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NEWS RELEASE

Friday June 18, 2010 **FOR IMMEDIATE RELEASE**

NAN WELCOMES POINT-OF-SALE TAX EXEMPTION DEAL REACHED WITH GOVERNMENT

THUNDER BAY, ON: Nishnawbe Aski Nation (NAN) Grand Chief Stan Beardy is pleased that the governments of Ontario and Canada as well as First Nations groups have come to an understanding to continue the administration of the point-of-sale (POS) tax exemption once the Harmonized Sales Tax (HST) comes into effect on July 1, 2010.

"The news is a welcomed relief for NAN communities, as they will not be forced to pay even more for essential goods and services that are already much higher than the rest of Ontario," said NAN Grand Chief Stan Beardy. "For NAN, the point of sale exemption is considered a treaty right and even though it is not recognized as such under the Comprehensive Integrated Tax Coordination Agreement between Ontario and Canada, we are happy that the historical practice of the point-of-sale exemption will be maintained."

Last-minute tripartite talks began late last week in trying to come to a solution which would please all parties involved. One detail of the deal involves a time gap between the day the HST comes into effect in Ontario - on July 1, 2010, and the day when the immediate point-of-sale tax exemption - on September 1, 2010, can be implemented. During this time, First Nations will be asked to hold-on to their receipts and file for a rebate in which Ontario has promised to expedite within 40 days upon receiving receipts.

"We were hoping for a moratorium for First Nations regarding the HST," said Beardy. "However we understand that because this deal was reached last-minute, there is a transition period for vendors to prepare themselves for it."

Nishnawbe Aski Nation is a political territorial organization representing 49 First Nation communities in James Bay Treaty 9 and Ontario portions of Treaty 5 – an area covering two thirds of the province of Ontario.

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