Education and Early Childhood Development

Teacher School Supply Tax Credit Guidelines

Purpose

The Teacher School Supply Tax Credit was established in recognition of the fact that teachers purchase materials to enhance learning in the classroom or the learning environment itself. In many cases these materials are replaced on a recurring basis or are materials that complement existing materials.

Who is eligible to claim the tax credit?

Teachers, as defined under Part 1, subsection 1 (bb) of the *School Act*, are eligible to claim the credit.

How to claim the tax credit

- Teachers must keep receipts for allowable items for the calendar year period and attach them to the Teacher School Supply Tax Credit Form PEI TTC100 (on reverse).
- The applicable receipts must accompany the tax credit form which is then submitted to a principal for approval.
- Teachers should complete one tax credit form for each school at which they teach in a given calendar year.
- The maximum claim a teacher may submit per calendar year is $500. Even if a teacher completes more than one tax credit form, $500 is the total allowable claim for all forms combined. Teachers need not list supplies purchased after the total value has surpassed $500.
- The tax credit will be calculated at the lowest provincial personal income tax rate.
- The tax credit form must be completed by the teacher, and signed by both the teacher and the principal of the school. Principals may only approve items used in their schools. Principals must be satisfied that the materials listed were purchased to enhance learning in the classroom or the learning environment itself.
- The total of the eligible expenses, up to a maximum of $500, can be claimed on Form PE428 at line 5850 of the teacher's personal income tax return.
- An example using the lowest provincial personal income tax rate of 9.8%: A teacher has $320.00 of eligible expenses. 9.8 % of $320 is $31.36. The amount of $31.36 is the Teacher School Supply Tax Credit.
- The completed Form PEI TTC100 and receipts do not have to be included with the tax return, but Teachers should keep them in case the Canada Customs and Revenue Agency asks to see them.
- Claim amounts surpassing the allowable $500.00 per year cannot be carried forward to the next year.

Allowable school supplies

- Bulletin board decorative items such as borders and illustrations;
- Construction paper and Bristol board for activities, flashcards, or activity centres;
- Posters with instructions such as punctuation rules or chemistry formulas;
- Items for science experiments such as seeds, vegetables, fruits, potting soil, milk, vinegar, coffee stir sticks, straws, spaghetti for building structures;
- Specialized art supplies;
- Games and puzzles;
- Supplementary books (novels, non-fiction and reference) for classrooms;
- Stickers or motivational items;
- Support software for teaching/learning purposes;
- Containers such as plastic boxes or banker boxes for themes and kits.

For more information, contact the Education and Early Childhood Development, (902) 368-4620.