

PROVINCE OF BRITISH COLUMBIA

ORDER OF THE LIEUTENANT GOVERNOR IN COUNCIL

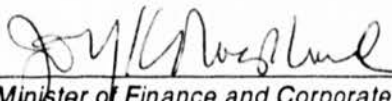
Order in Council No. 1308 , Approved and Ordered NOV 12 1998



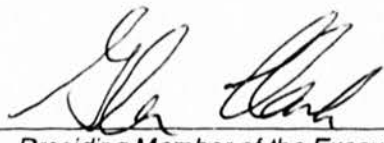
Lieutenant Governor

Executive Council Chambers, Victoria

On the recommendation of the undersigned, the Lieutenant Governor, by and with the advice and consent of the Executive Council, orders that the Minister of Finance and Corporate Relations is authorized to enter an agreement substantially in the form attached to this order.



Minister of Finance and Corporate Relations



Presiding Member of the Executive Council

(This part is for administrative purposes only and is not part of the Order.)

Authority under which Order is made:

Act and section:- Constitution Act, section 16

Other (specify):- _____

**MEMORANDUM OF UNDERSTANDING
TO EXCHANGE INFORMATION AND ENHANCE COOPERATION**

BETWEEN

THE GOVERNMENT OF CANADA

as represented by the Deputy Minister of National Revenue
for and on behalf of the Minister of National Revenue
(hereinafter referred to as "Canada")

AND

THE GOVERNMENT OF THE PROVINCE OF BRITISH COLUMBIA

as represented by the Deputy Minister of Finance and Corporate Relations
for and on behalf of the Minister of Finance and Corporate Relations
(hereinafter referred to as "British Columbia")

CANADA AND BRITISH COLUMBIA,

DESIRING to improve the effective administration and enforcement of their respective laws relating to taxation, by providing for more extensive cooperation, mutual assistance and sharing of information.

AGREE AS FOLLOWS:

PURPOSE

1. The purpose of this Memorandum of Understanding is to provide for extended cooperation, mutual assistance and the exchange of information between Canada and British Columbia for the purpose of the administration and enforcement of their respective laws and to provide procedures which apply to the exchange of information.

INTERPRETATION

2. In this Memorandum of Understanding and its Appendices:
 - (a) "Deputy Ministers" means the Deputy Minister of National Revenue and the Deputy Minister of Finance and Corporate Relations for the Province of British Columbia, and their respective successors in office, who are responsible for the administration and enforcement of their respective laws;
 - (b) "laws" means:
 - (i) with respect to Canada, an Act of Parliament listed in Appendix "C"; and
 - (ii) with respect to British Columbia, a law of the Province of British Columbia listed in Appendix "C";
 - (c) "information" means information or data in any form, whether oral or written, whether readable by human being or machine, and whether capable of being transmitted by mail, telephone, fax, computer or any other physical or electronic means;
 - (d) "specified conditions" means conditions with respect to the disclosure and protection of the confidentiality of information that are imposed under the provisions of the laws listed in Appendix "C" or prescribed by regulations made pursuant to those laws or under the *Privacy Act* (Canada) or the *Freedom of Information and Protection of Privacy Act* (British Columbia), or that are specified by the appropriate Minister pursuant to those laws or legislation, all as amended from time to time.

EXCHANGE OF INFORMATION

3. Canada and British Columbia may provide to each other information obtained under their respective laws, or generated in the course of administering those laws, if the information may be furnished in accordance with the specified conditions that apply to the information; if furnishing the information is in accordance with the purposes set out in paragraph 1 or is for the formulation or evaluation of fiscal policy; and if such disclosure is not otherwise prohibited by law.
4. Canada and British Columbia shall inform each other of the specified conditions, if any, which apply to information provided under their respective laws, on the execution of this Memorandum of Understanding; and each shall inform the other of any amendment or addition thereto, as may be required from time to time.
5. Certain information, including the following, is not subject to this Memorandum of Understanding, where it was provided on condition that it not be further disclosed, or where its disclosure is, or may be, prohibited by law:
 - (a) information provided by another government;
 - (b) information provided in confidence by a third party other than pursuant to law;
 - (c) information subject to solicitor-client privilege; or
 - (d) scientific or technical information provided in confidence by a third party.
6. An opinion or recommendation prepared for or by a federal or provincial institution or Minister of the Crown of Canada or British Columbia is not subject to this Memorandum of Understanding, unless otherwise agreed to at the discretion of the Deputy Minister who would be providing the information.
7. Canada and British Columbia agree to provide information to each other under the provisions of this Memorandum of Understanding except where the disclosure would not be in the interest of the disclosing party.

