

Comprehensive Table of Contents

<i>Comprehensive Table of Contents</i>	<i>iii</i>
<i>Table of Cases</i>	<i>xxi</i>
<i>Index</i>	<i>xliii</i>
Words and Phrases	WP-1
CRA Views	CRA Views-i

VOLUME 1

Part 1

Taxation of Indians

1	Overview	1-1
1.1	Introduction	1-1
1.2	Meaning of direct and indirect taxation.....	1-2
1.3	Federal and provincial taxing powers	1-3
1.4	Federal-provincial tax agreements	1-5
1.5	Jurisdiction over taxation of Indians	1-6
1.6	Other relevant legislation.....	1-6
1.7	Caveat.....	1-7
2	Federal government policy	2-1
2.1	Statement of the government of Canada on Indian policy (1969)	2-1
2.2	Working paper on Indian government taxation (1993).....	2-2
2.2.1	Purpose of the Indian Taxation Policy Review	2-2
2.2.2	Guiding tax policy principles.....	2-3
2.2.3	The <i>Indian Act</i> tax exemption.....	2-4
2.2.4	Taxation powers of First Nations governments	2-5
2.2.5	The tax treatment of Indian government institutions.....	2-6
2.2.6	Observation	2-6
3	Historical basis for exemption from taxation	3-1
3.1	Aboriginal right to exemption or immunity from taxation.....	3-1
3.1.1	Exemption from taxation.....	3-1
3.1.2	Immunity from taxation	3-3
3.1.3	Aboriginal right of self-government at common law	3-4
3.2	Treaty right to exemption from taxation.....	3-12
3.2.1	Overview.....	3-12

Comprehensive Table of Contents

3.2.2	Numbered treaties—Report of Commissioners.....	3-14
3.2.3	Modern Treaties	3-15
3.2.4	Treaty exemption from provincial taxation.....	3-16
3.2.5	Royal Proclamation of 1763	3-18
3.2.6	Jay Treaty.....	3-18
3.2.7	Treaty exemption from taxation	3-18
3.3	Legislative exemption from taxation.....	3-18
3.4	The Indian perspective on treaty interpretation	3-22
3.5	The <i>Indian Act</i> tax exemption.....	3-25
3.5.1	Technical interpretations and memoranda.....	3-27
4	Criteria for <i>Indian Act</i> tax exemption.....	4-1
	Introduction	4-1
4.1	Classification as a tax	4-2
4.1.1	Employment insurance contributions	4-3
4.1.2	Employment insurance benefits.....	4-4
4.1.3	Workers' compensation.....	4-5
4.1.4	Health insurance premiums.....	4-5
4.1.5	Canada Pension Plan	4-6
4.1.6	Licence fees.....	4-6
4.2	Requirement that the claimant must be an Indian or band.....	4-6
4.3	Property exempted from tax	4-11
4.4	Situs of property.....	4-12
4.4.1	General rules of situs	4-12
4.4.2	Situs of employment income	4-14
4.4.2.1	Introduction	4-14
4.4.2.2	<i>Nowegijick v. The Queen</i>	4-15
4.4.2.3	Remission orders.....	4-20
4.4.2.4	<i>Williams</i> decision	4-21
4.4.2.5	Applying the Connecting Factors	4-26
4.4.2.6	Assembly of First Nations' position	4-29
4.4.3	Situs of business income	4-32
4.4.4	Situs of investment income.....	4-36
4.4.5	Situs of income from a trust.....	4-39
4.4.6	Deemed situs of personal property under section 90	4-41
4.4.7	Situs of tangible personal property	4-44
4.5	Moving Beyond Litigation	4-46
5	Application of <i>Indian Act</i> tax exemption to specific taxes.....	5-1
5.1	Income Tax	5-1
5.1.1	Application to earned income	5-1
5.1.1.1	Revenue Canada's position.....	5-1
5.1.1.1.1	Interpretation Bulletin IT-62	5-1

