



IDRC · CRDI

International Development Research Centre
Centre de recherches pour le développement international

Consultancies

*Frequently Asked Questions about Administrative
Procedures*

Grant Administration Division

[What if I incur costs before my contract is signed?](#)

[How long does it take for IDRC to analyze my reports and process invoice payments?](#)

[How do I find out about the status of my payment?](#)

[Will IDRC cover costs that exceed the amount stated in my agreement?](#)

[I am a consultant not residing in Canada. Do Canadian tax laws apply to me?](#)

[Where can I find out about the regulations related to the Canadian Goods and Services/Harmonized Sales Tax and the withholding of 15% of my fees/non-exempt expenses?](#)

[I am a consultant not residing in Canada. Why should I worry about the Canadian Goods and Services/Harmonized Sales Tax?](#)

[I am a Canadian consultant. Do I need to charge IDRC the Canadian Goods and Services/Harmonized Sales Tax?](#)

[Do I need to complete the tax-reporting form?](#)

[Typical consultant invoice](#)

This information sheet was written to help you understand the administrative procedures that must be followed with regard to consultancy contracts issued by IDRC to acquire professional services for a fee. Please read it carefully in conjunction with the contract you received from IDRC. Your contract contains various clauses related to your consultancy with IDRC. Please pay particular attention to the sections that address the terms of reference and the schedule of the work you are required to undertake, your relationship with IDRC, the assignment of copyright and the waiver of moral rights, and the Goods and Services/Harmonized Sales Tax. If you are required to travel as part of your contract, you will receive a separate information sheet about travel.

The IDRC person identified in your contract is your best source of information. This person is most familiar with the terms and conditions of the contract and will be best able to deal with your concerns and questions. Here are answers to some questions you may have.

What if I incur costs before my contract is signed?

IDRC will not pay any expenses incurred before the commencement date of your contract. In no case can the commencement date precede the date on which your contract is signed.

How long does it take for IDRC to analyze my reports and process invoice payments?

IDRC will advise you in writing within 15 calendar days if there are any errors, omissions, or clarifications required in your submissions. Delays in submission of acceptable reports (or other outputs) will delay your payment. After IDRC receives acceptable reports or outputs along with your invoice, payments will be processed within 30 calendar days of receipt of all required (and deemed acceptable) documentation as identified in Appendix A of the contract.

How do I find out about the status of my payment?

Normally, you will hear from the IDRC administrative contact person within 15 calendar days of the receipt of your invoice. If you have not heard from IDRC within this four-week period, please ask the administrative contact person to trace your payment.

Will IDRC cover costs that exceed the amount stated in my agreement?

All changes to your budget should be kept within the total amount of the original IDRC contract. If there are cost overruns, discussions between you and the IDRC representatives should take place to see where savings can be made on other expenses. Only as a last resort will IDRC consider amending its contract to cover such over-expenditures.

I am a consultant not residing in Canada. Do Canadian tax laws apply to me?

IDRC must, by law, withhold a portion (15%) of all fees and expenses not supported by receipts that are paid to non-residents working in Canada. Even if you are living and working abroad, you must still make a declaration on the [tax-reporting form](#) of the contract. To apply for a waiver or a reduction of the withholding tax (see *Regulation 105 Waiver Application*, Canada Revenue Agency, Ottawa <http://www.craarc.gc.ca/E/pbg/tf/r105/r105-01e.pdf>).

Where can I find out about the regulations related to the Canadian Goods and Services/Harmonized Sales Tax and the withholding of 15% of my fees/non-exempt expenses?

The Canada Revenue Agency (CRA) is responsible for administration of the Goods and Services/Harmonized Sales Tax (GST/HST) and income tax regulations. You should contact CRA to discuss your questions or concerns. The main website can be found at: <http://www.cra-arc.gc.ca/>. Search either for "GST/HST" or for "non-residents".

I am a consultant not residing in Canada. Why should I worry about the Canadian Goods and Services/Harmonized Sales Tax?

If you are working in Canada, the work is taxable. If you reside outside Canada and are delivering goods or services to Canadian clients, you can be registered with the Canada Customs and Revenue Agency for work you are delivering in Canada. In this case, you must charge GST/HST on both fees and expenses.

I am a Canadian consultant. Do I need to charge IDRC the Canadian Goods and Services/Harmonized Sales Tax?

Yes, if you are a GST/HST registrant, you must charge GST/HST on both fees and expenses, including travel allowances. The fact that you receive an advance for the expenses does not exonerate you from the obligation of invoicing for the expenses and charging GST/HST. Please read the terms of payment carefully.

Do I need to complete the tax-reporting form?

All consultants are required to complete the [tax-reporting form](#) that is attached to their contract. This form provides IDRC with valuable information that will speed up processing of your payment. Under certain conditions (mostly related to the value of your Canadian business), you do not need to register for the GST/HST, and therefore do not need to invoice IDRC for the GST/HST. However, you should [consult CRA](#) to ensure that you do not need to register.

Typical consultant invoice

ABC Consultants inc.
123 Rose Avenue
Yourtown, Prov A1B 2C3
Telephone: 111-222-3333
Email: ABC@example.com

Date: Month/Day/Year
Invoice # ABC-0102569
Reference: PO123456

1. Fees 20 days @ 400 CAD/day	8,000.00 CAD
2. Expenses allowed under contract	
Lump sum allowance for visas, etc.	150.00 CAD
Per diems Nairobi trip: 10 days @ 225 CAD/day	2,250.00 CAD
Report Reproduction (5 copies x 30 pages @ 0.10 CAD/page*)	15.00 CAD
3. Total expenses	2,415.00 CAD
4. Invoice sub-total	10,415.00 CAD
5. Goods and Services/Harmonized Tax (123456789-RT0001)	1,353.95 CAD
6. Invoice total	11,768.95 CAD
7. Less advance received for Expenses	-2,000.00 CAD
8. Total payable on this invoice	9,768.95 CAD

* Receipts attached if applicable (required from individual consultants; companies and institutions must hold receipts for future audit)