

NOTICE OF GROUNDS FOR PROPOSED TARIFF

Filed with the Copyright Board by SOCAN on 2023-10-23 pursuant to Rule 15 of *Copyright Board Rules of Practice and Procedure*

SOCAN Tariff 1.B – Non-Commercial Radio Other Than the Canadian Broadcasting Corporation (2025-2027)

1. Description of Uses Covered by the Proposed Tariff

This tariff applies to the communication to the public of musical works in SOCAN's repertoire in connection with both the over-the-air broadcasting operations and the Internet broadcasting (simulcasting) operations of non-commercial radio stations, including Internet-only radio stations, but excluding the Canadian Broadcasting Corporation.

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

Users are non-profit or not-for-profit radio stations, including Internet-only radio stations. Provided the radio station is non-profit or not-for-profit, it does not matter that any part of the radio stations' operating expenses is funded by advertising revenues.

3. Explanation of How Royalties are Determined

The proposed royalty rate for 2025-2027 is 1.9% of the radio station's annual gross operating costs, which includes its gross Internet operating costs. The proposed royalty rate is the same as the royalty rate in the previously approved tariff, which was approved by the Board in 2020 for the years 2018-2021 (2020 CB 005-T).

4. Submissions on the Collection of Information

The proposed tariff requires users to report their actual full year operating costs by January 31 of the following year. Royalties are payable in advance based on the estimated operating costs for the year. The royalty is subject to adjustment based on actual operating expenses when these are reported on January 31 of the following year.

The information collected under the proposed tariff is needed to calculate royalties.

These reporting requirements are the same as those set out in the previously approved tariff.

5. Explanation of Changes from Previously Approved Tariff

To comply with the Board's *Practice Notice on Filing of Proposed Tariffs* [PN 2019-004 rev. 3], the proposed tariff has been revised to remove references to licences and limit itself to royalty rates and any related terms and conditions.