



October 31, 2018

Dear OSSCO members and supporters:

***Ontario Charitable Gaming Association (OCGA) Continues to Push for Break Open Ticket (BOT) Fairness***

OSSCO is a charity which receives no core funding. We raise monies through our social enterprise activities, grants, donations and the selling of break open tickets (BOT). BOT's are the only gaming product which is taxed an additional 29% with an "Admin Fee". OSSCO is asking for your help to send an email or text to your Ontario MPP to ask that the "Admin Fee"/tax is removed from charities who raise monies selling BOT's.

The former government introduced the BOT "Admin Fee" or tax which affects 5,000 Ontario Charities including OSSCO. OCGA's efforts to eliminate the unfair BOT Admin Fee is continuing now with the new government. Should this BOT Admin Fee be eliminated, OSSCO could annually receive an additional \$80,000. This increases our direct educational program investment from \$175,000 to \$255,000.

OCGA is taking the charities' messages forward to the Ministers and other new government officials asking them to do what the previous government wouldn't - get rid of this unfair and destructive tax on a charity's revenues.

Here are the key messages OCGA is sending:

- This is an unfair tax on the money that charities across Ontario raise themselves through the selling of BOTs - amounting to almost \$5 million each year.
- After selling a box of 50 cent tickets, and after paying for AGCO or municipal licensing fees, as well as the service supplier and retailer commissions, the charity only receives net **\$263**. Out of that, the charity has to pay a **\$75** tax to the Ontario Government. **That's a staggering 29% of the charity's net revenues that goes to the Ministry of Finance**, even though the purpose of charitable gaming under the *Criminal Code of Canada* is to raise funds to support charitable purposes and the charity has already paid its licensing fees.
- Charities selling BOTs are the only part of the licensed charitable gaming world that pays this tax. This tax is not applied on bingos, on local raffles, or on hospital lotteries. Even the new e-affles is exempt from this Admin Fee/tax.



- BOT charities are already paying their fair share in licensing fees to the AGCO or their municipalities - at the same rate as everyone else. Charities have no problem with continuing to do that.
- OSSCO and other charities are not asking for a handout - this isn't like horseracing or craft beer or lots of other sectors that receive money from government.
- We're just asking to stop having to pay this tax ("Admin Fee") on the net funds that we raised ourselves so we can put that the money to good use - to increase educational programs for seniors that reduces social isolation, keeps them informed, engaged and involved - in our local communities.

**What can you, our members and supporters do to help?**

OSSCO's and the OCGA's message will be much stronger if Ontario MPPs hear back from the charities, their members and supporters about how important it is for the new government to correct this injustice.

Please go to [botfairness.com](http://botfairness.com) where you'll find a sample letter/email text that you can use (and share with others) to send to your Ontario MPP.

It's our charity's funds which we've worked hard to raise that's being taken away through this tax. Please support OSSCO in its' efforts to eliminate this additional tax ("Admin Fee") by making your voice heard on our behalf.

Yours truly,

Elizabeth Macnab, Executive Director