Comprehensive Table of Contents

5.1.1.1.2	Employment Income Guidelines..	5-3
5.1.1.1.2.1	1992/1993 releases	5-3
5.1.1.1.2.2	June 1994 Employment Income Guidelines.....	5-5
5.1.1.1.2.3	Commentary on “connecting factors” approach	5-6
5.1.1.1.3	Technical interpretations and memoranda	5-7
5.1.1.1.3.1	Guideline 1	5-7
5.1.1.1.3.2	Guidelines 2 and 3	5-16
5.1.1.1.3.3	Guideline 4.....	5-22
5.1.1.1.3.4	Other relevant releases.....	5-31
5.1.1.2	Court Decisions.....	5-48
5.1.1.2.1	McNabb v. M.N.R.....	5-48
5.1.1.2.2	Brant v. Minister of National Revenue	5-48
5.1.1.2.3	Clarke v. Minister of National Revenue	5-49
5.1.1.2.4	Canada v. Poker.....	5-50
5.1.1.2.4.1	Canada v. Folster	5-51
5.1.1.2.5	Damm v. R.....	5-52
5.1.1.2.6	Dixon v. Minister of National Revenue	5-52
5.1.1.2.7	McRae v. R.	5-53
5.1.1.2.8	Amos v. R.	5-53
5.1.1.2.9	Desnomie v. R.	5-54
5.1.1.2.10	Walkus v. R.....	5-54
5.1.1.2.11	Shilling v. Minister of National Revenue	5-54
5.1.1.2.12	Monias v. R.....	5-56
5.1.1.2.13	Kakfwi v. R.....	5-57
5.1.1.2.14	Odjig v. R.	5-58
5.1.1.2.15	Naponse v. The Queen.....	5-58
5.1.1.2.16	Stacey-Diabo v. R.	5-59
5.1.1.2.17	Akiwenzie v. R.	5-59
5.1.1.2.18	McKay v. R.....	5-60
5.1.1.2.19	OL Group and Native Leasing Service Cases.....	5-61
5.1.1.2.20	Employment on Former Reserve Land	5-63
5.1.1.3	Commentary on direction of the courts.....	5-64

Comprehensive Table of Contents

5.1.2	Application to business income.....	5-64
5.1.2.1	CRA's position	5-67
5.1.2.2	Court Decisions.....	5-73
5.1.2.2.1	Southwind v. The Queen.....	5-73
5.1.2.2.2	The Fishing Cases: McDonald, Robertson and Ballantyne.....	5-73
5.1.2.2.3	Dickie v. R.	5-75
5.1.2.3	Impact of business structure.....	5-78
5.1.2.3.1	Proprietorship or joint venture ..	5-78
5.1.2.3.2	Partnership.....	5-78
5.1.2.3.3	Corporation.....	5-79
5.1.2.3.4	Indian band.....	5-79
5.1.3	Application to investment income	5-85
5.1.3.1	CRA's position	5-85
5.1.3.2	Technical interpretations & memoranda	5-88
5.1.3.3	Court decisions	5-100
5.1.3.3.1	Recalma v. Canada.....	5-100
5.1.3.3.2	Sero v. R.	5-102
5.1.3.3.3	Lewin v. R.	5-102
5.1.3.3.4	Bastien	5-102
5.1.3.3.5	Dubé.....	5-104
5.1.3.4	Application to Types of Investment Income	5-105
5.1.3.5	Commentary on the direction of the courts .	5-108
5.1.4	Application to section 90 moneys received from Her Majesty	5-109
5.1.4.1	Funds deposited in a bank account directly by Band	5-110
5.1.4.2	Funds deposited in a bank account by trust for Band.....	5-110
5.1.4.3	Possible defect in Saskatchewan TLE trust agreements.....	5-110
5.1.4.4	Treatment of compound interest.....	5-111
5.1.4.5	Treatment of substituted property	5-111
5.1.4.6	Substituted property planning possibilities....	5-111
5.1.4.7	Substituted property unclear	5-111
5.1.4.8	Section 90 moneys	5-112
5.1.4.8.1	Technical interpretations and memoranda	5-115
5.1.4.9	Court decisions	5-117
5.1.4.9.1	Matthew v. Minister of National Revenue	5-117

