



Canada Revenue
Agency

Agence du revenu
du Canada

General Application for GST/HST Rebates

Includes forms GST189, GST288, and GST507

Is this guide for you?

This guide gives general information and instructions to help you complete Form GST189, *General Application for Rebate of GST/HST*. It describes the circumstances in which you can apply for a number of rebates and the eligibility requirements for each. Keep this guide to help you complete future rebate applications.

This guide is **not** for you if:

- You are a diplomat or a foreign representative claiming a rebate for the GST/HST you paid on your purchases. Instead, use Form GST498, *GST/HST Rebate Application for Foreign Representatives, Diplomatic Missions, Consular Posts, International Organizations, or Visiting Forces Units*.
- You are a non-resident claiming a rebate of the GST/HST paid on an eligible tour package or you are a non-resident tour operator claiming a rebate for accommodation sold in eligible tour packages. For more information, see Guide RC4160, *Rebate for Tour Packages, Foreign Conventions, and Non-Resident Exhibitor Purchases*.
- You are a sponsor or a non-registered organizer of a foreign convention or a non-resident exhibitor of a convention claiming a rebate for the GST/HST paid on convention facilities, exhibition space, or related convention supplies. For more information, see Guide RC4160, *Rebate for Tour Packages, Foreign Conventions, and Non-Resident Exhibitor Purchases*.
- You are an employee or a member of a partnership claiming a rebate for the GST/HST you paid on certain employment or partnership-related expenses. For more information, see Guide T4044, *Employment Expenses*, (for employees) or Guide RC4091, *GST/HST Rebate for Partners*.
- You are claiming a public service body rebate for the GST/HST paid on goods and services for use in your organization's activities. For more information, see Guide RC4034, *GST/HST Public Service Bodies' Rebate*.
- You are claiming a rebate of the GST/HST you paid on a specially-equipped motor vehicle, or on modifications performed on the vehicle outside Canada or outside a participating province. Instead, use Form GST518, *GST/HST Specially Equipped Motor Vehicle Rebate Application*.
- You are a trust governed by a multi-employer pension plan (MEPP) claiming a multi-employer pension plan rebate for claim periods that begin before September 23, 2009. Instead use Form GST521, *GST/HST Multi-Employer Pension Plan Trust Rebate Application*. However, use this guide and Form GST189, to apply for a rebate under reason code 15 (for periods before July 2010) related to specified services supplied to an investment plan or segregated fund.
- You are a pension entity claiming a pension entity rebate for claim periods that began after September 22, 2009. Instead use Form RC4607, *GST/HST Pension Entity Rebate Application and Election*. However, use this guide and Form GST189, if you are a pension entity and are applying for a rebate under reason code 25 (for periods after June 2010).
- You are an entity to which a self-government agreement applies and that agreement provides for a refund of the GST or the federal part of the HST for goods and services acquired for self-government activities. For more information, see Guide RC4034, *GST/HST Public Service Bodies' Rebate*.
- You are a First Nation purchaser who paid the 8% Ontario provincial part of the HST on qualifying off-reserve supplies of property or services and seek to obtain relief. Instead, visit the Ontario Ministry of Finance Web site at www.fin.gov.on.ca to find out how you may file a rebate application with the Government of Ontario.
- You are an individual that is applying for a rebate of the provincial part of the HST that you paid on goods you purchased in a participating province and brought into a non-participating province, or into another participating province for which the rate for the provincial part of the HST was lower. Instead, use Form GST495, *Rebate Application for Provincial Part of Harmonized Sales Tax (HST)*.

GST/HST and Quebec

In Quebec, Revenu Québec generally administers the GST/HST. If the physical location of your business is in Quebec, you have to file your returns with Revenu Québec using its forms, unless you are a selected listed financial institution (SLFI). For more information, see the Revenu Québec publication IN-203-V, *General Information Concerning the QST and the GST/HST*, available at www.revenuquebec.ca, or call 1-800-567-4692. If you are an SLFI and you have a permanent establishment in Quebec go to www.cra.gc.ca/slfi.

If you are blind or partially sighted, you can get our publications in braille, large print, etext, or MP3 by going to **www.cra.gc.ca/alternate**. You can also get our publications and your personalized correspondence in these formats by calling **1-800-959-5525**.

