

NOTICE OF GROUNDS FOR PROPOSED TARIFF

Filed with the Copyright Board by SOCAN on 2024-10-15 pursuant to Rule 15 of *Copyright Board Rules of Practice and Procedure*

SOCAN Tariff 7 – Skating Rinks (2026-2028)

1. Description of Uses Covered by the Proposed Tariff

This tariff applies to public performances of any or all of the musical works in SOCAN's repertoire by means of performers in person or by means of recorded music in connection with roller or ice skating.

2. Description of Users / Groups of Users Covered by the Proposed Tariff

Users are roller-skating rinks and ice-skating rinks that play recorded music or have performers of musical works in person. Importantly, it is the nature of the *use*, and not the nature of the user, that determines whether the tariff applies.

3. Explanation of How Royalties are Determined

The proposed royalty rate for 2026-2028 is 1.2% of gross receipts, with a minimum annual royalty of \$160.65. Where no admission fee is charged, the annual royalty is \$160.65.

The proposed royalty rate of 1.2% of gross receipts is the same as the royalty rate in the previously approved tariff, which was approved by the Board in 2022 for the years 2023 to 2025 (2022 CB 14-T). The proposed minimum fee and annual royalty where no admission fee is charged has been increased for inflation according to the Board's established CPI-adjustment formula and the Board's default methodology as published by the Board in its *Inflation Adjustment to Royalty Rates – Default Methodology*. The inflation calculation commences in January 2022. SOCAN has estimated the appropriate inflationary increase based on projected CPI for years that full CPI data is not available. According to the Board's adjustment formula, this figure will likely change once actual CPI data is available. Notwithstanding the proposed minimum fee and annual royalty where no admission fee is charged of \$160.65, SOCAN requests that the Board certify the maximum inflationary increase that SOCAN is entitled to under the Board's adjustment formula at the time of approval of the tariff and that such inflation calculation commence as of the last inflationary increase to the minimum fee.

4. Submissions on the Collection of Information

The proposed tariff requires users to report its gross receipts in a year. This is an annual fee tariff, which is paid in advance, based on the gross receipts in the previous year. The report made no later than January 31 of the following year allows SOCAN to verify the fees paid for the previous year and adjust as necessary.

This information collected under the proposed tariff is needed to calculate and verify the applicable royalties.

5. Explanation of Changes from Previously Approved Tariff

1) The explanation for the proposed minimum fee for 2026-2028 is found above.