Comprehensive Table of Contents

	5.1.4.9.2	Adams v. R.	5-118
5.2		Goods and Services Tax.....	5-118
	5.2.1	The Purpose and Principles of Transaction Taxes	5-118
	5.2.2	Collection and Enforcement of Transaction Taxes	5-119
	5.2.3	How Are Indians Exempted from Transaction Taxes....	5-120
	5.2.4	GST.....	5-120
	5.2.4.1	Definitions.....	5-120
	5.2.4.2	Purchase of Property.....	5-122
		5.2.4.2.1 On Reserve.....	5-122
		5.2.4.2.2 Off Reserve	5-123
	5.2.4.3	Services.....	5-124
		5.2.4.3.1 Indians	5-124
		5.2.4.3.2 Bands and Band-Empowered Entities.....	5-124
		5.2.4.3.3 Rebates to Bands and Band- Empowered Entities.....	5-125
	5.2.4.4	Remote Stores.....	5-125
	5.2.4.5	Miscellaneous Matters.....	5-127
		5.2.4.5.1 Nisga’s Final Agreement.....	5-127
		5.2.4.5.1a Modern Treaty Nations in British Columbia	5-129
		5.2.4.5.1a.1 Maa-nulth First Nations.....	5-129
		5.2.4.5.1a.2 Tsawwassen First Nation.....	5-129
		5.2.4.5.1a.3 Yale First Nation.....	5-129
	5.2.4.5.2	Yukon First Nations and Their Members	5-129
	5.2.4.5.3	Registration and Small Supplier Rules.....	5-131
	5.2.4.5.4	Purchases Made by Partnerships	5-132
	5.2.4.5.5	GST on Importations into Canada Where the Destination is on Reserve	5-132
	5.2.4.5.6	Memberships.....	5-132
	5.2.4.5.7	Leases of Tangible Property ...	5-133
	5.2.4.5.8	Vehicle Leases	5-133
	5.2.4.5.9	Postage.....	5-133
	5.2.4.5.10	Wire Services.....	5-134
	5.2.4.5.11	Funeral Services.....	5-134

Comprehensive Table of Contents

	5.2.4.5.12	Foreign Magazine Subscriptions.....	5-134
	5.2.4.5.13	Refunds from Vendors.....	5-134
	5.2.4.5.14	Procedures to Obtain Rebates for Bands and Band-Empowered Entities.....	5-134
5.3		Provincial Retail Sales Tax.....	5-135
5.4		First Nations Tax (“FNT”).....	5-151
5.5		First Nations Goods and Services Tax (“FNGST”).....	5-154
6		Canadian municipalities and municipal corporations.....	6-1
6.1		Canadian municipalities and municipal corporations.....	6-1
	6.1.1	Introduction.....	6-1
	6.1.2	Paragraphs 149(1)(c) and (d).....	6-2
		6.1.2.1 Paragraph 149(11).....	6-2
		6.1.2.2 Paragraph 149(1.2).....	6-3
	6.1.3	CRA’s position.....	6-3
	6.1.4	Technical interpretations & memoranda.....	6-8
	6.1.5	Court decisions.....	6-46
		6.1.5.1 Otekena Development Corp. v. R.....	6-46
6.2		Registered charities.....	6-48
6.3		Non-profit organizations.....	6-49
	6.3.1	Technical interpretation & memoranda.....	6-51
7		Real property taxation.....	7-1
7.1		Authority to tax under paragraph 83(1)(a) of the <i>Indian Act</i>	7-1
7.2		Elements of property taxation by-laws.....	7-3
	7.2.1	General limits and requirements for a property taxation by-law.....	7-3
	7.2.2	Passing and amending taxation by-laws.....	7-4
	7.2.3	Appeals in respect of assessments.....	7-5
7.3		Key litigation.....	7-5
	7.3.1	Canadian Pacific Ltd. v. Matsqui Indian Band.....	7-5
	7.3.2	St. Mary’s Indian Band v. Cranbrook (City).....	7-10
7.4		Indian taxation advisory board and Indian taxation secretariat.....	7-14
	7.4.1	Introduction.....	7-14
	7.4.2	Activities of the Indian Taxation Advisory Board.....	7-14
		7.4.2.1 Policy.....	7-15
		7.4.2.2 Relationship with First Nations/Bands.....	7-15
		7.4.2.3 Relationship to the Minister.....	7-16
		7.4.2.4 Relationship with other jurisdictions.....	7-16
		7.4.2.5 Relationship with taxpayers.....	7-17
		7.4.2.6 Review and analysis.....	7-17

