

Not only does Revenue Canada Taxation set a short period in which to demonstrate expectation of profit, it fails to comprehend that being an artist and being a teacher of art are so inextricably linked as to be, in effect, two aspects of the same career. Other problems, such as the tax treatment of grants accorded to artists, further compound this state of affairs.

Failure to structure and interpret tax regulations in such a way as to recognize the economic realities and career patterns of artists has resulted in a serious problem which requires prompt resolution. Given the economic status of artists, the amounts for which they have been recently reassessed are unaffordable. If they cannot afford to pay, and if they have salaried positions such as teaching, then Revenue Canada Taxation can garnishee wages, thereby placing in question the artist's ability to live, let alone continue to work as an artist. If they cannot function as artists, the basis for which they are engaged as teachers, professors or lecturers, then the teaching aspect of their careers is placed in doubt. Appealing such assessments is a costly affair which most artists cannot afford. And so, the individual artist, faced with a reassessment based on expectation of profit, is caught between a large rock and an exceedingly hard place.

Officials will tell you that the difficulty stems from the inability to determine who is, and who is not, a professional artist. Ignore such protestations. Tax officials are faced with more difficult problems on a regular basis, and, if they cannot resolve this one, then they deserve to be employed in some other, less demanding field of endeavour. Besides, we have repeatedly expressed our willingness to collaborate with them in such an undertaking. We have yet to be taken up on our offer.

The new interpretation of the expectation of profit issue is one of the more pernicious and short-sighted approaches to taxation encountered by the arts community. If we are to have any practising artists left, and therefore any art, an end must be put to this devastating approach.

Other Issues

Beyond the issues raised in the Disney Report, to some extent touched upon in the report of the Applebaum-Hébert, and perhaps marginal in relation to the immediate terms of reference of the Standing Committee exist other issues which merit your attention now and in the course of your ongoing activities.