

“Golf Tax authorities seem to have great difficulty recognizing that golf can serve a legitimate business purpose. Indeed, they remain unconvinced that golf courses sometimes double as meeting rooms – at least after the winter snow has melted. The Income Tax Act expressly states that expenses relating to a “golf course or facility” (e.g. annual dues, green fees, cart rentals costs and initiation fees) are not deductible.”<sup>1</sup>

<b>Expense Deductibility</b>				
<b>Activity</b>	<b>Expense Category</b>	<b>Deduction Allowed</b>		
		0%	50%	100%
GOLF	Food and beverages consumed on site (only if billed separately)		•	
	Promotional items (golf balls, shirts, caps, etc.)			•
	Annual dues/green fees/cart rental/initiation fees	•		
OTHER SPORTS	Recreational club membership	•		
	Tickets to sports events		•	
	In-house company sports equipment (recreational facilities)			•
	Corporate box rental (sports arena)/ski resort season/lift tickets		•	
TRAVEL	Conventions (maximum two per year)/business trips			•
	Business trips (expenses attributable to spouse/children)	•		
LEISURE	Suite rental for clients (e.g. cocktail reception)		•	
	Escort services (illicit)	•		
	Security escort services / tour guide services		•	
ENTERTAINMENT	Movie tickets		•	
	Client gifts (promotional items)			•
	Client gifts (entertainment)		•	
	Activities provided to all employees (excluding golf)			•
FOOD AND BEVERAGE	Food and beverages consumed while travelling (bus/plane/train)			•
	Food and beverages consumed while travelling (ferry/boat)		•	
	Food and beverages billed to clients			•
	Food and beverages included in employees' income			•
	Food and beverages provided to all employees			•
	Client gifts (food and beverages)		•	
	Food and beverage reimbursement not included in employees' income		•	
PRIVATE BUSINESS CLUB	Annual dues			•