

Powell River Dollars

Instructions for Businesses

System Registration

You can register by filling out a printed form, or online at:

<http://powellrivermoney.ca/powell-river-dollar/registration-form-for-business-pr/>

When you first register as a business on the PR\$ system, a business account will be created for you and transactions will be entered for your registration fee, initial donation and float, as agreed. You will receive an email with your user ID and password and login instructions. Please save the email for future reference. You may want to bookmark/favorite the login page.

Accepting PR\$ at your business

Most retail businesses will accept PR\$ as cash. Bills are available in denominations of \$1, \$2, \$5, \$10 and \$20. To encourage customers to use PR\$, you can ask them "would you like to pay with PR\$?"

It's important to remember that sales taxes are due on a transaction which involves PR\$ just as they would be on a CN\$ transaction, and the tax needs to be collected in CN\$ so that you can pay it onwards to the CRA in CN\$.

When a customer chooses to pay for part of a purchase with PR\$:

- Ring up the purchase as you normally would as far as the total sale before tax
- Use your till "cheat sheet" or another method of your choice to calculate the amount of PR\$ for this purchase, according to the rate you accept. The PR\$ amount is the total sale before tax multiplied by your acceptance rate as a fraction, rounded down to the nearest dollar.

For example:

Total sale before tax = 75.98

Acceptance rate = 35% (=0.35 as a decimal fraction)

PR\$ amount = $75.98 \times 0.35 = 26.58$, rounded down = PR\$26

Your "cheat sheet" pre-calculates the PR\$ amount for you and makes this simple.

- Tell the customer the PR\$ amount
- Continue the till process to calculate tax on the full amount
- Accept the PR\$ as a "form of payment" similar to if you were accepting a gift card.
- Give change for the PR\$ if needed
- Your till may calculate the remaining CN\$ amount for you. Tell the customer the CN\$ amount (including tax) and accept the remaining payment in CN\$.

Some businesses may accept larger amounts of PR\$ for which cash would be inconvenient. In this case, the customer can pay from their online account. Any device which allows web access through a browser can be used for this. You calculate the PR\$ amount using the same method as for cash: the customer simply goes to their online account and signs in, then pays the required amount to your account ID.

In future we plan to provide a way for customers to text their payment to you using a cellphone.

How to Issue a Refund

If the customer paid using bills, issue the refund using bills from your float.

If the customer paid from their account and you need to refund the whole amount or part of it, simply make a payment from your account to theirs for the appropriate amount.

Any tax that needs to be refunded should be refunded in CN\$.

How to Obtain a PR\$ Float

You can withdraw PR\$ cash from your account at any PR\$ cash point. A good starting point for a float is \$50, but as you develop experience with how heavily your customers use PR\$ you will be able to adjust that amount to fit your business.

How to Deposit PR\$ Bills into Your Account

Take your bills to one of our cash points, along with your account ID. The cash point will accept

the bills and credit the amount to your account, giving you a receipt for the transaction.

What to do with PR\$

If you find too many PR\$ building up in your business, there are several things you can do:

- Offer them to customers as change. Even customers who don't yet use PR\$ may be interested in trying them out if you offer them as change.
- Take them as an Owners Draw and spend them yourself
- Deposit them to your account at a cash point. This will bring your account balance back up from your initial negative "in commitment" state towards zero or positive.
- Use them at other businesses to buy things for your business:
 - Support local suppliers, producers and manufacturers
 - Hire local tradespeople
 - Buy artwork from local artists
 - Buy local farm produce
 - Pay local service providers
 - Buy local advertising
- Sponsor an event
- Pay staff bonuses (not regular wages)
- Donate to non-profits, charities, sports teams, schools, etc
- Exchange them directly with customers for CN\$

How to Pay for Goods and Services Using Your PR\$ Account

You can pay with PR\$ directly from your online account to another online account.

- Sign in to your account using the login URL, user ID and password listed in your registration email.
- Click the Make Payment icon
- Enter the user ID of the person, business or group you want to pay
- If you have a choice of transaction types, choose the appropriate one

- Enter the amount you want to pay, and choose PR\$ if you have a choice (you may be offered the choice to use PRLETS\$ if you have a LETS account).
- Choose whether to schedule the payment for a future time, or pay immediately
- Enter a description of the payment if you wish.
- Click the Submit button.

Accounting and Bookkeeping

PR\$ are treated just like CN\$ from the point of view of tax liability. If you manage your use of PR\$ just as you use CN\$ then you should have no problems with the tax authorities. See Canada Revenue Agency – IT490 for more detail.

You will need at least one additional account in your chart of accounts, for your PR\$ online account. This account can be of the same type as your regular bank account. You may also need PR\$ cash account(s) to record petty cash and till contents.

Any time you receive PR\$ in payment, or use PR\$ to pay an expense, the accounting entry will involve either your PR\$ online account or a PR\$ cash account. The other side of the entry will use one of your regular income or expense accounts, exactly as if the income or expense was in CN\$. Since $1\text{PR\$} = 1\text{CN\$}$, there's no need to deal with multiple currencies or exchange rates. However, if you want to keep very close track of your PR\$ use and your software provides for multiple currencies, you can use that feature, with an exchange rate of $1\text{PR\$} = 1\text{CN\$}$.

Owners Draw – Whatever procedures you follow to draw CN \$ from the till or petty cash apply exactly to PR\$.

Payments to staff – It is not legal to offer staff wages in PR\$ rather than in legal tender. It is legal to augment existing payments with bonuses in PR\$ – but this **MUST** be by staff consent. Note that such payments increase the tax liabilities of staff, and so should always be provided along with enough CN\$ to meet the tax and other deductions incurred.