



October 1, 2019

To construction contractors of the District Municipality of Muskoka,

As per PART I.1 PROMPT PAYMENT 6.1 of the *Construction Act*, contractors are required to submit a proper invoice to receive payment within 28 days. To view the *Construction Act* visit the Ontario Laws website <https://www.ontario.ca/laws/statute/90c30#BK11>.

A “**proper invoice**” means a written bill or other request for payment for services or materials in respect of an improvement under a contract, if it contains the following information and, subject to subsection 6.3 (2), meets any other requirements that the contract specifies:

1. The contractor’s name and address.
2. The date of the proper invoice and the period during which the services or materials were supplied.
3. Information identifying the authority, whether in the contract or otherwise, under which the services or materials were supplied.
4. A description, including quantity where appropriate, of the services or materials that were supplied.
5. The amount payable for the services or materials that were supplied, and the payment terms.
6. The name, title, telephone number and mailing address of the person to whom payment is to be sent.
7. Any other information that may be prescribed. 2017, c. 24, s. 7.

To assist contractors in submitting a proper invoice the District of Muskoka (District) has created a sample invoice identifying the information that is required by the *Construction Act*, by using numbers that correspond to the listing above.

The following are requirements of the District and this information should be provided to the contractor by the District before any invoice is issued:

- D1. The name of the Project Leader or person that commissioned you to perform the work.
- D2. The email address of the department or person that the invoice is to be submitted to.

Should a contractor submit an invoice that is not proper, the District may return the invoice for correction. The 28 day payment terms will not commence until a proper invoice has been received by the District. The District may issue a notice of non-payment within 14 days in the event that it disputes the invoice in part or in whole.

Please note this sample invoice is for reference only and the invoicing requirements for other Owner’s may be different. Contractor invoices submitted to the District do not need to be formatted as shown below however invoices must contain all of the information outlined above.

This document does not constitute legal advice and contractors are required to seek their own legal opinion on the *Construction Act*.

Sample Proper Invoice as per the *Construction Act* and District of Muskoka requirements

1. ABC Construction Company  
 123 Anywhere Street  
 My Town, Ontario, A1B 2C3

2. Date: November 1, 2019  
 Invoice # 100

To The District Municipality of  
 Muskoka

D1. Attn: Project Leader  
 70 Pine Street

Bracebridge, ON, P1L 1N3

D2. Epw.invoices@muskoka.on.ca

3. Contract No.

3. Purchase Order No.

2. Period

5. Payment Terms

|            |      |              |             |
|------------|------|--------------|-------------|
| 19-313-128 | 2988 | October 2019 | Net 28 days |
|------------|------|--------------|-------------|

4. Qty

4. Description

Unit Price

5. Line Total

| 4. Qty | 4. Description                    | Unit Price  | 5. Line Total |
|--------|-----------------------------------|-------------|---------------|
| 25     | Detailed Description of Labour    | \$80.00     | \$2,000.00    |
| 100    | Detailed Description of Materials | \$500.00    | \$50,000.00   |
| 1      | Rentals                           | \$10,000.00 | \$10,000.00   |
|        |                                   |             |               |
|        |                                   |             |               |
|        |                                   |             |               |
|        |                                   |             |               |
|        |                                   |             |               |
|        |                                   |             |               |

|                  |             |
|------------------|-------------|
| <u>Subtotal</u>  | \$62,000.00 |
| <u>Sales Tax</u> | \$8,060.00  |
| <b>5. Total</b>  | \$70,060.00 |

6. Please remit payment to:  
 ABC Construction Company  
 Attn: Sue Brown – Accounts Receivable  
 123 Anywhere Street  
 My Town, Ontario, A1B 2C3  
 705-645-1234