



# Grassroots Advocacy Kit

  
**NAGA**  
NATIONAL ALLIED GOLF ASSOCIATIONS



CANADIAN  
GOLF  
SUPERINTENDENTS  
ASSOCIATION



ASSOCIATION  
CANADIENNE DES  
SURINTENDANTS DE  
GOLF



**CSCM**  
The Canadian Society  
of Club Managers



# Our Call to Action

The past several years have been exciting for the National Allied Golf Associations (NAGA). A parliamentary Golf Caucus was formed with participation from all political parties, and meetings have taken place with close to 200 MPs from across the country promoting Canada's golf industry. NAGA has also been featured in a vast number of media outlets both nationally and internationally, including the Wall Street Journal, the Economist and CBC National News. While NAGA has experienced many successes over the past several months, there is still a lot of work to be done.

The wave of change that recently swept the Liberals to power with a solid majority government brings with it new opportunities for NAGA and its request for tax fairness. With close to 200 new MPs with little to no exposure to national organizations and federal policy, it is essential for NAGA to build a brand, develop new relationships, and frame advocacy agendas early with new MPs.

This kit contains an overview of the current tax situation and explains the challenge our industry faces. The kit also provides instruction for contacting your MP and a sample letter to send to his or her local office.

Due to a 1971 tax reform, the Canada Revenue Agency does not allow deductions for expenses incurred by business people entertaining clients at golf courses. Canada's 2,300 golf courses, most of whom are small business operators, cannot compete fairly with all the other industries where CRA does support entertaining clients. Over time, the unfairness of this discrimination against the golf industry has become more and more significant.

To Canada's 2,300 golf course operators, who are now facing the most competitive marketplace in our industry's history, this unfair tax legislation is no longer a tolerable disadvantage. NAGA and its member associations are calling on the federal government to correct this problem and establish tax fairness for Canada's golf industry.

If your business is located in a different riding than your home, arrange to meet with both members. By following this link <http://parl.gc.ca/common/index.asp?Language=E> and inserting your business and residential postal codes, you can easily identify and locate the MP or MPs you should be approaching. NAGA is working hard in Ottawa on many fronts to address your concerns, but we need your help.

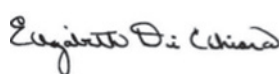
By working together we can make a difference.

Thank you!



**Jeff Calderwood**

CEO, National Golf Course Owners Association Canada



**Elizabeth Di Chiara**

Executive Director, Canadian Society of Club Managers



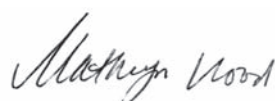
**Scott Simmons**

CEO, Golf Canada



**Gary Bernard**

CEO, Professional Golfers' Association of Canada

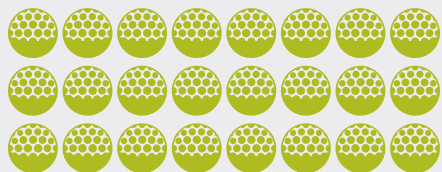


**Kathryn Wood**

Director, Meetings & Professional Development, Canadian Golf Superintendents Association



## 60 MILLION ROUNDS A YEAR



## 300,000+



## EMPLOYED



## OUR ASK

NAGA is requesting that the government amend the Income Tax Act to allow business people entertaining clients a 50% deduction for greens fees and golf cart rentals, which would then permit fair competition with other hospitality and entertainment industries. Please note that our request does not include golf membership fees, and that the 50% deduction is equal to all other industries we compete with.

# Key Messages

- **We live in a country that loves golf.** There are close to 6 million golfers and more than 2,300 golf courses and practice ranges throughout Canada. More popular than all other participation sports, golf is indeed the number one recreational activity in Canada, even more popular than hockey.
- During the **60 million rounds of golf played each year**, Canadians get to go outdoors and enjoy one of the simplest, safest and most often recommended forms of exercise – walking, while enjoying their favorite sport with friends, family and business associates.
- The economic impacts of the game are also impressive. The golf industry is present in every Canadian province and territory, and contributes **\$14.3 billion** to the country's Gross Domestic Product each year.
- Directly and indirectly, **golf employs over 300,000 Canadians**, including substantial numbers of youth: over 37% of those employed in golf are students, supporting their financial ability to complete college or university, and providing them valuable work experience.
- Golf is responsible for **\$8.3 billion of household income** in Canada, \$1.4 billion in property and other indirect taxes, and **\$2.2 billion in income taxes**.
- Golf is a very important Canadian industry, with gross revenues that are actually more than all skiing facilities, fitness, sports centres, amusement parks and all other recreation industries **combined**.
- Our issue is the serious oversight that businesses in Canada are unable to claim **golf expenses** for client entertainment purposes on their taxes, when virtually all other industries are permitted this important business strategy. Golf is specifically singled out in the Income Tax Act in a highly unfair manner.
- **Due to a 1971 tax reform**, the Canada Revenue Agency does not allow deductions for expenses incurred by business people entertaining clients at golf courses, as per section 18.1. This influences business people to avoid golf on the basis of taxation alone. The role of the Income Tax Act includes the principle of fairness, and therefore should not be discriminating against our golf industry in this way, an unfairness that we simply cannot sustain any longer.
- In the United States, the IRS does allow for deductions for expenses incurred by business people entertaining clients at golf courses, which only further illustrates the unfairness with Canada's current tax legislation.
- Given that golf is most certainly an effective vehicle for entertaining clients, **Canada's 2,300 golf courses, most of whom are small business operators**, cannot compete fairly with all the other industries where CRA does appreciate the need for entertaining clients.



