

APPRENTICESHIP TRAINING TAX CREDIT

Background

The Apprenticeship Training Tax Credit (ATTC) was introduced in the 2004 Ontario Budget. A refundable tax credit, its purpose is to encourage the hiring of apprentices in certain skilled trades. Currently, employers of apprentices in more than 120 trades are eligible for the credit.

In its March 26, 2009, budget, the Ontario government announced significant enhancements to the credit. Among them were the following:

- the number of years an employer can claim the credit for an eligible apprentice rose from three to four years from the date of the original registration of the apprentice;
- the maximum amount an employer can claim for each eligible apprentice rose to \$10,000 per year from \$5000;
- employer reimbursement rates were increased;
- the program's status changed from temporary to permanent.

Employer Eligibility

The ATTC can be claimed by corporations and unincorporated businesses that employ apprentices in eligible trades. To qualify, a business must have a permanent establishment in Ontario, must be subject to Ontario income tax, and must incur eligible expenditures in training apprentices in designated skilled trades. A tax refund is provided when the credit claimed exceeds the balance of the tax that would otherwise be payable by the business.

Eligibility Period

Eligibility for the ATTC begins on the date an apprentice's Training Agreement or Contract of Apprenticeship with his or her employer, union, or a local or joint apprenticeship committee is registered with the Ministry of Training, Colleges and Universities and continues for 48 months from this date.* If the apprentice is hired by a second or third employer during these 48 months, the new employer(s) may claim the ATTC only for what remains of the 48 months that began on the date of the first or original registration. In other words, the 48 months of ATTC eligibility does not restart each time an apprentice moves to a new employer, returns to work after having been laid off or unemployed, or returns to work in Ontario after having moved to another jurisdiction for employment.

* For details about the eligibility period and the rates that apply for those who registered before March 26, 2009, see Information Bulletin 4015, at www.rev.gov.on.ca/en/bulletins/ct/4015.html.

Claiming the ATTC

Eligible corporations claim the ATTC on Schedule T2SCH552 of their T2 Corporation Income Tax Return. Eligible employers operating unincorporated businesses claim the credit on Form ON479 (Ontario Credits), which is included in their T1 Personal Income Tax Return. Members of a partnership, including general partners of a limited partnership, may claim their share of the ATTC for each qualifying apprenticeship on their corporate or personal tax returns. (Note: Limited partners are not entitled to the credit.) Forms are available from the Canada Revenue Agency at www.cra.gc.ca. For more information, call 1-800-959-2221.

Employer Responsibilities

Although employers are not required to submit a copy of the apprentice's Training Agreement or Contract of Apprenticeship along with their tax return, they must keep a copy of the document, along with the business's payroll records, on file. If the apprentice has had a previous employer or was registered with a union or a local or joint apprenticeship committee, the current employer must obtain a copy of his or her first Training Agreement or Contract of Apprenticeship. Since an ATTC claim is dependent on verification of the original registration date, failure to obtain this documentation may lead to complications in processing the claim.

More Information

For more information on ATTC program criteria and how to calculate the allowable credit, see Information Bulletin 4015, which is available on the Ministry of Revenue website at www.rev.gov.on.ca/en/bulletins/ct/4015.html.

For frequently asked questions about the ATTC, go to www.rev.gov.on.ca/en/credit/atcc/faq.html.

If you have questions about the ATTC, contact the Canada Revenue Agency by phone (1-800-959-5525 or TTY: 1-800-665-0345) or go to www.cra.gc.ca.

To learn more about apprenticeship training in Ontario, visit the Employment Ontario website at www.ontario.ca/employment, call the Employment Ontario Hotline (toll-free: 1-800-387-5656; Toronto: 416-326-5656; TTY: 1-866-533-6339), or visit an Employment Ontario office and talk to a counsellor.



ATTC-ELIGIBLE TRADES

Service Trades

- 237S Pool/Hot Tub/Spa Service Technician
- 237T Pool/Hot Tub/Spa Installer
- 240P Parts Technician
- 416E Electronic Service Technician
- 630A Micro-Electronics Manufacturer
- 631A Network Cabling Specialist
- 634A Information Technology – Contact Centre – Technical Support Agent**
- 634B Information Technology Hardware Technician**
- 634C Information Technology Network Technician**
- 634D Information Technology – Contact Centre – Inside Sales Agent***(1)
- 634E Information Technology – Contact Centre – Customer Care Agent***(1)

Motive Power Trades

- 274L Automotive Glass Technician
- 282E Powered Lift Truck Technician
- 295A Tire Wheel and Rim Mechanic
- 310B Auto Body and Collision Damage Repairer, Branch 1
- 310C Fuel and Electrical Systems Technician
- 310D Transmission Technician
- 310E Alignment and Brakes Technician
- 310G Motorcycle Technician
- 310J Truck Trailer Service Technician
- 310K Automotive Electronic Accessory Technician
- 310Q Auto Body Repairer, Branch 2
- 310S Automotive Service Technician
- 310T Truck and Coach Technician
- 410K Motive Power Machinist
- 410N Automotive Painter
- 421A Heavy Duty Equipment Technician
- 421C Turf Equipment Technician
- 425A Agricultural Equipment Technician
- 435A Small Engine Technician**
- 435B Marine Engine Technician**
- 690H Recreation Vehicle Technician

