



Issue Date: May 2008	Effective Date: May 20, 2008	Responsible Agency: Financial Operations, Department of Finance	Directive No: 917-3
Chapter: Control of Revenues			
Directive Title: REMISSION			

1. POLICY

The remission of tax or penalty owing to the Government of Nunavut must be in accordance with S.21 of the *Financial Administration Act (FAA)*.

2. DIRECTIVE

All requests to remit tax or penalty must be submitted to the Financial Management Board for approval.

The Financial Management Board will submit all requests for remission, which it has approved, to the Executive Council for their consideration and submission to the Commissioner for final approval.

3. PROVISIONS

3.1. Remission charged against an appropriation

All remissions of tax or penalty must be charged against an appropriation of the department responsible for the tax or penalty in the year in which the remission takes place.

3.2. Conditional Remission

A conditional remission does not become effective until the conditions have been met. The department responsible for the tax or penalty is responsible for monitoring the conditions.

The approval of the Commissioner, through the Financial Management Board and Executive Council, must be obtained before committing to a conditional remission.

If the conditions are not met the remission is void and the tax or penalty may be collected as if the remission had never been granted.

3.3. Reporting to the Comptroller General

The Executive Finance Officer (EFO) in any department who has had a tax or penalty remitted must report the details of those remissions to the Comptroller General so that they may be included in the Public Accounts and the records required under S.26 of the *FAA*. This section requires that all amounts in excess of \$500 must be reported in the Public Accounts and in records maintained by the Comptroller General. The reporting must be provided within the time limits established by the Comptroller General as part of the year end procedures.

- 3.4. Remissions under the *Students Financial Assistance Act*
The EFO in the department that administers the *Student Financial Assistance Act* must report to the Comptroller General any remissions granted by his/her Minister during the year under that act. The reporting must be provided within the time limits established by the Comptroller General as part of the year end procedures.
- 3.5. Partial Remissions
A remission may be for all or part of a tax or penalty owing, or that will become owing, to the Government.
- 3.6. Finality of Remission
The granting of a remission for tax or penalty owing to the Government extinguishes the Government's right to collect that tax or penalty.