CONFIDENTIALITY

8. Information received by Canada from British Columbia will be treated as confidential by Canada and will be granted the protection from disclosure provided for under the laws of Canada.
9. Information received by British Columbia from Canada will be treated as confidential by British Columbia and will be granted the protection from disclosure provided for under the laws of British Columbia and Canada.

10. For greater certainty:

- (a) any information disclosed to Canada under this Memorandum of Understanding that was obtained by British Columbia in the course of administering the *Income Tax Act* (British Columbia) will be used by Canada only for the administration and enforcement of its laws relating to income tax or a social benefit program; and
- (b) any information disclosed to Canada under this Memorandum of Understanding that was obtained by British Columbia in the course of administering its laws other than the *Income Tax Act* (British Columbia) will be used by Canada only for the administration and enforcement of a law that provides for the imposition and collection of a tax or duty.

ADMINISTRATION

11. The Deputy Ministers may take whatever measures are necessary for the effective administration of this Memorandum of Understanding including:

- (a) the designation of the officials in Appendix "A" who are responsible for the overall administration thereof; and
- (b) the authorization of officials in Appendix "B" to carry out the terms and conditions of the Memorandum of Understanding, including the establishment of any mechanism, procedure or Memorandum of Understanding to facilitate its administration.

CONTROL

12. Canada and British Columbia will ensure that information furnished under this Memorandum of Understanding will be protected by:

- (a) restricting its access to persons to whom its communication is authorized by this Memorandum of Understanding and who need it for a purpose authorized by this Memorandum of Understanding;
- (b) controlling access to the premises where the information is stored or used;
- (c) communicating the information in a secure manner;
- (d) returning or destroying, in a secure manner, information no longer required;
- (e) keeping and maintaining records of requests for, and the use made of, the information;
- (f) notifying each other of any actual or suspected loss, or of any unauthorized disclosure of the information.

13. British Columbia undertakes to ensure that their security requirements are consistent with the Revenue Canada guidelines. A summary of the guidelines are presented in Appendix "D".
14. Canada agrees to provide to British Columbia, in a separate attachment, the applicable Canada security guidelines.

REQUEST

15. Each request for information shall state:
 - (a) the nature and extent of the information requested;
 - (b) the use to be made of the information;
 - (c) the date by which the information is required;
 - (d) other details, such as the number of files requested; and
 - (e) whether the information will be requested on a continuing basis.
16. Canada and British Columbia will communicate information to each other on their own volition, where such communication may be helpful to advance the purposes set out in paragraph 1.

COMPENSATION

17. Canada and British Columbia agree that, as a general principle, information will be provided without charge, on a reciprocal basis, where the provision of the information will contribute to, or be clearly in the interest of, effective revenue administration. Where the compilation of the data will involve a significant service element, an estimation of full costs will be provided and agreed to in advance.

AMENDMENT, COMING INTO FORCE AND DURATION

18. This Memorandum of Understanding and Appendix "A" may be amended at any time with the mutual consent of Canada and British Columbia, and such amendment may be effected by an exchange of letters between Deputy Ministers.
19. This Memorandum of Understanding and all appendices thereto shall be reviewed regularly by Canada and British Columbia. Appendices "B" and "C" may be amended at any time by an exchange of letters between Revenue Canada and British Columbia officials designated in Appendix "A".

20. This Memorandum of Understanding shall come into force on the date it is last signed and shall remain in effect until terminated by either Canada or British Columbia upon six months written notice, or at any time upon mutual consent.
21. Effective as of the date of its coming into force, this Memorandum of Understanding shall replace *The Agreement for the Furtherance of Cooperation, Mutual Assistance and Information Sharing in Matters Relating to Taxes in Respect of Property, Services and Other Taxes*, dated the 9th day of February, 1995.