This guide uses plain language to explain the most common tax situations. It is provided for information only and does not replace the law.

La version française de cette publication est intitulée *Demande générale de remboursement de la TPS/TVH*.

What's new?

We list the major changes below. This guide contains information based on proposed amendments to the *Excise Tax Act* and *Regulations*. At the time of publication, these proposed amendments were not law. The publication of this guide should not be taken as a statement by the Canada Revenue Agency that these amendments will in fact become law in their current form. If they become law as proposed, they will be effective as of the dates indicated. For more information on these and other changes, see the areas outlined in colour in this guide.

Harmonized sales tax for Prince Edward Island

On April 1, 2013, Prince Edward Island harmonized its provincial sales tax with the GST to implement the harmonized sales tax at the rate of 14% (5% federal part and 9% provincial part). For information on the transitional rules, see GST/HST Notice 278, *Harmonized Sales Tax for Prince Edward Island – Questions and Answers on General Transitional Rules for Personal Property and Services*, and GST/HST Notice 279, *Harmonized Sales Tax for Prince Edward Island (P.E.I.) – Questions and Answers on Transitional Rules for Housing and Other Real Property Situated in P.E.I.*

Elimination of the harmonized sales tax in British Columbia

As of April 1, 2013, the HST at the rate of 12% (5% federal part and a 7% provincial part) no longer applies in British Columbia. The HST at the rate of 12% has been replaced by the GST at the rate of 5% and a provincial sales tax. For information on the elimination of the HST, see GST/HST Notice 270, *Elimination of the HST in British Columbia in 2013 – Questions and Answers*, and GST/HST Notice 276, *Elimination of the HST in British Columbia in 2013 – Transitional Rules for Real Property Including New Housing*.

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Definitions

Capital personal property – includes depreciable property that is eligible or would be eligible for a capital cost allowance for income tax purposes. It also includes any personal property, except depreciable property, the sale of which would give rise to a capital gain or loss for income tax purposes. For GST/HST purposes, capital personal property does not include property in Class 12, 14, or 44 of Schedule II to the *Income Tax Regulations*.

Charity – means a registered charity, or registered Canadian amateur athletic association for income tax purposes, but does not include a public institution. A charity can issue official donation receipts for income tax purposes.

Commercial activity – means any business, or adventure or concern in the nature of trade carried on by a person, but **does not include**:

- the making of exempt supplies; or
- any business, or adventure or concern in the nature of trade carried on without a reasonable expectation of profit by an individual, a personal trust, or a partnership where all the members are individuals.

Commercial activity also includes a supply of real property, other than an exempt supply, made by any person, whether or not there is a reasonable expectation of profit, and anything done in the course of making the supply or in connection with the making of the supply.

Consumer – means a particular individual who acquires or imports property or a service for personal consumption, use, or enjoyment, or for personal consumption, use, or enjoyment by another individual at the particular individual's expense. The particular individual does not use the property or service in a commercial activity or to make an exempt supply.

Designated municipal property – means property of a person who is, at any time, designated to be a municipality for purposes of claiming the public service bodies' rebate. Generally, it is property, or an improvement to it, that the designated municipality intended to consume, use, or supply more than 10% in the course of activities specified in its designation, and an amount for the property or improvement to it has been included in the calculation of non-creditable tax charged. Once property qualifies as designated municipal property, it is treated as such for as long as it is held by the designated municipality.

Designated municipality – refers to a person designated by the Minister to be a municipality, but only in respect of activities, specified in the designation that involve the making of supplies (other than taxable supplies) by the person of municipal services.

Exclusive – means **100%** of the consumption, use, or supply of property or a service by a financial institution. For all other persons, exclusive means **90% or more** of the consumption, use or supply of property or a service.

Exempt supplies – are supplies of property and services that are not subject to the GST/HST. GST/HST registrants cannot claim ITCs to recover the GST/HST paid or payable on expenses related to making exempt supplies.

Import – means import into Canada.

Improvement – to capital property generally means any property or service acquired or imported to improve the capital property when the amount paid or payable for that property or service is included in the adjusted cost base of the capital property for income tax purposes.

