

# SEAMO

Southeastern Ontario Academic Medical Organization



[www.seamo.ca](http://www.seamo.ca); e-mail: [seamo@queensu.ca](mailto:seamo@queensu.ca)  
Tel: (613) 533-6988 Fax: (613) 533-6884

Macklem House, 18 Barrie Street, Queen's University  
Kingston, Ontario K7L 3N6

## MEMORANDUM

**TO:** SEAMO Physicians

**FROM:** Danielle Claus, Executive Director Planning and Institutional Relations

**DATE:** December 7, 2011

**RE:** Potential impact of HST on SEAMO physicians

=====

There has been much discussion amongst physicians participating in the Phase III Academic Health Sciences Centre (AHSC) Alternative Funding Plan (AFP) regarding the applicability of HST to non-clinical funding (e.g. teaching, research and administration). Specific concerns relate to the applicability of HST to the Academic Medical Organization (AMO), to practice plans and to participating physicians.

The Ontario Medical Association (OMA) provided an update on the HST issue at the 2011 November 18 meeting of provincial AHSC Chairs and Administrators,. According to the OMA, transfer payment funds are not subject to HST, which means that funding provided to AMOs is HST exempt. The OMA is proposing a side letter to the Phase III Agreement that will clarify the issue. The goal is to have resolution to this issue prior to the expiration of the current Phase III Agreement, 2012 March 31.

Thorsteinssons, a tax law firm in Toronto, has been asked to provide the AMOs with advice regarding the applicability of HST to practice plans and participating physicians. The goal is to develop a unified position on this issue across the 17 AMOs because this issue has implications for thousands of academic physicians across Ontario. I will continue to keep you informed as additional information becomes available.

Thank you for your patience while we work to better understand the HST issue and its implications for practice plans and participating physicians.