



Information Bulletin

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The Elimination of the Canadian Penny



The Government of Canada's Economic Action Plan 2012 announced the elimination of the penny from Canada's coinage system effective February 04, 2013.

What does this mean?

The calculation for both cash and non-cash transactions will continue to be calculated to the penny on the selling price after taxes despite the elimination of the penny coin.

a) Cash payment transactions:

Rounding occurs only for cash transactions on the final total after the addition of any applicable taxes and is to be rounded to the nearest five-cent increment in a fair and transparent manner. The Government of Canada's rounding guideline is illustrated below:

Round Down 		Round Up 	
\$1.01 or \$1.02	\$1.00	\$1.03 or \$1.04	\$1.05
\$1.06 or \$1.07	\$1.05	\$1.08 or \$1.09	\$1.10

b) Non-cash payment transactions:

Non-cash payments such as cheques, credit and debit cards will continue to be settled to the cent.

Further information regarding rounding guidelines and the elimination of the penny may be found on the Government of Canada's website at the following link: <http://www.fin.gc.ca/n12/12-084-eng.asp> Core Policy and Procedures Manual will be amended to reflect this procedure by February, 2013.

Signed By:

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