Input tax credit (ITC) – means a credit that GST/HST registrants can claim to recover the GST/HST paid or payable for property or services they acquired, imported into Canada, or brought into a participating province for use, consumption, or supply in the course of their commercial activities.

Insurer – means a person who is licensed or otherwise authorized under the laws of Canada or a province to carry on in Canada an insurance business or under the laws of another jurisdiction to carry on in that other jurisdiction an insurance business.

Intangible personal property – generally means a "right" rather than a physical object. It includes contractual rights, options, intellectual property (such as inventions, patents, trade secrets, trademarks, trade names, copyrights, and industrial designs), and rights in relation to goods that are not in the possession of a person.

Legal aid plan – means a legal aid plan that is administered under the authority of a provincial government.

Legion entity – means the Dominion Command or any provincial command or branch of the Royal Canadian Legion.

Listed financial institution – includes a bank, a corporation that is authorized under the laws of Canada or a province to carry on in Canada the business of offering to the public its services as a trustee, a person whose principal business is as a trader or dealer in, or as a broker or salesperson of, financial instruments or money, a credit union, an insurer, a segregated fund of an insurer, the Canada Deposit Insurance Corporation, a person whose principal business is the lending of money, an investment plan, a tax discount, or a corporation that has made an election for exempt supplies under section 150 of the *Excise Tax Act* (ETA) and that election is in effect. For more information, see GST/HST Memorandum 17.6, *Definition of "Listed Financial Institution"*.

Municipality – means an incorporated city, town, village, metropolitan authority, township, district, county or rural municipality, or other incorporated municipal body however designated, and such other local authority that the Minister of National Revenue may determine to be a municipality.

Non-resident – means not resident in Canada. However, if a non-resident person carries on activities through a permanent establishment in Canada, the person is considered to be resident in Canada in respect of, and only in respect of, the activities of the person carried on through that permanent establishment.

A permanent establishment is:

- a person's fixed place of business, including a place of management, a branch, an office, a factory, or a workshop, and a mine, an oil or gas well, a quarry, timberland, or any other place where natural resources are extracted, through which the person supplies property or services; or
- a fixed place of business of someone else (other than a broker, general commission agent, or other independent agent acting in the ordinary course of business) who is acting in Canada on behalf of the person and through whom the person supplies property and services in the ordinary course of business.

If you are a Canadian resident because you carry on activities through a permanent establishment in Canada, you cannot claim a rebate that only non-residents can claim if that rebate is in relation to the activities you carry on through that permanent establishment.

Participating province – means a province that has harmonized its provincial sales tax with the GST to implement the harmonized sales tax (HST). Participating provinces include New Brunswick, Newfoundland and Labrador, Nova Scotia, Ontario and Prince Edward Island, but do not include the Nova Scotia offshore area or the Newfoundland offshore area except to the extent that offshore activities, as defined in subsection 123(1) of the ETA, are carried on in that area.

Note

British Columbia was a participating province from July 1, 2010 until March 31, 2013.

Person – means an individual, a partnership, a corporation, the estate of a deceased individual, a trust, or any organization such as a society, a union, a club, an association, or a commission.

Primarily – generally means more than 50%.

Property – includes goods, real property and intangible personal property such as trademarks, rights to use a patent and admissions to a place of amusement, but does not include money.

Public sector body – means a government or a public service body.

Public service body – means a charity, a non-profit organization, a municipality, a university, a public college, a school authority, or a hospital authority.

Recipient – of property or a service generally means the person who is liable to pay for the supply of that property or service. When no amount is due, it means the person to whom the property is delivered or made available, or to whom the service is rendered.

Registrant – means a person that is registered, or is required to be registered, for the GST/HST.

Selected listed financial institution (SLFI) – under proposed changes, for the purposes of the GST/HST, a financial institution would generally be considered to be an SLFI throughout a reporting period in a fiscal year that ends in a particular tax year of the financial institution if it is a listed financial institution described in any of subparagraphs 149(1)(a)(i) to (x) of the *Excise Tax Act* (ETA) at any time during the particular tax year, and the financial institution has a permanent establishment in a participating province and a permanent establishment in any other province, at any time in the tax year.