Comprehensive Table of Contents

7.4.3	The Indian Taxation Secretariat.....	7-18
7.4.4	The by-law approval process	7-18
7.5	Relationships with other taxing jurisdictions.....	7-19
7.5.1	General—British Columbia as an example	7-19
7.5.2	Independent Band taxation model	7-20
7.6	Modernization of First Nation property tax powers	7-21
7.6.1	Background	7-21
7.6.2	First Nation property tax powers.....	7-22
7.6.3	Differences between section 83 of the Indian Act taxation and taxation under the FNFMA	7-20
7.6.4	First Nations Tax Commission.....	7-23
7.6.4.1	Policy.....	7-24
7.6.4.2	Law review and approval process	7-25
8	Economic development on Indian land	8-1
8.1	Prohibition against taking security over reserve and property situated on reserves	8-1
8.1.1	Governing law	8-1
8.1.2	Sections 28 and 29 of the <i>Indian Act</i>	8-2
8.1.3	Limitations of the <i>Indian Act</i>	8-2
8.1.3.1	Background considerations	8-2
8.1.3.1(a)	Rationale for subsection 89(1) of the <i>Act</i>	8-2
8.1.3.2	Subsection 89(1.1) and security in leasehold interests in designated land.....	8-3
8.1.4	Lands not subject to the <i>Indian Act</i>	8-5
8.1.5	Relationship between section 29 and 89(1) of the <i>Indian Act</i>	8-6
8.1.6	Reserve, reserve lands, situated on a reserve	8-6
8.1.6.1	Reserve	8-6
8.1.6.2	Reserve lands.....	8-6
8.1.6.3	Situated on a reserve.....	8-7
8.1.6.4	<i>Boissoneau v. R.</i>	8-7
8.1.6.5	<i>Jeddore v. R.</i>	8-7
8.1.6.6	<i>Sechelt Indian Band v. British Columbia</i>	8-7
8.2	Exceptions to prohibition against taking security	8-7
8.2.1	Indian or Band as creditor	8-7
8.2.2	Section 4(2) proclamations	8-8
8.2.3	Section 89(1.1).....	8-8
8.2.4	Subsection 89(2)	8-8
8.3	Real property interests in reserve lands.....	8-9
8.3.1	Introduction	8-9
8.3.2	Self-government agreements	8-10

Comprehensive Table of Contents

8.3.3	<i>First Nations Land Management Act</i>	8-11
8.3.4	Aboriginal Title Lands and the <i>Tsilhqot'in</i> Decision	8-12
8.3.5	Nature of the collective interest of a Band in reserve lands	8-13
8.3.6	Individual interests in reserve lands	8-14
8.4	Leasehold interest of non-Indians and non-Band members in reserve lands	8-14
8.4.1	Introduction	8-14
8.4.2	Designated lands	8-14
8.4.3	Lands subject to Land Code and the <i>FNLM</i>	8-14
8.4.4	Lands Subject to Self-Government Agreement	8-15
8.4.5	Locatee lands	8-15
8.4.6	Vacant unallotted lands	8-16
8.4.7	Permits allowing use of reserve lands	8-17
8.5	Types of security available over interests in reserve lands	8-17
8.5.1	Mortgage in favour of Indian or Band	8-17
8.5.2	Mortgage of lease	8-18
8.5.3	Debenture	8-19
8.5.4	Assignment of rents	8-19
8.6	Personal property interests of Indians and Bands	8-20
8.6.1	Nature of “personal property”	8-20
8.6.2	Governing law	8-23
8.6.3	Federal legislation	8-24
8.6.3.1	<i>Indian Act</i>	8-24
8.6.4	<i>Bank Act</i>	8-29
8.6.4.1	Section 427 security	8-29
8.6.5	Provincial and territorial legislation	8-30
8.6.5.1	British Columbia	8-30
8.7	Forms of security interests that may be registered in the property of native persons	8-30
8.7.1	Introduction	8-30
8.7.2	General security agreement	8-30
8.7.3	Conditional sale agreements	8-31
8.7.4	Lease	8-31
8.7.5	Chattel mortgage	8-32
8.7.6	Guarantee and postponement of claim	8-32
8.7.7	Assignment of moneys owing under specified contracts (“specific assignment”)	8-33
8.7.8	Assignment of book accounts (“general assignment”)	8-34
8.7.9	Hypothecation of deposits	8-35
8.7.10	Pledge of securities	8-35
8.7.11	Letters of credit	8-35