Construction Trades

- 241A Terrazzo Tile and Marble Setter
- 244G Cement (Concrete) Finisher**
- 244H Restoration Mason
- 244K Precast Concrete Erector
- 244L Precast Concrete Finisher
- 253A Heat and Frost Insulator

- 296A Native Residential Construction Worker
- 306A Plumber
- 307A Steamfitter
- 308A Sheet Metal Worker
- 309A Electrician – Construction and Maintenance
- 309C Electrician – Domestic and Rural
- 313A Refrigeration and Air-Conditioning Systems Mechanic
- 313D Residential Air-Conditioning Systems Mechanic**
- 339A Hoisting Engineer – Mobile Crane Operator, Branch 1**
- 339B Hoisting Engineer – Tower Crane Operator
- 339C Hoisting Engineer – Mobile Crane Operator, Branch 2**
- 401A Brick and Stone Mason
- 403A General Carpenter
- 404C Painter and Decorator – Commercial and Residential
- 404D Painter and Decorator – Industrial
- 419A Cement Mason
- 420A Ironworker – Structural and Ornamental**
- 424A Architectural Glass and Metal Technician**
- 426A Construction – Millwright
- 427A Sprinkler and Fire Protection Installer
- 428A Construction – Boilermaker
- 434A Powerline Technician**
- 448A Floor Covering Installer
- 449A Roofer
- 450A Construction Craft Worker
- 451A Drywall Acoustic/Lathing Applicator
- 452A Reinforcing Rodworker
- 453A Drywall, Finisher and Plasterer
- 455A Exterior Insulated Finish Systems Mechanic***(2)
- 636A Heavy Equipment Operator: Tractor Loader Backhoe
- 636B Heavy Equipment Operator: Excavator
- 636C Heavy Equipment Operator: Dozer

Industrial Trades

- 200G Precision Metal Fabricator
- 207S Light Rail Overhead Contact Systems Linesperson**
- 225A Optics Precision Lens and Prism Maker
- 225F Thin Film Optician*
- 239B Tool and Gauge Inspector

- 246F Process Operator: Refinery, Chemical, and Liquid
- 246R Process Operator – Power***(3)
- 246T Process Operator – Food Manufacturing ***(4)
- 255B Facilities Technician
- 255W Facilities Mechanic
- 259L Locksmith
- 263F Pump Systems Installer/Mechanic
- 267G Composite Structures Technician
- 268R Railway Car Technician (formerly 268A Carperson)**
- 269E Entertainment Industry Power Technician***(5)
- 277M Mould or Die Finisher
- 277Z Hydraulic/Pneumatic Mechanic
- 278B Surface Blaster
- 289F Electrician (Signal Maintenance)
- 297A Ski Lift Mechanic
- 429A General Machinist
- 430A Tool and Die Maker
- 430M Machine Tool Builder and Integrator
- 431A Mould Maker
- 433A Industrial Mechanic (Millwright)
- 437A Metal Fabricator (Fitter)**
- 438A Cabinetmaker
- 442A Industrial Electrician
- 443A Pattern Maker
- 446A Electric Motor System Technician**
- 447A Instrumentation and Control Technician**
- 456A Welder
- 600P Blacksmith
- 602C Tool and Cutter Grinder
- 602H Roll Grinder/Turner
- 605B Water Well Driller
- 609C Packaging Machine Mechanic
- 610C Aircraft Maintenance Engineer
- 611B Saw Filer/Fitter
- 614A Draftsperson – Mechanical Design
- 614B Draftsperson – Plastic Mould Design
- 614C Draftsperson – Tooling and Die Design
- 615A Bearings Mechanic
- 616F Fitter Welder
- 617A Electrical Control (Machine) Builder
- 630B Surface Mount Assembler
- 630T Tool/Tooling Maker**
- 636E Elevating Devices Mechanic
- 638A Tractor-Trailer Commercial Driver***(6)
- 661H Fitter-Assembler (Motor Assembly)
- 670C CNC Programmer*
- 670D Die Designer*
- 670E Mould Designer*

* These trades have been approved by the Minister of Finance effective May 1, 2006.

** These trade names have changed. Their trade codes remain the same with the exception of 268A, which has changed to 268R (Railway Car Technician). Employers of apprentices who are within the 48-month training period and registered under the old trade names are still eligible for the tax credit. Also, an employer can claim for a previous credit (i.e., 2004–09 at the 36-month eligibility period) if they have not already done so.

*** ATTC eligibility is retroactive to the date (indicated below for each trade) that the Ministry of Training, Colleges and Universities introduced the respective apprenticeship program.

1. August 14, 2006 2. December 19, 2006 3. March 2, 2006 4. March 30, 2007 5. December 22, 2005 6. June 12, 2006

Note: Newly developed trades will be eligible if approved by the Minister of Finance.