



Non-Employee Honorarium Payment Procedure

Final Approval Body:

Senior Administrative Position with Responsibility for Procedure: Vice-Principal, Finance and Administration

Date Initially Approved: *Click or tap to enter a date.*

Date of Last Revision, if applicable: *Click or tap to enter a date.*

PURPOSE OF PROCEDURE

This procedure describes how to process non-employee honorarium payments at Queen's.

PROCEDURE

Section 1: Determining Eligibility

Responsible Officer/Unit - Department and/or Faculty

Process a non-employee honorarium if one of the following example scenarios apply:

- Guest speaker or lecturer as a gesture of goodwill or appreciation.
- Guest speaker at an educational event or other similar function.
- Guest speaker participating at outreach events.
- External party for a special classroom lecture or short series of such lectures.
- Individual conducting a seminar or workshop.
- Payment to a volunteer for assistance for setup or supporting activities at special events.
- Payments to Indigenous partners in recognition of their cultural contributions and to highlight the value of their unique and sacred knowledge (e.g. cultural advising, knowledge sharing, opening prayer at an event, or a territory welcome).
- Payments to students participating in a specific university project, committee or initiative for a short period of time

Do not process a non-employee honorarium if any of the following scenarios apply:

- The services being provided are those from a current Queen's University employee and the work is related to their position at the university.
 - These payment requests need to be made through Queen's Payroll Services Team via the [Additional/One-Time Payment Request Form](#).
- The value of an honorarium should not be discussed, communicated or agreed upon with the honorarium recipient ahead of time.

- Additionally, the individual providing the services **should not submit an invoice**. If payment is agreed upon, this constitutes a contractual agreement and it is likely that an independent contractor relationship exists.
- The individual providing services requires HST be included in the payment for their services.
 - This does not constitute an honorarium payment and would need to be processed as an Independent Contractor payment request via the appropriate payment request channels (i.e. the **Payment Request Form** in acQuire).
- Honorarium must not be based on a unit of measure such as hours volunteered or number of students assisted.
 - Payment value must be a flat, nominal amount and must not appear as compensation for work performed.
- An honorarium is not appropriate if the university 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 be paid as an Independent Contractor.
- An honorarium is not appropriate if the university is obtaining “on-call” services from physicians and clinicians.
- Payments are ongoing, for the same type of service provision.

Please be aware that the university is considered a single employer by the Canada Revenue Agency (CRA). Should honorariums exceed \$500 in a calendar year (regardless of whether payments are from a single unit or multiple units) a tax slip will be issued to the recipient for the total amount paid during the year.

Section 2: Processing an Honorarium Payment

Responsible Officer/Unit – Listed in steps 1-5 below

Submitting an Honorarium Payment Request via acQuire

Non-employee honorarium payment requests must be submitted by the initiating department via the university’s eProcurement system, **acQuire** – via the **Honorarium Payment Form**. Further information on completing and submitting an Honorarium Payment Form in acQuire can be located in the [acQuire Payment Forms training course](#) via Queen’s OnQ platform.

- Step 1 – Department Submits Payment Request in acQuire
- Step 2 – Honorarium Recipient Submits Information
- Step 3 – Strategic Procurement Services Reviews and Approves
- Step 4 – Department Approves for Payment
- Step 5 – Payment Made to Recipient by Queen’s Financial Services

Required Information for an Honorarium Recipient and Tax Reporting Requirements

Recipient name, address and preferred remittance method information must be collected and provided at the time of payment request, in order for the honorarium payment to be processed effectively.

