

## **Category A Designated Gallery**

### **WHAT IS A DESIGNATED CATEGORY A GALLERY AND CERTIFIED CULTURAL PROPERTY**

1. Art Galleries, museums and public authorities are designated by the Minister of Canadian Heritage.
2. A certified cultural property is property, for which a certificate has been issued by the Canadian Cultural Property Export Review Board.
3. The Income Tax Act provides favourable treatment when giving certified cultural property to a designated gallery. This includes a tax exemption for capital gains on the sale of cultural properties to a designated institution and, if the disposition is a gift, a tax credit or a deduction to donors, of up to 100% of their net income.

A designated gallery must:

- a) be publicly owned and operated solely for the benefit of the public;
- b) be established for educational or cultural purposes;
- c) must ensure the long-term preservation of the objects it collects;
- d) make its collection available to the public through exhibitions, programming and/or research;
- e) have as its primary mandate the collection, preservation and exhibition of cultural property;
- f) exhibition and storage facilities and professional staff appropriate to the size and nature of the collection;
- g) be open to the public on a regular basis throughout the year;
- h) actively acquire cultural properties;
- i) have appropriate policies for the management, exhibition, conservation, acquisition and de-accessioning of the collection;
- j) maintain standards essential for the preservation of cultural properties such as temperature and humidity, security and fire safety, and disaster and emergency planning;

Galleries should retain cultural property that they acquire for a minimum of ten years. If a Gallery disposes of certified cultural property within ten years of the date of the certificate being issued it is charged a special tax equal to 30% of the fair market value of the property at the time it was disposed of, unless it was given or sold to another designated.

In order to establish "outstanding significance and national importance" ("OSNI"), the application process requires that the applicant submit an OSNI certificate, which must be prepared by the appropriate curator, archivist or librarian within the designated institution or public authority. The object does not have to be of Canadian origin. At the time that the Certificate is issued, the Review Board will certify the fair market value of the property which will apply for all income tax for a period of two years. If the Review Board is satisfied that OSNI has been demonstrated, then they will issue a Cultural Property Income Tax Certificate which can be used by a vendor or a donor to claim the enhanced tax incentives. If after reviewing an application, the Review Board determines that a Certificate will not be granted, the recipient institution may still issue an official donation receipt if the donor or vendor makes a gift of the property to the designated institution.

The AGN currently has just under 1,000 pieces of art in its collection. This art does not belong to the gallery. Should the gallery lose its designated status, or decide they no longer wish to administer the collection, the collection the Minister of Canadian Heritage will disperse the collection to other Designated Institutions.

#### WHAT IS THE VALUE OF HAVING A COLLECTION IN NORTHUMBERLAND COUNTY

This collection consists primarily of art that has been donated by the people of Northumberland County. It is a historical record what our grandparents valued, how they lived, and what they did.

It is an educational resource for people of all ages

It provides exhibition material for gallery shows that have a wide audience, both locally and among tourists.

It enhances the reputation of this area as a place with a rich culture and history.



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Our file: 81D 5055-2-ONT-6

Olinda Casimiro  
Director of Visitor Services and Administration  
Art Gallery of Northumberland  
55 King Street West  
Cobourg, Ontario K9A 2M2

Ms. Casimiro,

Thank you for participating again in the mandatory review of organizations that have been designated Category A under the *Cultural Property Export and Import Act* and for providing us with the recent data about the Art Gallery of Northumberland (AGN) and on its main facility. Your valuable contribution enables the Department of Canadian Heritage to fulfill its commitment to due diligence and gather current basic information about your organization.

We have noted that, since July 2014, the AGN has re-organized its collection storage, improved the monitoring of its environmental conditions in its vault and galleries, installed a fire detection system in its vault, improved fire detection in its galleries; and that surveillance cameras were installed in the building.

We also noted that you have improved the monitoring of the environmental conditions in the main facility. However, based on the charts provided for the vault, it appears that there are significant short term fluctuations in the relative humidity (RH) and that the RH is lower (below 25%) than it should be. We therefore encourage you to improve environmental conditions. To determine the level of control of the RH and detect the fluctuations in RH, we recommend that you produce a graph with the RH levels scaled 1-100% with a line every 10%. For information from the Canadian Conservation Institute on environmental conditions and about the American Society of Heating, Refrigerating and Air-Conditioning Engineers (ASHRAE) level of control of temperature and relative humidity please consult:

<https://www.canada.ca/en/conservation-institute/services/preventive-conservation/environmental-guidelines-museums.html>

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Further to your response, I am pleased to inform you that we have reactivated the designation status of the Art Gallery of Northumberland. This means that your organization can now apply for certification of cultural property by the Canadian Cultural Property Export Review Board (CCPERB) or for a Movable Cultural Property grant from the Minister of Canadian Heritage.

We wish to remind you that all Category A designated organizations are subject to periodic reviews by Canadian Heritage. Furthermore, your organization is responsible to keep Canadian Heritage up to date on its status. Consequently, please ensure to inform us of any significant changes that take place to the legal status, financial and human resources, collections management, physical location, facility and/or environmental conditions to assist Canadian Heritage in keeping up to date data about your organization.

If you have any questions, do not hesitate to contact Lorraine Tremblay, Program Officer, at 819-997-7756 or at [Lorraine.Tremblay@canada.ca](mailto:Lorraine.Tremblay@canada.ca) or the designation program at [pch.bcm-mcp.pch@canada.ca](mailto:pch.bcm-mcp.pch@canada.ca) and cite the reference number indicated above.

Sincerely,



Janick Aquilina

Manager

Canada Travelling Exhibitions Indemnification Program, and  
Designation of Institutions and Public Authorities

Encl.

c.c. Delphine Bishop, Executive Director CCPERB Secretariat