Comprehensive Table of Contents

8.7.12 Section 427 *Bank Act* security 8-36

8.8 Impact of the Shubenacadie Band decision on taking security
in the property of a native Canadian..... 8-36

8.9 Waiver by Indians and Bands of Section 89 of The *Indian Act*... 8-37

8.10 Social, cultural, political and historical considerations 8-37

8.10.1 Social considerations..... 8-38

8.10.2 Cultural considerations..... 8-39

8.10.3 Political considerations..... 8-40

8.10.4 Historical considerations..... 8-41

8.11 Moving forward: A changing landscape..... 8-41

8.11.1 Seeking solutions 8-41

8.11.2 Harvard project on American Indian economic
development..... 8-42

8.11.3 Sovereignty matters 8-43

8.11.4 Institutions matter..... 8-44

8.11.5 Culture matters..... 8-45

8.11.6 Leadership 8-46

8.11.7 Strategic thinking 8-46

8.12 Conclusion..... 8-48

Part 2

Taxation of Other Aboriginals

9 Overview 9-1

9.1 Definition of “Aboriginal people” 9-1

9.2 Aboriginal treaty rights 9-2

9.3 Aboriginal population 9-2

9.4 Aboriginal people do pay taxes..... 9-2

10 Government policy on land claims 10-1

10.1 Background to land claims process 10-1

10.1.1 The beginning of the modern land claims process..... 10-1

10.1.2 What are land claims?..... 10-2

10.1.3 Comprehensive land claims 10-2

10.1.4 Specific land claims..... 10-2

10.1.5 Why governments enter into land claims 10-3

10.1.6 Why Indians have a different tax treatment..... 10-3

10.2 Short history of comprehensive land claims 10-5

10.3 Federal government policy 10-5

10.3.1 1969 Statement of Government of Canada on
Indian Policy..... 10-5

Comprehensive Table of Contents

10.3.2	1973 Policy statement.....	10-5
10.3.3	1981 Policy statement.....	10-6
10.3.4	1985 Task Force Report.....	10-7
10.3.5	1987 Comprehensive land claims policy	10-9
10.3.6	Present status	10-11
11	Land claims agreements.....	11-1
11.1	Overview.....	11-1
11.2	James Bay and Northern Québec Agreement.....	11-2
11.2.1	Overview.....	11-2
11.2.2	Self-government provisions	11-3
11.2.3	Special taxation provisions	11-4
11.2.4	Subsequent events	11-5
11.3	Northeastern Québec agreement	11-6
11.3.1	Overview.....	11-6
11.3.2	Special taxation provisions	11-6
11.4	Sechelt Indian Band self-government act.....	11-7
11.4.1	Overview.....	11-7
11.4.2	Self-government provisions	11-7
11.4.3	Special taxation provisions	11-7
11.5	Inuvialuit Final Agreement.....	11-8
11.5.1	Overview.....	11-8
11.5.2	Special taxation provisions	11-8
11.5.3	Subsequent events	11-9
11.6	Dene/Métis Final agreement (unratified)	11-9
11.6.1	Overview.....	11-9
11.7	Gwich'in Final Agreement	11-11
11.7.1	Overview.....	11-11
11.7.2	Self-government provisions	11-12
11.7.3	Special taxation provisions	11-12
11.8	Sahtu Dene and Métis Final Agreement.....	11-14
11.8.1	Overview.....	11-14
11.8.2	Self-government provisions	11-14
11.8.3	Special taxation provisions	11-15
11.9	Council for Yukon Indians Umbrella Final Agreement.....	11-16
11.9.1	Overview.....	11-16
11.9.2	Self-government provisions	11-17
11.9.3	Special taxation provisions	11-18
11.9.4	Technical Interpretations and Memoranda	11-19
11.10	Nunavut Land Claims Agreement	11-26
11.10.1	Overview.....	11-26
11.10.2	Self-government provisions	11-27
11.10.3	Special taxation provisions	11-27

