form T2038(IND)*, *Investment Tax Credit (Individuals)*, *Guide T4012*, *T2 Corporation - Income Tax Guide* and *Form T2SCH31*, *Investment Tax Credit -Corporations*.

7. What if I don't have enough taxes payable to deduct the AJCTC in full?

Any unused credit may be carried back 3 years and carried forward 20 years.

8. What happens when two or more related employers employ the same apprentice?

Special rules apply to ensure that the \$2,000 limit is allocated to only one employer.