

# SOLE PROPRIETOR COMPLIANCE STATEMENT

This signed statement must accompany all new supplier requests where the supplier is a Sole Proprietor, to confirm no employee/employer relationship exists between the sole proprietor and the requesting department.

For more information, refer to the University of Toronto [Income Tax Guide, Employee or Independent Contractor](#) to classify consulting services as *employment* vs. *non-employment*. In particular, review the Chapter 6 *Matrix to Determine Payment by Type of Service*.

In the event payment classification cannot be determined, contact your department's Human Resource Department or the central Payroll Department for assistance before submitting this form to Procurement Services. Please be prepared to provide your HR office or central Payroll Department with detailed information regarding the type of services rendered for proper evaluation.

**IMPORTANT**

A tax audit of the supplier or an audit of the University of Toronto by either Canada Customs and Revenue Agency or the Ministry of Finance can result in severe penalties and interest charges if payments should have been issued through Payroll.

**ACKNOWLEDGEMENT**

*The supplier \_\_\_\_\_ has been evaluated against the University of Toronto's guidelines for correct income classification for payments. It has been determined no employee/employer relationship exists between the entity providing the services and the University of Toronto.*

\_\_\_\_\_  
Signature, Department Head\_\_\_\_\_  
Name\_\_\_\_\_  
Date