Comprehensive Table of Contents

11.11 Nisga'a Final Agreement.....	11-28
11.11.1 Overview.....	11-28
11.11.2 Self-government provisions	11-29
11.11.3 Special taxation provisions	11-29
11.12 Tsawwassen Final Agreement.....	11-30
11.12.1 Overview.....	11-30
11.12.2 Self-Government Provisions	11-31
11.12.3 Special Taxation Provisions	11-32
11.13 Maa'Nulth Final Agreement	11-32
11.13.1 Overview.....	11-32
11.13.2 Self-Government Provisions	11-33
11.13.3 Special Taxation Provisions	11-34
11.14 Tlicho Agreement.....	11-34
11.14.1 Overview.....	11-34
11.14.2 Self-Government Provisions	11-35
11.14.3 Special Taxation Provisions	11-35
11.15 Labrador Inuit Land Claims Agreement.....	11-36
11.15.1 Overview.....	11-36
11.15.2 Self-Government Provisions	11-37
11.15.3 Special Taxation Provisions.....	11-37
11.16 Nunavik Land Claims Agreement	11-38
11.16.1 Overview.....	11-38
11.16.2 Self-Government Provisions	11-38
11.17 Westbank First Nation Self-government Agreement	11-39
11.17.1 Overview.....	11-39
11.17.2 Self-Government Provisions	11-39
11.17.3 Special Taxation Provisions.....	11-40
11.18 Eeyou Marine Region Land Claims Agreement (2012).....	11-40
11.18.1 Overview.....	11-40
11.18.2 Self-Government Provisions	11-40
11.18.3 Special Taxation Provisions.....	11-41
11.19 Yale First Nation Final Agreement.....	11-41
11.19.1 Overview.....	11-41
11.19.2 Self-Government Provisions	11-42
11.19.3 Special Taxation Provisions.....	11-42
11.20 Sioux Valley Dakots Nation Government Agreement.....	11-43
11.20.1 Overview.....	11-43
11.20.2 Self-Government Provisions	11-43
11.20.3 Special Taxation Provisions.....	11-44
11.21 Déline Final Self-Government Agreement.....	11-44
11.21.1 Overview.....	11-44
11.21.2 Self-Government Provisions	11-45

Comprehensive Table of Contents

11.21.3	Special Taxation Provisions	11-45
11.22	Tla'amin Final Agreement.....	11-45
11.22.1	Overview.....	11-45
11.22.2	Self-Government Provisions	11-46
11.22.3	Special Taxation Provisions.....	11-46
11.23	“Settlement Corporation” Provisions in Certain Agreements	11-47
11.24	Land Claims Agreements Under Negotiation.....	11-50
11.24.1	British Columbia.....	11-50
11.24.2	The Rest of Canada.....	11-51
12	Metis settlements accord	12-1
12.1	Overview.....	12-1
12.2	Self-government provisions	12-2
12.3	Special taxation provisions	12-2

