

Subject: Missanabie Cree First Nation Treaty Land Entitlement Settlement Agreement: Treatment of Per Capita Distribution Payments as Income and Assets

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BACKGROUND:

Under the Missanabie Cree First Nation Treaty Land Entitlement Settlement Agreement (the Agreement), the First Nation and Canada have negotiated a settlement of the First Nation's outstanding entitlement to land under Treaty No. 9. As a result of the Agreement, the First Nation will issue a per capita distribution (PCD) payment of \$120,000 to both adult and minor members. Minors' PCD payment will be placed in a trust account until they turn 18 years of age.

PCD Payments as Income

Under the *Assured Income for the Severely Handicapped (AISH) Act*, Schedule 2, section 1, these payments are not included in the determination of income as they are not reportable to the Canada Revenue Agency (CRA) under the federal *Income Tax Act*.

Note: Interest or investment income generated from these PCD payments that is reportable to the CRA is considered [passive business income](#) and receives a partial income exemption. Any money remaining from these interest or investment amounts in subsequent months is considered a non-exempt asset.

PCD Payments as Assets

The Minister exercised authority under the AISH General Regulation, Schedule 2, section 2(2)(i), to exempt these PCD payments from the determination of assets, including any assets purchased with the payment.

INTENT:

To ensure that AISH program policy accurately reflects how the program treats PCD payments from proceeds of the Agreement as income and assets.

POLICY:

The following program policies have been updated:

The [Income Type Exemption Table](#) has been updated under the [Income](#) Policy.

Assets - [Government Payments](#)