

## Zero-Rating Scheme Offers Relief From CD-ROM Levy

- Advocacy Alert
- CD-Rom Levy Relief
- [Register Your Issues](#)

### Contact:

David Paterson  
National Director, Public Affairs  
CATAAlliance  
Phone: (613) 236-6550  
Email: [dpaterson@cata.ca](mailto:dpaterson@cata.ca)

-----  
**Ottawa, June 13, 2003 - John Reid**, President of the Canadian Advanced Technology Alliance, said today, "We are pleased that our high-tech industry members are going to be relieved of having to pay the Copyright Act levy on blank the CD-ROMs which they use in their businesses. The scheme is rather bureaucratic, but it is a step forward."

Since 1998, CATAAlliance has been battling the levy imposed on recordable media, especially CD-ROMs, under the Copyright Act. The Copyright Board is reviewing an application from the Canadian Private Copying Collective, which collects the levy, to raise it from 21 cents to 59 cents, and extend it to memory cards, flash memory and mini hard drives. The zero-rating scheme will come into effect when the Board announces the 2003-4 tariff. That is expected to happen shortly.

The CPCC has recognized CATA's argument that high tech companies which need CD-ROMs for legitimate business reasons should not be forced to pay the levy. To qualify for zero-rating, companies are required:

- To complete an online application at [www.cpcc.ca](http://www.cpcc.ca), and agree to an ongoing contractual relationship with CPCC. CPCC will issue a signed agreement and a certificate number.
- To pay an administrative fee of \$60 annually.
- To report annually to CPCC the quantity, sources and use of any media bought under the program, which will require an appropriate accounting system. Reports will be subject to audit at CPCC discretion.
- To buy zero-rated media from manufacturers, importers and distributors that have been certified by CPCC. They are listed on the CPCC Website. It will not be possible to buy zero-rated media from retail stores.

"This process may prove to be more trouble than it is worth for many companies," said **Dave Paterson**, CATAAlliance's National Director, Public Affairs. "Members are reminded that they can avoid the levy by importing CD-ROMs directly for their own use."

Paterson went on to say that CATAAlliance will seek the elimination of the recordable media levy during the next round of Copyright Act amendments, which may start next year. He noted, "Some in the recording industry would like the levy extended to RAM and hard drives, which would be disastrous. It must be abolished before that kind of thing happens."