IN WITNESS WHEREOF, this Memorandum of Understanding was signed, in duplicate, each version being equally authentic.

**FOR THE GOVERNMENT OF THE
PROVINCE OF BRITISH COLUMBIA**

FOR THE GOVERNMENT OF CANADA

at _____
Date: _____
By _____

at _____
Date: AUG 13 1998
By _____

Chris Trumpy
Deputy Minister
Finance and Corporate Relations

 R. Wright
Rob Wright
Deputy Minister
Department of National Revenue

List of Designated Officials in the Department of National Revenue Responsible for the Overall Administration - Paragraph 11(a)

Assistant Deputy Minister
Policy and Legislation Branch
Revenue Canada
123, Slater Street, Room 1000
Ottawa, Ontario
K1A 0L5

Telephone: (613) 957-2041
Fax: (613) 957-2067

Assistant Deputy Minister
Regional Operations - Pacific
Revenue Canada
708 - 333 Dunsmuir Street
Vancouver, British Columbia
V6B 5R4

Telephone: (604) 666-0456
Fax: (604) 666-4780

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APPENDIX "A" (Cont'd)

List of Designated Officials of the Ministry of Finance of British Columbia Responsible for the Overall Administration - Paragraph 11(a)

For all purposes under this Memorandum of Understanding:

Assistant Deputy Minister
Revenue Division
Ministry of Finance and Corporate Relations
1802 Douglas Street
Victoria, British Columbia
V8T 4K6

Telephone: (250) 387-6207
Fax: (250) 356-1333

Authorized Officials in the Department of National Revenue Serving as Contacts to Carry Out the Terms and Conditions of this Memorandum of Understanding - Paragraph 11(b)

Director
Federal and Provincial Affairs Division
Policy and Intergovernmental Affairs
Directorate
Policy and Legislation Branch
Revenue Canada
171 Slater Street, 12th floor
Ottawa, Ontario
K1A 0L5

Telephone: (613) 941-8543
Fax: (613) 946-2937

Director, Programs
Regional Operations - Pacific
Revenue Canada
708 - 333 Dunsmuir Street
Vancouver, British Columbia
V6B 5R4

Telephone: (604) 775-6701
Fax: (604) 666-4780

Director, Southern Interior District
Regional Operations - Pacific
Revenue Canada
280 Victoria Street
Prince George, British Columbia
V2L 4X3

Telephone: (250) 492-9393
Fax: (250) 492-9573

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APPENDIX "B" (Cont'd)

Authorized Officials in the Department of National Revenue Serving as Contacts to Carry Out the Terms and Conditions of this Memorandum of Understanding - Paragraph 11(b)

Director, Northern District
Regional Operations - Pacific
Revenue Canada
280 Victoria Street
Prince George, British Columbia
V2L 4X3

Telephone: (250) 561-7821
Fax: (250) 561-7810

Director, Vancouver Island
Regional Operations - Pacific
Revenue Canada
910 Government Street
Victoria, British Columbia
V8W 1X3

Telephone: (250) 363-3169
Fax: (250) 363-3755

Assistant Director, Verification, Enforcement
and Compliance Research (VECR)
Assistant Director, Collections
Vancouver Tax Services Office
15th Floor, 1166 West Pender Street
Vancouver, British Columbia
V6E 3H8

Assistant Director - VECR
Telephone: (604) 691-4910
Fax: (604) 691-4135

Assistant Director - Collections
Telephone: (604) 691-4468
Fax: (604) 691-4220

Authorized Officials in the Department of National Revenue Serving as Contacts to Carry Out the Terms and Conditions of this Memorandum of Understanding - Paragraph 11(b)

Assistant Director, Verification, Enforcement
and Compliance Research
Assistant Director, Collections
Vancouver Island Tax Services Office
1415 Vancouver Street
Victoria, British Columbia
V8V 3W4

Assistant Director - VECR
Telephone: (250) 363-3200
Fax: (250) 363-8258

Assistant Director - Collections
Telephone: (250) 363-3524
Fax: (250) 363-3534

Assistant Director, Verification, Enforcement
and Compliance Research
Assistant Director, Collections
Burnaby-Fraser Tax Services Office
201-4664 Lougheed Highway
Burnaby, British Columbia
V5C 6C2