- Residents of Canada

- The Social Insurance Number (SIN) of an honorarium recipient is also required for CRA reporting purposes and is mandatory in order for the honorarium to be processed. If the information cannot be provided, reasonable and proven efforts to collect SIN must be shown. Written proof of attempts to collect SIN needs to be included with payment request (upload as an attachment). Refusal to provide a SIN does not preclude a tax slip from being issued to the honorarium recipient.
- Recipients are not subject to tax deductions, however, this does not mean that the recipient does not have to pay taxes on the amount received. Any taxes owing on the amount will be assessed by CRA and are the responsibility of the recipient. Recipients are responsible for reporting all honorariums on their personal income tax return.
- Non-resident of Canada
 - The Social Security Number (SSN) is also required and is mandatory in order for the honorarium to be processed. If the information cannot be provided, reasonable and proven efforts to collect SSN must be shown. Written proof of attempts to collect SSN needs to be included with payment request (upload as an attachment). Refusal to provide an SSN does not preclude a tax slip from being issued to the honorarium recipient.
 - Where the service was performed in Canada and is over \$1,000 CAD, honorariums paid to non-residents of Canada are subject to a flat rate income tax deduction of 15% (withholding) and are reported on a tax slip¹. If the service was performed outside of Canada, there is no tax deduction (withholding) or reporting requirements.
- Indigenous Recipients (services performed on or off a Reserve)
 - Honorarium payments to Indigenous recipients are taxable with the following exception: Honorarium payments to Indigenous recipients who have Indian Status as defined by the Indian Act of Canada **AND where the supply/service was performed on a reserve as defined by the Indian Act of Canada**, are exempt from paying tax on the amount received as per [paragraph 81\(1\)\(a\) of the Income Tax Act](#) and section 87 of the Indian Act.
 - Under the CRA Administration Policy, a tax slip must be issued if the total of all payments in the calendar year was more than \$500 – this is true for tax exempt and taxable payments.
 - For further information on processing payments to Indigenous recipients (including information on SIN collection and appropriate method of payment), please refer to the [Financial Services' Payments to Indigenous Elders Participants Procedure](#), and the Office of Indigenous Initiatives Elder Honorarium Guidelines.

All above noted recipient information must be collected via the [Queen's University Secure Supplier Information Collection Form](#). Information collected via this form is considered secure and confidential, with access to form submissions only available to select members of the Queen's Strategic Procurement Services Team (who is ultimately responsible for supporting the processing of the payment and has ownership of the university's eProcurement system, acQuire), in which the non-employee honorarium payment requests are submitted for processing. All information collected on this form is destroyed safely and confidentially as directed by Queen's Record Management and Privacy Office.

¹ Subject to change based on tax regulations.

Honorarium Payment Approvals and Supporting Documentation

In addition to the honorarium recipient information required, approvals and supporting documentation must be provided with the honorarium payment request in order to have the payment processed efficiently and effectively.

- All non-employee honorarium payments require written approval from the University Representative's Department Head or designate. Upon approval from the Department Head or designate, a payment request can be submitted into acQuire – the Department Head or designate written approval must be attached to the payment request submission in acQuire. Once payment request submissions are reviewed and approved by Strategic Procurement Services in acQuire, approval will then be required from the proper invoice signing authority representative (note: standard honorarium payments range between \$100 and \$500).
- Additional supporting documentation for the payment request should include name of recipient, payment amount and description of payment.
- Documentation that contains sensitive information of the recipient (i.e. banking, SIN/SSN, etc.) must not be attached in acQuire as this information is to be collected from the recipient directly via the Queen's secure information collection methods noted above.
 - Note: Recipient address information must also not be included in supporting documentation attached in acQuire, but can be provided by the department directly on the Honorarium Payment Form submission in acQuire, in the available address fields.
- Departments must ensure records of honorarium request forms, approvals, and supporting documentation are submitted and stored in the university's eProcurement system, acQuire, for audit purposes – these records must be stored in compliance with the university's retention policy.

Payment Processing

Payment is typically issued to recipients via direct deposit or cheque, but payment will depend on the recipient's preference. Payments will be issued as per the [university's payment methods and corresponding payment term standards](#). Please refer to the [Financial Services' Payments to Indigenous Elders Participants Procedure](#) and the [Office of Indigenous Initiatives Elder Honorarium Guidelines](#) documents for further information on paying indigenous recipients.

Compliance Review

Submitted non-employee honorarium payment requests are reviewed by Strategic Procurement Services for compliance with university policy and Canada Revenue Agency tax regulations. It is recommended that departments ensure the honorarium recipient qualifies as a non-employee and that the service aligns with honorarium criteria prior to payment request submission. Refer to the **Non-Employee Honorarium Payment Policy** for further

information on honorarium eligibility.

Related Policies, Procedures, Guidelines: Non-Employee Honorarium Payment Policy
Procedures Superseded by this Procedure:

Responsible Officer (senior administrator ultimately responsible): **Director, Strategic Procurement Services**

Contact: Nicki Mundell, Senior Manager, eProcurement, Strategic Procurement Services

Date for Next Review (five years from initial approval): **10/1/30**