

## Why the deduction is only \$600

# How student fees affect your income tax

By WARREN CLEMENTS  
When is a student fee not a student fee?

All the time — except when it comes to filing income tax returns.

For years, students have been under the impression that a healthy chunk of their student fees is divided up in roughly calculable amounts among the student councils, athletic facilities and health services. Seventeen dollars, for instance, reach the college council, while a \$10 sum per student fills the CYSF coffers.

But on May 9, 1973, acting president John Yolton approved a policy statement "on student government and their financial support", drawn up by assistant vice-president John Becker.

The statement guaranteed continuing financial support of student councils on the grounds that they are "educationally important", but added the rider that, if it announced its intentions before February 1, the university could "alter" the support "from time to time, depending on the needs of student governments and other considerations affecting the tuition fee charged to students".

The key clause was the following: "Student governments receive operating grants from the university which are drawn from general university revenues.

"A student is not paying a compulsory membership fee to the university which is passed on to a society legally separate from the university. He is paying a tuition fee to the university which, in turn, supports a wide range of departments, agencies and activities furthering the university's educational goals."

So far, so good. However, in the T-4 slips sent out to students for income tax purposes, the tuition fee which can be deducted from one's income is listed not at \$660, (the fee paid by a full-time undergraduate) but at \$600.

At first glance, the outstanding \$60 would seem to match the elusive "student fee" which undergraduates always assumed they were paying to the councils.

Not so, replies John Becker. The "\$60 figure exists only in the head of the department of national revenue".

"It goes back to 1967, when the department decided that it would allow a person to deduct from his income tax the cost of tuition paid, or \$500," he said.

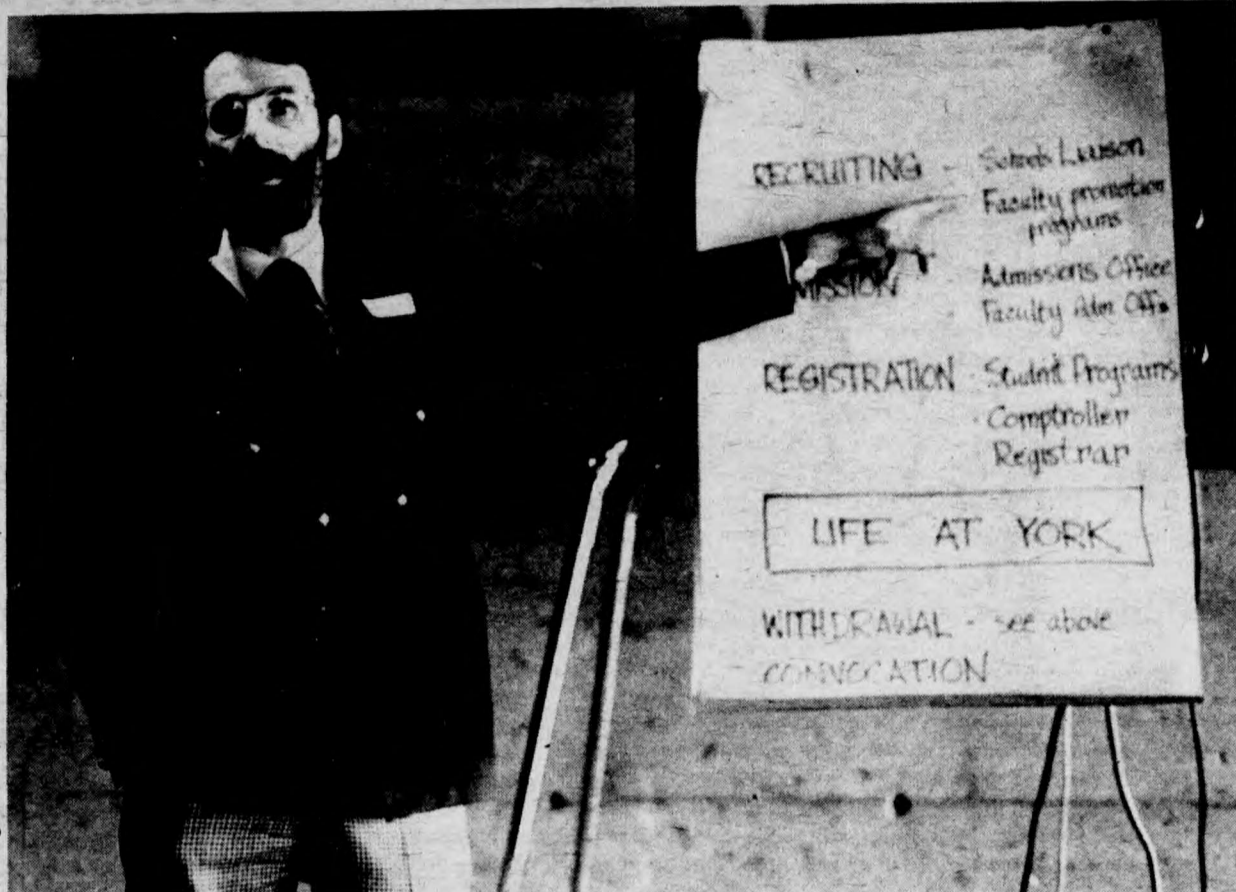
Tuition fees at that time were \$550.