Assistant Director - VECR
Telephone: (604) 775-5090
Fax: (604) 775-5055

Assistant Director - Collections
Telephone: (604) 666-0185
Fax: (604) 666-9394

APPENDIX "B" (Cont'd)

Authorized Officials in the Department of National Revenue Serving as Contacts to Carry Out the Terms and Conditions of this Memorandum of Understanding - Paragraph 11(b)

Assistant Director, Verification, Enforcement
and Compliance Research
Assistant Director, Collections
Southern Interior Tax Services Office
277 Winnipeg Street
Penticton, British Columbia
V2A 1N6

Assistant Director - VECR
Telephone: (250) 492-9291
Fax: (250) 470-6640

Assistant Director - Collections
Telephone: (250) 492-9208
Fax: (250) 470-6612

Assistant Director, Verification, Enforcement
and Compliance Research
Assistant Director, Collections
Northern B.C. - Yukon Tax Services Office
Bag 7500
Prince George, British Columbia
V2L 5N8

Assistant Director - VECR
Telephone: (250) 561-7838
Fax: (250) 561-6930

Assistant Director - Collections
Telephone: (250) 561-7830
Fax: (250) 561-7898

Authorized Officials in the Ministry of Finance of British Columbia Serving as Contacts to Carry Out the Terms and Conditions of this Memorandum Of Understanding - Paragraph 11(b)

Executive Director
Consumer Taxation Branch
1802 Douglas Street
Victoria, British Columbia
V8T 4K6

Telephone: (250) 387-0666
Fax: (250) 387-6218

Director
Tax Policy Branch
Treasury Board Staff
105-617 Government Street
Victoria, British Columbia
V8V 1X4

Telephone: (250) 387-9011
Fax: (250) 356-5071

Director
Income Taxation Branch
1802 Douglas Street
Victoria, British Columbia
V8T 4K6

Telephone: (250) 387-3320
Fax: (250) 356-0434

Director
Branch Operations
Consumer Taxation Branch
1802 Douglas Street
Victoria, British Columbia
V8T 4K6

Telephone: (250) N/A
Fax: (250) 356-1090

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APPENDIX "B" (Cont'd)

Authorized Officials in the Ministry of Finance of British Columbia Serving as Contacts to Carry Out the Terms and Conditions of this Memorandum Of Understanding - Paragraph 11(b)

Director, Vancouver Operations
Consumer Taxation Branch
Suite 500, 605 Robson Street
Vancouver, British Columbia
V6B 5J3

Telephone: (604) 660-1104
Fax: (604) 660-6024

Director, Regional Operations
Consumer Taxation Branch
1802 Douglas Street
Victoria, British Columbia
V8T 4K6

Telephone: (250) 387-0655
Fax: (250) 387-6218

Assistant Director, Vancouver Operations
Consumer Taxation Branch
Suite 500, 605 Robson Street
Vancouver, British Columbia
V6B 5J3

Telephone: (604) 660-4540
Fax: (604) 660-6024

Senior Manager, Tax Administration
Consumer Taxation Branch
1802 Douglas Street
Victoria, British Columbia
V8T 4K6

Telephone: (250) 387-0927
Fax: (250) 387-6218

Authorized Officials in the Ministry of Finance of British Columbia Serving as Contacts to Carry Out the Terms and Conditions of this Memorandum Of Understanding - Paragraph 11(b)

Manager
Income, Resource Tax and Family Bonus
Income Taxation Branch
1802 Douglas Street
Victoria, British Columbia
V8T 4K6

Telephone: (250) 387-9667
Fax: (250) 356-9243

Manager
Corporation Capital Tax and Insurance Premium Tax Section
Income Taxation Branch
1802 Douglas Street
Victoria, British Columbia
V8T 4K6

Telephone: (250) 953-3082
Fax: (250) 356-0434

Manager
Property Tax Section
Income Taxation Branch
1802 Douglas Street
Victoria, British Columbia
V8T 4K6