Note

For purposes of this definition, it is proposed that the meaning of permanent establishment would be expanded such that the existence of a permanent establishment would generally be determined based on the location of the financial institution's clients, operations, unit holders, and/or plan members.

Taxable supplies – are supplies of property and services that are made in the course of a commercial activity and are subject to the GST/HST (including zero-rated supplies).

Zero-rated supplies – are supplies of property and services that are taxable at the rate of 0%. This means there is no GST/HST charged on these supplies, but GST/HST registrants can claim an ITC for the GST/HST paid or payable on purchases and expenses made to provide them.

General application for rebate of GST/HST

Are you eligible to file a general rebate application?

You may qualify to file a general rebate application (Form GST189, *General Application for Rebate of GST/HST*) if one of the following situations applies to you:

- You paid or remitted an amount as or on account of GST/HST, net tax, penalty, or interest in error (**reason code 1**).
- You are a non-resident who exported goods for commercial use outside Canada, and you paid the GST/HST on these goods. In some cases, a non-resident who purchases used and empty returnable containers (or their compacted material) for more than the refundable deposits for the containers may qualify for this rebate. In addition, a non-resident may be eligible for a rebate when the person purchases a beverage in a returnable container and is charged a non-refundable container deposit. For more information, see GST/HST Technical Information Bulletin B-089, *Returnable Containers* (**reason code 4**).
- You are a non-resident (other than a consumer), who is not a GST/HST registrant, and you paid tax on goods or services you acquired to use or consume in producing certain artistic works for export (**reason code 4**).

- You are the administrator of a provincial legal aid plan, and you paid the GST/HST on legal services you bought for legal aid recipients (**reason code 5**).
- You are a non-registrant, who made a taxable sale of real property, and you could not previously recover the tax paid on the acquisition of the property or on improvements made to the property after you last acquired it (**reason code 7**).
- You are a municipality or designated municipality that is not a GST/HST registrant, and you have made a taxable sale of capital personal property on which you paid the GST/HST when you bought the property or paid for improvements made to it. In the case of designated municipalities, the rebate is available only for capital personal property that qualifies as designated municipal property (**reason code 7**).
- You are an Indian band, tribal council, or band-empowered entity, and you paid amounts as GST/HST on purchases of off-reserve transportation, short-term accommodation, meals and entertainment for band management activities, or for real property on a reserve (**reason code 8**).
- You paid the GST/HST on the purchase of land or on improvements you made to it, and you later leased the land for residential purposes to a lessor or sublessor who had to self-assess and remit the GST/HST on a value that includes the land (**reason code 9**).
- You are a non-resident who is not a GST/HST registrant. You sold goods on an installed basis to a person who is registered for the GST/HST, and you paid tax on the service of installing the goods in real property located in Canada (**reason code 10**).
- You are a non-resident who is not a GST/HST registrant, and you paid tax on the service of installing goods in real property located in Canada that another non-resident, who is not registered for the GST/HST, sold to a person who is registered for the GST/HST (**reason code 11**).
- You are a resident of a participating province and you paid the HST on goods that you imported in another province to be consumed or used in a non-participating province or a participating province with a lower HST rate (**reason code 12**).
- You are a resident of Canada and the HST becomes payable by you on intangible personal property or services, acquired in a participating province, to be consumed, used or supplied, in whole or in part, in a non-participating province or in a participating province with a lower HST rate (**reason code 13**).
- You are an insurer that has elected with your segregated fund, which is not a selected listed financial institution, to pay or credit the rebate amount directly to the fund. The rebate amount is for the **provincial part** of the HST payable on specified services in respect of supplies made by the insurer to the segregated fund, to the extent that the segregated fund holds or invests funds for persons who are resident outside the participating provinces. The election under **reason code 14** is available to insurers and to their segregated funds. It allows the insurer to pay or credit to the segregated fund this rebate amount in respect of tax that became payable or was paid without becoming payable before July 1, 2010 (**reason code 14**).
- You are an investment plan or a segregated fund of an insurer, other than a selected listed financial institution, and you want to claim a rebate of the **provincial part** of the HST payable on specified services to the extent that the plan or fund holds or invests funds for persons who are resident outside the participating provinces. This is available for investment plans or segregated funds in respect of tax that became payable or was paid without becoming payable before July 1, 2010 (**reason code 15**).
- You bought certain qualifying items in or from one of the participating provinces and you paid the HST or have self-assessed and remitted the **provincial part** of the HST (**reason code 16**).
- You credited an Ontario First Nations point-of-sale relief (**reason code 23**).
- You are a Legion entity that acquired, imported or brought into a participating province, poppies or wreaths for which GST/HST was payable, or paid without having become payable, after 2009 (**reason code 24**).
- You are an investment plan or segregated fund of an insurer that would like to claim a rebate under section 261.31 of the *Excise Tax Act* (ETA), for tax that became payable or was paid without having become payable after June 2010 (**reason code 25**).
- You are a segregated fund of an insurer and you have elected with the insurer under subsection 261.31(3) of the ETA, to have the insurer pay to, or credit in favour of, the segregated fund the amount of any rebates payable to the segregated fund under subsection 261.31(2) of the ETA for supplies made by the insurer to the segregated fund and for which tax became payable or was paid without becoming payable after June 2010 (**reason code 26**).
- You are filing this form as a result of a remission order granted under the *Financial Administration Act*.