# Contact Your Local Politician Today

Enclosed you will find a sample letter for your MP. We invite you to personalize this letter to reflect your own situation. **Then print your advocacy letter on your letterhead and mail or fax it to your MP. Don't forget that if your business is in a different political riding than where you live, you should send a letter to the MP for each area.** Your participation is crucial to our advocacy efforts.

Please remember that personalized letters have the greatest impact! You should also feel free to involve your colleagues and concerned citizens in the effort to update and educate legislators on the current golf industry tax situation.

**NAGA also asks you to follow up with your local MP by requesting a meeting on this issue.** We need every NAGA member in Canada to register our collective concerns, because for a politician, a call from a constituent makes a real impact. If your MP is difficult to meet with, insist that you at least talk to him/her by telephone so that you can express your views directly. Note that MPs should be making themselves available to meet with their constituents, so make sure you mention that you are a constituent when you are calling to make the appointment.

NAGA member engagement is vital. The difference between success and failure in advocacy campaigns such as this one is the level of member participation and the quantity and quality of MP meetings that take place across the country.

Prior to meeting with your local MP, please review the enclosed Meeting Guide to help you prepare. Once you have concluded the meeting, please fill out the enclosed De-briefing Questionnaire. Your feedback will help us to continue our advocacy planning efforts. If you need help finding your local MP, please consult the website below. Simply enter your postal code where prompted, and it will provide you with your MP information. Remember to enter your office and home postal codes, as the MP may be different depending on your locations. The more MPs we meet, the stronger our lobby effort will be! To assist our members in preparing for meetings with their MPs, NAGA will be organizing a number of conference calls or webinars to support these efforts.





**THANK YOU!**



**15-30  
MINUTES**



**WELCOME**



# Meeting Guide

Having a meeting with your MP provides an opportunity to educate him/her about yourself, your business and your concerns about the regulation of our industry.

1. Most MPs will generally afford you only 15-30 minutes for your meeting, so you should be brief and to the point. If there are two or more individuals at the meeting, you should decide on a principal spokesperson to handle the main points. Don't forget, though, that all individuals should feel free to comment at any time during the meeting.
2. Open your meeting(s) by thanking the MP for having taken the time from his/her busy schedule to meet with you and discuss this important issue. What is most important is to make sure the MP understands that business is being unfairly directed away from golf courses due to an outdated clause in the Income Tax Act.
3. Introduce yourself by giving your name, title and the business you represent.
4. Say a few words about the purpose and aim of your meeting:
  - To promote a better understanding and appreciation of the golf industry and its importance across Canada.
  - To ensure the MP understands the issues surrounding the unfair taxation of golf, as singled out in the Income Tax Act.
5. Note that you will be providing an update on your meeting to NAGA and its members.
6. Do not hesitate to share personal anecdotes with your MP. They can be very receptive to pieces of information that have a personal touch and in which you may have been directly involved.
7. Pay attention to the time you have been allotted. Your MP will appreciate your understanding that he/she has many commitments that must be kept.
8. Invite your MP to visit your facility. This type of visit will help your MP to better understand the industry in his/her constituency.
9. At the end of the meeting, briefly summarize the key points discussed. Make sure to add that if he/she has any questions, to not hesitate to either personally contact you, or NAGA directly.
10. Complete the De-briefing Questionnaire after the meeting and return it by fax to (613) 230-2669 or email it to [NAGA@impactcanada.com](mailto:NAGA@impactcanada.com).

# Sample Letter

(insert date)

(insert name and address of individual)

Dear (insert MP name),

I am a golf industry employer in your riding at **FACILITY NAME HERE**. I employ **X** of your constituents, many of whom are students working in the golf season to help pay for their educations.

Golf is a key economic driver in this country. It is an industry that contributes more than \$14 billion in annual GDP to the Canadian economy and is responsible for hundreds of thousands of direct jobs in all regions of the country. Due to a 45-year-old tax reform, the Canada Revenue Agency does not allow deductions for expenses incurred by business people entertaining clients at golf courses. Canada's 2300 golf courses, most of whom are small business operators and important employers, cannot compete fairly with all other hospitality industries where CRA does support entertaining clients.

The National Allied Golf Associations (NAGA) has been advocating for an end to this tax system inequity, requesting that the government amend the Income Tax Act to allow business people entertaining clients a 50% deduction for greens fees and golf cart rentals, which would then permit fair competition with other hospitality and entertainment industries. Golf is one of the most effective ways to build client relationships, making its exclusion from the Income Tax Act even more unreasonable.

I hope the golf industry can count on your support to correct this inequity in the near future. I would welcome the opportunity to arrange a meeting with you in your constituency office to discuss this important issue in greater detail.

Sincerely,

*Your Signature*

(Name)

(Title)



# Debriefing Questionnaire

Your name:

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Company you represent:

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Business address:

---

Your email:

Your phone number:

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Name of MP you met with:

---

MP's political party:

Date of meeting:

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1. Was the candidate familiar with the issues affecting the golf industry?

Yes

Somewhat

No

2. Was the candidate supportive of amending the Income Tax Act?

Yes

Somewhat

No

General comments and feedback from the meeting:

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Please fax this form back to **(613) 230-2669** or email to **[NAGA@impactcanada.com](mailto:NAGA@impactcanada.com)**





[www.canadagolfs.ca](http://www.canadagolfs.ca)

# NAGA

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