



## **Honorarium Guidelines and Process**

Honorariums are provided on a non-routine basis to non-employees in recognition of time and expertise provided to King's.

When is an honorarium appropriate?

- Payment as a gesture of goodwill and appreciation, to a non-professional.
- Guest Speaker, lecturer.
- Payment to a volunteer for assistance for set-up or supporting activities at a special event.

When is an honorarium not appropriate?

- An honorarium is not based on an agreed upon amount between the individual providing services and King's representative seeking services. If payment is agreed upon in advance, this constitutes a contractual or employment arrangement. An honorarium is not appropriate if King's is obtaining the services of a professional speaker or consultant who performs the requested service for a living. These individuals would be considered self-employed and should receive a fee for service of consulting payment (invoice).

The King's representative seeking services is responsible for understanding what does and does not constitute an honorarium and for seeking clarity from the Finance Department where there is uncertainty. As well, it is the King's representative's responsibility to ensure the payment form (SIN, address, etc) is completed in its entirety and submitted in a timely fashion to Accounts Payable.

Accounts Payable is responsible for reviewing submitted forms for completeness and for processing the payment. Accounts Payable is also responsible for issuing T4A or T4A-NR forms as required as part of the year-end reporting process.

### **Honorarium payments to King's employees**

All payments to employees should be in accordance with the negotiated contract or collective agreement. All payments will be subject to payroll deductions and reporting requirements.

### **Honorarium payments to non-employees**

Residents of Canada: An honorarium paid to a resident of Canada who is not an employee of King's will be issued a T4A for the payment.

Non-Residents of Canada: Where the service was performed in Canada, honorariums paid to non-residents of Canada are subject to a flat rate of income tax deduction and are reported on a T4A-NR. If the service was performed outside of Canada, there is no tax deduction or reporting requirements.

King's is required to issue an income tax slip to all individuals paid by honorarium, and thereby, will request the individuals' home address, social insurance number and date of birth when processing their payment. Based on CRA regulations, all payments to an individual for services are taxable income. King's has a requirement to report payments to individuals that exceeds \$500 in a calendar year.

### **Indigenous Community Members**

Indigenous Speakers are not required to provide their social insurance number until the individual has exceeded \$500 in honorariums for the calendar year.

### **Process**

Honorariums can be paid by direct deposit or cheque. A cheque can be processed in advance to accommodate the presentation of the honorarium on the day of the event. Please keep in mind that direct deposit and cheques are processed on the 15<sup>th</sup> and 30<sup>th</sup> of the month. Organizers are to plan accordingly if they require a cheque in advance.

The Non-Employee Payment Request form located on the Accounts Payable website should be completed in full and forwarded to [kucap@kings.uwo.ca](mailto:kucap@kings.uwo.ca) with a copy to the applicable departmental Chair/Director or BUH.