Claim limitations

You cannot claim a rebate of GST/HST paid if any of the following apply:

- The amount was previously rebated, credited, refunded, or remitted to you.
- You received a credit note, or you issued a debit note for a refund, adjustment, or credit that includes the amount.
- You claimed, or are entitled to claim, an input tax credit (ITC) for the amount.

- You are entitled to otherwise obtain a rebate, refund, or remission of the amount.
- In the case of a bankruptcy, you will not be paid a rebate that you were entitled to claim before the appointment of a trustee in bankruptcy, unless you have filed all returns and remitted all outstanding amounts for reporting periods that ended before the appointment.
- The deadline for filing the rebate has passed. More information on filing deadlines is provided under each reason code later in this guide.

Generally, a selected listed financial institution may only apply for a rebate of GST amounts or the federal part of the HST. For more information, call 1-800-959-5525.

Certain other limitations may also apply depending on the specific type of rebate claimed. These limitations are also explained later in this guide.

Filing the rebate application

Complete parts A, B, E and H (if applicable) of Form GST189, *General Application for Rebate of GST/HST*. Complete the applicable section of Part C. In some cases, you also have to complete Part F to support your claim.

Complete Part D of Form GST189, **only if** the claimant is sending, or has already sent, Form GST507, *Third Party Authorization and Cancellation of Authorization for GST/HST Rebates*. For more information, see “Part D – Third party address” on page 33.

To determine the appropriate reason code for your rebate application, see “Part B – Reason for rebate request” on the next page. For instructions on how to calculate your total rebate, see “Part C – Rebate claimed” on page 32.

For information on whether you have to complete Part F, see the instructions for the particular reason code under which you are filing. For details on how to complete Part F, see page 33. Use Form GST288, *Supplement to Forms GST189 and GST498*, if you need more space to enter all the information required for Part F.

What records to include with your rebate application and what to keep

If you file a rebate application under **reason code 1, 4, 8, 11, 12, 13, 16, or 24**, send us copies of proof of purchases, receipts or documents for purchases listed on your rebate application, with your rebate claim. **We will not return any receipts or supporting documentation submitted with your application.**

In the case of a **reason code 8** rebate, an Indian band, tribal council, or band-empowered entity may apply to their local tax services office, Verification and Enforcement Division (Audit), to request a letter waiving the need to submit original receipts. For more information on this option, see “Reason code 8 – Indian band, tribal council, or band-empowered entity” on page 17.

If you file a rebate application under **reason code 5, 9, 10, 15, 25, or 26**, you do not have to send us original receipts or other documents.

For **reason code 7**, there are specific instructions for each property type (real property and capital personal property). For more information, see “Reason code 7 – Taxable sale of real property by a non-registrant or taxable sale of capital personal property of a municipality or designated municipality who is a non-registrant” on page 13.

In the case of **reason code 9**, you have to provide certain details of your transaction. For information, see “Reason code 9 – Lease of land for residential purposes” on page 18.

If you file a rebate application under **reason code 23**, you do not have to send us documentation. To find out what documentation you need to keep to support your claim, go to the Ontario Ministry of Finance Web site at www.fin.gov.on.ca.

