



Vice-President (Research and Innovation)

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INTERNAL SABBATICAL LEAVE RESEARCH GRANT

Guidelines and Application Form can be accessed at:

<https://www.mcgill.ca/research/research/funding/internal>

This type of grant is a mechanism, which enables eligible sabbaticants to apply to take part of their salary as a research grant.

It should be very clearly understood though that in making the program available, the University makes no judgment at all regarding the tax deductibility of the sabbaticant's particular research costs. This is a matter for interpretation by the tax authorities and any problems in this regard are negotiable by the sabbaticants (taxpayers) and the tax authorities. ***The University plays no role in this process.***

Recipients of Research Leave Grants should note that the statutory Deductions for Employment Insurance and the Quebec Pension Plan would be based on the reduced salary. The McGill Pension Plan Contributions, Life Insurance Premiums, and Long-Term Disability Premiums are based on the full base salary. C.A.U.T.'s Income Tax Guide is recommended reading for all sabbaticants.

SABBATICAL LEAVE RESEARCH GRANTS CONDITIONS

1. General

Many Faculty members use their sabbatical leave to undertake research programs. When external funding is available to support the cost of such activities, faculty are encouraged to apply to the appropriate granting agency. The University is prepared to give faculty the opportunity to take advantage of income tax regulations which allow the University, under certain conditions, to award a research grant from funds that would normally be paid as salary to staff on leave. Such Grants will be identified as Sabbatical Leave Research Grants.

2. Eligibility

Academic staffs who have been granted an authorized leave of absence of six months or more may apply for a Sabbatical Leave Research Grant.

3. Purpose

The grant may be used during the leave period for all the purposes of a grant-in-aid, but not to supplement the applicant's income.

4. Grant Period

A grant may be awarded for a period within the leave period but not beyond it. Retroactive awards cannot be considered.

5. Maximum

In determining the amount applied for, the applicant should take careful note of the other considerations described in the Sabbatical Leave Research Grant Procedures (page 5). The salary of the applicant in his departmental budget governs the amount available, and normally a grant will not be awarded more than one-half of this amount.

6. Travel & Subsistence

Transportation expenses are allowable for the grantee. (See Interpretation Bulletin at <http://www.cra-arc.gc.ca/tx/tchncl/ncmtx/fls/s1/f2/s1-f2-c3-eng.html#N1090C> for further details.)

7. Ownership of Research Materials & Equipment

All microfilm, books, equipment, or other property acquired by the grantee with funds from this grant are the property of the University and the grantee is expected to make such acquisitions available to his department, when he has completed the research for which the grant was awarded.

SABBATICAL LEAVE RESEARCH GRANTS PROCEDURES

1. Application Forms

Available from the Office of Sponsored Research (tel. 3996) or at <https://www.mcgill.ca/research/research/funding/internal>

- **Applicants should submit applications well in advance of their leave; two months notice is recommended.**
- **Applicants must submit a copy of their sabbatical leave approval letter from the Provost's Office or Workday.**

2. Approval & Routing

The Chair of the applicant's Department and the Dean of her/his Faculty must approve all applications, before being routed to the Office of Sponsored Research for consideration and approval by the Vice-President (Research and Innovation) or their appointee. Unsuccessful applications will be returned to the applicant with an explanation.

3. Grant Administration

When a grant is approved, the Office of Sponsored Research will send copies of the approved application to the:

a) Chair/Director/Dean - for information.

b) Should the period of the research grant fall into two University fiscal years (May 1st to April 30th), separate entries will be made for the appropriate portion for each year, on a pro-rata basis. i.e. if a grant of

\$8,000 is awarded from September 1st to August 31st, then \$5,333 will be transferred from the first year's budget (September to April) and subsequently, another \$2,667 from the second year's budget (May to August).

4. Payment

The Human Resources Payroll Specialist Services will process a direct deposit into the applicant's bank account for the full amount of the first budget year and a subsequent direct deposit at the start of the second budget year. It will require no special action on the part of the Department or the grantee.

5. Grantee's Earnings

a) The grantee's salary will be reduced by the amount of the grant, on a pro-rata basis, during the grant period. The reduced salary will be paid semi-monthly. The Human Resources Payroll Specialist Services will arrange this by issuing a revised appointment form, when they receive a copy of the approved grant application from the Office of Sponsored Research. Example: if a grant of \$8,000 is awarded from September 1st to August 31st to a grantee whose University salary during this period is \$38,000, then a reduced salary of \$30,000 will be paid.

b) McGill's staff benefits, e.g. pension, group life etc., will still be calculated on the total equivalent salary of the staff member.

c) Contributions to Government benefit plans, e.g. Unemployment insurance, Medicare, Quebec Pension, etc., will be based on the reduced salary of the staff member.

6. Income Tax

The University will:

a) Deduct federal and provincial income tax from the reduced salary payments and report accordingly to the Government Revenue Departments on form T4 (Federal) and Relevé 1 (Provincial).

b) Report amounts paid to grantees, by the Human Resources Payroll Specialist Services, to the Government Revenue Departments on form T4A (Federal) and Relevé 1 (Provincial) but no tax will be deducted from such payments.

Grantees will be responsible for claiming allowable research expenses that can be deducted from their research income when they file their income tax returns if applicable. It is recommended that grantees read the Department of National Revenue's Taxation Interpretation Bulletin at <http://www.cra-arc.gc.ca/tx/tchncl/ncmtx/fls/s1/f2/s1-f2-c3-eng.html#N1090C> paragraph 3.58 to inform themselves in this respect. Grantees are also warned to keep receipts, in order to substantiate their tax claims for allowable research.