Part 3

Tax Planning for Indians

13	Introduction to tax planning for Indians	13-1
13.1	Tax planning possibilities.....	13-1
13.2	Impact of different taxes on structure	13-1
14	Alternative business structures	14-1
14.1	Corporation.....	14-1
14.1.1	General.....	14-1
14.1.2	Employment corporation	14-2
14.1.3	Non-profit organization	14-2
14.1.3.1	Technical interpretations and memoranda.....	14-6
14.2	Partnership.....	14-24
14.2.1	Technical interpretations and memoranda.....	14-24
14.3	Joint venture	14-28
14.4	Trust	14-29
14.4.1	Allocation of income	14-29
14.4.2	Commercial trusts.....	14-30
14.4.3	Income tax implications to Indian beneficiaries	14-31
14.4.4	How the trust is settled	14-31
14.4.5	Connection between the trust and a reserve.....	14-31
14.4.5.1	Situs of a trust	14-32
14.4.5.1.1	Basic rules.....	14-32
14.4.5.1.2	Special rules for Indian trusts	14-33
14.4.5.2	Residence of the beneficiaries.....	14-33
14.4.5.3	Source of the capital of the trust	14-33

Comprehensive Table of Contents

14.4.5.4	The place where the trust is managed.....	14-33
14.4.6	Treatment as if the trust property were held directly	14-33
14.4.7	Treatment of a Bare Trust	14-34
14.4.8	Technical Interpretations and Memoranda	14-34
14.5	Indian band as a municipality	14-60
14.5.1	CRA’s position	14-60
14.5.2	<i>Otineka Development Corp. v. The Queen</i>	14-62
14.6	Indian Band as a Public Body Performing the Function of Government in Canada.....	14-64
14.6.1	“Person”	14-65
14.6.2	Meaning of “Public Body”	14-66
14.6.3	Meaning of “. . . Performing a Function of Government in Canada”	14-67
14.6.4	Subsidiaries of Public Bodies	14-68
15	Structuring an Indian-owned business	15-1
15.1	On-reserve businesses	15-1
15.1.1	Unincorporated ventures.....	15-1
15.1.2	When should an Indian or band incorporate a business?	15-2
15.1.3	Commercial trusts.....	15-3
16	Ventures between First Nations and non-First Nations	16-1
16.1	Joint ventures	16-1
16.2	Partnerships	16-2
16.3	Passive interests in business ventures	16-4
16.4	Tax exemptions for off-reserve businesses	16-5
17	Other planning	17-1
17.1	Unregistered pension plan	17-1
17.2	Bank deposits.....	17-1
17.3	Investment income.....	17-1

Part 4

Tax Planning for Other Aboriginals

18	Utilizing special tax features in land claims agreements	18-1
18.1	Introduction	18-1
18.2	Settlement corporations	18-1
18.3	Inuvialuit social development fund.....	18-1
18.4	Dispositions of resource property	18-2
18.5	Self-government provisions	18-2
18.6	Section 87 and land claims settlement agreements	18-2
18.7	“Canadian Municipality” planning.....	18-3

Comprehensive Table of Contents

22.3.3.2.2	Exploratory licences (sections 6 to 9)	22-12
22.3.3.2.3	Granting of permits and leases (section 10).....	22-12
22.3.3.2.4	Well licences (sections 11 to 14).....	22-13
22.3.3.2.5	Permit rights, permit fees and discoveries (sections 15 to 19).....	22-13
22.3.3.2.6	Conversion of permits to leases, financial statements in respect of exploratory work under permit (sections 20 to 21).....	22-13
22.3.3.2.7	Lease rights, lease rentals (sections 22 to 26).....	22-13
22.3.3.2.8	Surface rights, right of entry (sections 27 to 32).....	22-14
22.3.3.2.9	Royalties (section 33)	22-15
22.3.3.2.10	Equitable oil or gas production (sections 34 to 35).....	22-15
22.3.3.2.11	Service wells, plans, notice of discovery or abandonment, crude bitumen, survey plans (sections 36 to 40).....	22-15
22.3.3.2.12	Pooling, projects and unit operations (sections 41 to 43).....	22-16
22.3.3.2.13	Surrender of a contract, suspension of operation, cancellations (sections 44 to 46).....	22-17
22.3.3.2.14	Inspections, confidential information (sections 47 to 48)	22-18
22.3.3.2.15	Contract assignment or amendment	22-18
22.3.3.2.16	General (sections 51 to 56).....	22-18
22.3.3.2.17	Review by minister, forms, transition (sections 57 to 59) ..	22-19
22.3.3.2.18	Schedule I: Royalties	22-19
22.3.3.2.19	Schedule II: Fees.....	22-19
22.4	Taxation of non-Indian operations on reserve lands	22-19
22.5	Taxation of Indian operations on reserve lands	22-20
22.6	<i>Indian Act</i> tax exemption	22-21
22.7	<i>Income Tax Act</i> tax exemption.....	22-24