Telephone: (250) 387-3328
Fax: (250) 953-3094

Manager
Fuel and Tobacco Section
Consumer Taxation Branch
1802 Douglas Street
Victoria, British Columbia
V8T 4K6

Telephone: (250) 387-0658
Fax: (250) 387-6218

APPENDIX "B" (Cont'd)

Authorized Officials in the Ministry of Finance of British Columbia Serving as Contacts to Carry Out the Terms and Conditions of this Memorandum Of Understanding - Paragraph 11(b)

Audit Manager
Consumer Taxation Branch
Suite 500, 605 Robson Street
Vancouver, British Columbia
V6B 5J3

Telephone: (604) N/A
Fax: (604) 660-6024

Regional Manager
Consumer Taxation Branch
1044-5th Avenue
Prince George, British Columbia
V2L 3H9

Telephone: (250) 565-6209
Fax: (250) 565-6638

Regional Manager
Consumer Taxation Branch
Room 114, 1420 Water Street
Kelowna, British Columbia
V1Y 1J2

Telephone: (250) 861-7431
Fax: (250) 861-7435

Regional Manager
Consumer Taxation Branch
1011 Fort Street
Victoria, British Columbia
V8V 3K5

Telephone: (250) 387-0611
Fax: (250) 953-3048

Listings made for the purpose of the definition "Laws" found in Paragraph 2 of this MOU

Laws of Canada:

Customs Act, R.S.C. 1985, c.1 (2nd supplement)

Excise Act, R.S.C. 1985, c. E-14

Excise Tax Act, R.S.C. 1985, c. E-15

Income Tax Act, R.S.C. 1985, c. C-1 (5th supplement)

Canada Pension Plan, R.S.C. 1985, c. C-8

Unemployment Insurance Act, R.S.C. 1985, c. U-1

Listings made for the purpose of the definition "Laws" found in Paragraph 2 of this MOU

Laws of British Columbia:

Social Service Tax Act, RSBC, 1996, c. 431

Hotel Room Tax Act, RSBC, 1996, c. 207

Tobacco Tax Act RSBC, 1996, c. 452

Motor Fuel Tax Act, RSBC, 1996, c. 317

Property Transfer Tax Act, RSBC, 1996, c. 378

Corporation Capital Tax Act, RSBC, 1996, c. 73

Insurance Premium Tax Act, RSBC, 1996, c. 232

Income Tax Act, RSBC, 1996, c. 215

Logging Tax Act, RSBC, 1996, c. 277

Mining Tax Act, RSBC, 1996, c. 295

MEDIA	PROCESSING	MARKING	STORAGE	DESTRUCTION	ERASURE	COMMUNICATION		
						Electronic Transmission	Facsimile	Mail
Documents and Printouts	• process ¹	• mark ² in the upper right hand corner on face of cover page	• store in cabinet equipped with a padlock	• use 5.00 mm strip cut shredder	non applicable	non applicable	• use secure facsimile devices (e.g. FAX Secrets ⁴)	• ⁵ use two gum-sealed envelopes ⁶
Non-removable hard disks	• process ¹	• mark ² on casing and outer container when removed from the computer system	• logical access controls (UserID and Password) • encrypt ³ • physical access controls to area	• erase • break/cut in quarters • grind surface of the platter • smash with hammer or drill holes in the platter • discard if encrypted ³	• over write 3 times (e.g., RCMP-DSX, Norton's WIPEDISK) • approved degausser	• encrypt ³ data	• use secure facsimile devices (e.g. FAX Secrets ⁴)	• ⁵ package in a solid container designed for that purpose ⁶ • <i>diskettes</i> ⁵ use two gum-sealed envelopes ⁶ (use a media mailer as the inner envelope)
Removable media such as: diskettes; hard disks; zip, jazz or Bernoulli drives; magnetic tapes and cartridges; optical disks; CDs; etc.	• process ¹	• mark ² on casing and outer container • <i>magnetic media</i> mark ² on cartridge or cassette • <i>diskette</i> mark ² on face of surface	• encrypt ³ and store in lockable containers	• erase • break/cut in quarters • <i>diskette</i> cut in 1/4 inch strips • <i>magnetic tapes and cartridges</i> cut reels in half • grind surface of the platter • smash with hammer or drill holes in the platter • discard if encrypted ³	• over write 3 times (e.g., RCMP-DSX, Norton's WIPEDISK) • approved degausser • <i>magnetic tapes and cartridges</i> over write 3 times the full length of the tape	• encrypt ³ data	non applicable	• ⁵ package in a solid container designed for that purpose ⁶
Microfilms	• process ¹ • area is to be under continuous monitoring	• mark ² on cartridge, reel or cassette - at the beginning (header) and end (trailer) of the film - at the center of the top and bottom of each individual frame	• store in cabinet equipped with a padlock	• use 5.00 mm strip cut shredder	non applicable	non applicable	non applicable	• ⁵ package in a solid container designed for that purpose ⁶
Microfiches	• process ¹ • area is to be under continuous monitoring	• mark ² on each fiche/frame - the fiche # and total # of fiche on each fiche/ frame - at the header line at the center of the top and bottom of each fiche/ frame	• store in cabinet equipped with a padlock	• use 5.00 mm strip cut shredder	non applicable	non applicable	non applicable	• ⁵ use two gum-sealed envelopes ⁶