Note

Persons carrying on a business or engaged in a commercial activity in Canada, persons who are required to file a GST/HST return, and persons who make an application for a rebate, have to keep adequate books and records, including original invoices, for six years from the end of the year to which they relate, in case we ask to see them at a later date. Books and records must be in English or French, or a translation must be provided. They must also be kept in Canada unless you get permission from the Canada Revenue Agency to maintain them outside of Canada. For more information on books and records, see GST/HST Memorandum 15.1, *General Requirements for Books and Records*.

Where do I send my rebate application?

Reason codes 1 and 8

If you are a status Indian, or Indian band or council of an Indian band with an address in Ontario and you are not filing a GST/HST return, send your completed rebate application to:

Sudbury Tax Centre
1050 Notre Dame Avenue
Sudbury ON P3A 5C1

Otherwise, for all other addresses, send your completed rebate application to:

Summerside Tax Centre
275 Pope Road
Summerside PE C1N 6A2

Reason codes 10, 14, and 26

Do not send your rebate application to us if you are claiming a rebate under **reason code 10, 14, or 26**. Instead, give your completed application to the GST/HST registered supplier or insurer who paid or credited you with your rebate.

The registered supplier or insurer must complete Part G and file the rebate application along with their GST/HST return for the reporting period in which the rebate was paid or credited to you. If they are filing their GST/HST return electronically, they must send the completed rebate application to:

Summerside Tax Centre
275 Pope Road
Summerside PE C1N 6A2

Reason code 23

If you are filing a paper GST/HST return, send your completed rebate application with your return.

If you are filing your GST/HST return electronically, you can also file your rebate application electronically using GST/HST NETFILE. For more information, go to www.cra.gc.ca/gsthst-netfile.

Otherwise, send your completed rebate application to:

Summerside Tax Centre
275 Pope Road
Summerside PE C1N 6A2

If you file your GST/HST return electronically with Revenu Québec, send your completed rebate application to:

Sudbury Tax Centre
1050 Notre Dame Avenue
Sudbury ON P3A 5C1

All other reason codes

If you are claiming a rebate for any other reason code and you are not filing a GST/HST return, or you are filing your GST/HST return electronically and you are not claiming the rebate on **line 111** of your return, send your completed rebate application to:

Summerside Tax Centre
275 Pope Road
Summerside PE C1N 6A2

If you are filing a paper GST/HST return and claiming a rebate on **line 111**, send your completed rebate application with your return.

Completing the rebate application

Part A – Identification of the claimant

Claimant's name, address, and Business Number (BN)

If you are applying for a rebate as an individual, enter your name and mailing address. If you are applying for a rebate for a business or other organization, enter the 9- or 15-digit BN, the full name (include the trading or operating name, if applicable), the mailing address, and the business address if it is different from the mailing address.

Head office, branch, or division

Identify whether you are a head office or a branch or division. If you are a registrant and are already authorized by the Canada Revenue Agency (CRA) to file separate GST/HST returns for branches or divisions of your organization, you may also file separate rebate applications under **reason code 1** for each branch or division. If you are not authorized to file separate GST/HST returns for your branches or divisions, you can still apply to have those branches or divisions file separate rebate applications under **reason code 1**, using a Form GST10, *Application or Revocation of the Authorization to File Separate GST/HST Returns and Rebate Applications for Branches or Divisions*, which is available at www.cra.gc.ca/forms. If you do so, we will assign each approved branch or division a separate GST/HST account number to use on all rebate applications, returns, and correspondence. For more information about completing a Form GST10, call **1-800-959-5525**. If you do not want to file separate rebate applications for your branches or divisions, combine rebates for all branches or divisions on your head office application. We consider an organization with no branches or divisions to be the head office.

Period covered

The period the rebate application covers is usually the period covered by the dates shown on the invoices you submit as recorded on the back of the application and on any attached supplements. However, this period must fall within the filing deadlines given for each reason code in the next section.

Part B – Reason for rebate request

When you file the general rebate application, give your reason for applying by putting a tick mark in the applicable reason code box in Part B of the application form.

You can only use **one reason code per rebate application**. If you are entitled to claim different amounts of GST/HST under different reason codes, use a separate rebate application for each reason code.