Comprehensive Table of Contents

22.8	Structuring business arrangements	22-27
22.9	Using a BOC for operations on reserve lands.....	22-27
22.10	Using a non-BOC for operations on non-reserve lands.....	22-27
22.11	Other considerations	22-28
23	Mining and timber operations on aboriginal lands	23-1
23.1	Introduction	23-1
23.2	Treaties	23-2
23.3	Modern treaties agreements	23-2
23.4	Federal regulation of mining and forestry on reserves	23-3
23.5	Detailed study of Indian timber regulations	23-3
23.5.1	Definitions and applicability (sections 2 and 3)	23-4
23.5.2	Permits for Indian use (sections 4 to 8)	23-4
23.5.3	Licences: Issue and renewal (sections 9 to 11)	23-5
23.5.4	Ground rent, security deposits and scaling (sections 12 to 19).....	23-5
23.5.5	Records and cancellation of licence, conservation (sections 20, 21 and 22).....	23-5
23.5.6	Compliance with provincial laws (section 25)	23-6
23.5.7	Seizure and penalties (sections 26 to 30)	23-6
23.6	Detailed study of Indian mining regulations	23-6
23.6.1	Definitions (section 2).....	23-7
23.6.2	Application and compliance with provincial laws (sections 3 and 4).....	23-7
23.6.3	Disposition of mineral rights (sections 5 and 6).....	23-7
23.6.4	Permits (sections 7 to 16).....	23-7
23.6.5	Leases (sections 17 to 36).....	23-8
24	Impacts and Benefits Agreements.....	24-1
24.1	Introduction to IBAs.....	24-1
24.2	Purpose	24-1
24.3	Tax Consequences.....	24-2
24.3.1	Tax Consequences to Developer (CDE, CEE, COGPE).....	24-3
24.3.2	Tax Consequences to Aboriginal Group.....	24-4
24.3.2.1	Damages.....	24-5
24.3.3	Royalty or Participation Rights	24-5
24.3.4	Prepaid Taxes	24-6

VOLUME 2

Case Law

Table of Contents	CL-i
Topical Index of Case Summaries	CL-vii

Comprehensive Table of Contents

Case Summaries CL-1
Cases Reproduced CL-61

Appendices

Table of Contents APP-i
A *Indian Act* [relevant portions] A-1
Property Assessment and Taxation (Right-of-Way) Regulations A-31
B *Constitution Act, 1867* [relevant portions] B-1
C *Constitution Act, 1982* [relevant portions] C-1
D Jay Treaty [relevant portions] D-1
E The Royal Proclamation of 1763 [relevant portions] E-1
F Report of Commissioners for Treaty No. 8 F-1
G *Income Tax Act* [relevant portions] G-1
G.1 *First Nations Fiscal and Statistical Management Act* G.1-1
G.2 *First Nations Goods and Services Tax Act* G.2-1
G.3 *Indian Oil and Gas Act* and Regulations G.3-1
G.4 *First Nations Oil and Gas and Moneys Management Act* G.4-1
H Interpretation Bulletins Information Circulars and Income Tax Folios H-1
I Statement of the Government of Canada on Indian Policy, 1969 I-1
J White Paper on Indian Government Taxation, 1993 J-1
K *Indian Act* Exemption for Employment Income Guidelines, June 1994
(updated) K-1
K.1 Information for Status Indians K.1-1
L GST/HST Policy Documents L-i
M M-1
N Income Tax Technical News N-1
O Guides O-i
P Forms P-1
Q Government Publications Q-1