MEDIA	PROCESSING	MARKING	STORAGE	DESTRUCTION	ERASURE	COMMUNICATION		
						Electronic Transmission	Facsimile	Mail
Smart Cards and other card Technologies	<ul style="list-style-type: none"> process ¹ 	<ul style="list-style-type: none"> mark ² on the outside of the card 	<ul style="list-style-type: none"> encrypt ³ and store in lockable containers 	<ul style="list-style-type: none"> destroy the microchip, mag stripes, optical zones, etc. by smashing, breaking, cutting or grinding the data storage area 	<ul style="list-style-type: none"> over write 3 times (e.g., RCMP-DSX, Norton's WIPEDISK) approved degausser 	<ul style="list-style-type: none"> encrypt ³ data 	<ul style="list-style-type: none"> non applicable 	<ul style="list-style-type: none"> package in a solid container designed for that purpose ⁶
Local Area Networks (LANs) Servers	<ul style="list-style-type: none"> process ¹ area is to be under continuous monitoring 	<ul style="list-style-type: none"> mark ² on casing and outer container when removed from the computer system 	<ul style="list-style-type: none"> logical access controls (UserID and Password) encrypt ³ physical access controls for LAN rooms or facilities 	<ul style="list-style-type: none"> erase break/cut in quarters grind surface of the platter smash with hammer or drills holes in the platter discard if encrypted ³ 	<ul style="list-style-type: none"> over write 3 times (e.g., RCMP-DSX, Norton's WIPEDISK) approved degausser 	<ul style="list-style-type: none"> encrypt ³ data 	<ul style="list-style-type: none"> use secure facsimile devices (e.g. FAX Secrets ⁴) 	<ul style="list-style-type: none"> package in a solid container designed for that purpose ⁶

¹ The information is to be processed in an area where access is limited only to authorized individuals who work there and to properly-escorted visitors. These areas are to be monitored on a regular basis. Audit trails of all accesses to client information is to be maintained (data elements: *identity of the person, time and date of the access, and type of transaction made*).

² The marking designated "PROTECTED" is to appear at all times on all paper copies and the media.

³ Data encrypted under approved Revenue Canada algorithms can be treated as non-sensitive; from an availability and integrity point of view, on and off-site backups should be maintained and physical security protection applied.

⁴ Revenue Canada FAX Secrets devices on loan to an organization are to be located in areas where access is limited to authorized individuals and under continuous monitoring; the devices are to be set to a Protected Group # (defined by Revenue Canada); the secure FEDNET group is not permitted for non-federal organizations; support and maintenance of the devices is provided by Revenue Canada; suspected or actual security incidents are to be immediately reported to the Revenue Canada security official.

⁵ Send by priority courier, registered mail, or private courier. Proof of mailing and a record of transit and delivery is to be provided by the courier.

⁶ The address is to appear on both envelopes; the security marking is to appear on the inner envelope only and marked "To be opened by addressee only"; when using solid containers, secure container with plastic or metal ties so it cannot be opened unless it is broken, or with a padlock.