"The distinction between the two amounts sprang from U of T and Queen's, where the calendars listed a separate academic fee," explained Becker. "The government said that fee could not be deducted.

"At York, our controller knew that the government similarly would not grant students here the total academic amount. He took a quick glance at the cost of health services, athletics and student fees, and said the rough cost was \$60.

"Since that time, the DNR has been issuing tax receipts for \$60 less. This should not be confused with any precise cost-accounting figure, and is not meant in any way to suggest that York is listing a separate fee."

He said the \$60 figure exists nowhere in the university's accounting system, and suggested that a



Assistant vice president John Becker explains (in accompanying article) why tuition costs \$660, when a student is allowed to deduct only \$600 from his or her income tax. Above, Becker describes a circuitous route between two contiguous geometrical positions.

detailed calculation of the cost of the student services might actually result in a larger figure, which would further decrease student deductions.

Why do the student councils receive the \$17 and \$10 figures, then? "It's time honoured lore," said Becker.

He said the university's assumption of the student fees was intended "to preserve the financial base of the student government", particularly in case the CYSF were to incorporate.

"When Brock tried to incorporate", he said, "the central council lost \$30,000 in one year."

As a corporation, the council could not legally demand membership fees from the students, and was obligated to refund the fees to any student who asked.

Becker said the university's move was also designed to act as a

watchdog for the student services, in case any of them deserved more or less funding than they were receiving.

"What we were trying to steer away from," he said, "was a financial situation on campus related not to the needs of the people on campus but to the political situation of a per

capita fixed fee." As far as the income tax is concerned, Windsor is the only university in Ontario allowed to claim the full tuition fee, for reasons unknown.

But then again, several York students have claimed the full \$660 in past years as deductions, and none has received a threatening letter yet.

## Books in brown paper wrappers

In an effort to cut-down on sharply rising costs, the university-run bookstore at York will not order books specifically by title for the 1975-76 academic year. Instead, the store will accept shipments of left overs from various Canadian and American publishers.

"We expect the new policy to add a certain mystery to the educational system" said manager Rafael Barreto-Rivera.

In addition to publishers' left-overs, the store will also bid against

Toronto hospitals and nursing homes for Salvation Army collections of Harlequin Romances, Travis McGee thrillers and back issues of Redbook.

The chairman of the York faculty association, Harvey Simmons, explained that the faculty of science would be hardest hit, particularly in the department of mathematics.

"On the other hand, the English department probably won't even notice the difference," he added owlshly.

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