The various reason codes are explained in the following pages, starting with **reason code 1**. Choose the reason code that applies to your situation and read the filing instructions. Then go to "Part C – Rebate claimed" on page 32 to find out how to calculate the amount of your total rebate.

Reason code 1 – Amounts paid in error

Eligibility

You can apply for a rebate of an amount if:

- you paid or remitted it as or on account of GST/HST or net tax that you should **not** have paid or remitted, or that was more than you had to pay or remit; or
- you paid it as penalty, interest, or any other similar obligation that was not payable or remittable.

Do **not** claim a rebate under **reason code 1** if you are a status Indian, an Indian band, or council of an Indian band and have paid an amount equal to the 8% **provincial part** of the HST in Ontario for the purchase of qualifying off-reserve property or services after June 2010. You may be entitled to apply to the Ontario Ministry of Revenue for a rebate equal to the 8% **provincial part** of the HST paid. Do **not** use Form GST189 to apply for the 8% provincial rebate.

The HST rate can vary from one participating province to another. The chart below shows the applicable GST/HST rates beginning July 1, 2010. For rates before July 2010, go to www.cra.gc.ca/gsthst.

GST/HST Rates		
	July 1, 2010 to March 31, 2013	On or after April 1, 2013
British Columbia	HST at 12%	GST at 5%
New Brunswick	HST at 13%	HST at 13%
Newfoundland and Labrador	HST at 13%	HST at 13%
Nova Scotia	HST at 15%	HST at 15%
Ontario	HST at 13%	HST at 13%
Prince Edward Island	GST at 5%	HST at 14%
Territories and other provinces in Canada	GST at 5%	GST at 5%

Amounts paid in error – If you believe you paid an amount as GST/HST in error to a supplier, you can request a refund or credit of the amount from the supplier instead of applying for a rebate under **reason code 1**. This is often the simplest way for you to recover the amount. If the supplier gives you a refund or credit, you are no longer eligible for a rebate because the amount you paid in error has already been refunded or credited to you. If you cannot get a refund or credit from the supplier (for example, if the supplier refuses to refund the amount or goes out of business), you can apply for a rebate of that amount under **reason code 1**.

You are **not** entitled to a rebate for amounts paid or remitted in error if any of the following apply:

- The amount has been taken into account as tax or net tax in an assessment.
- The amount paid was tax, net tax, penalty, interest, or any other amount assessed.
- The amount is the result of an appraisal or reappraisal of the value of goods, or a determination that the GST/HST applies to the goods by the Canada Border Services Agency (CBSA).

Note

If the CBSA appraises or reappraises the value of goods, the result may be that you paid the GST/HST in error, or more than what you actually owed. In this case, you have to apply to the CBSA for a refund of the amount.

Rebate of GST/HST paid for goods imported on consignment, approval, or sale-or-return basis or for damaged or defective imported goods – If you import goods on a consignment, approval, or sale-or-return basis and export them within 60 days without having used or consumed them in Canada, except on a trial basis, you can apply to the CBSA for a rebate of the GST/HST you paid on these goods when you imported them. Similarly, if goods you import to consume or use are of inferior quality, damaged, or defective, you may be entitled to a rebate through the CBSA of the GST/HST you paid when you imported them.

Exceptions

Amounts collected in error – If you collected an amount as or on account of GST/HST that you should not have collected, include that amount in the calculation of your net tax. You are not entitled to claim a rebate for amounts you collected as GST/HST in error. To correct this error, refund or credit the amount to your customer and issue your customer a credit note for the amount. You can then reduce your net tax owing by the amount you refunded or credited to your customer. Include the amount of the adjustment on **line 107** of your GST/HST return in the reporting period in which you issued the credit note.

Filing instructions

For a full GST/HST rebate, use **Method (b)**. Enter the rebate amount for each invoice in the “Actual GST/HST paid” column of Part F of the application.

For a partial GST/HST rebate or a rebate of an amount paid as a penalty or interest, use **Method (c)**. Calculate the rebate amount for each invoice or transaction and enter it in the “Other” column of Part F of the application.

For details on how to calculate your total rebate, see “Part C – Rebate claimed” on page 32.

Documents to send us

When you apply for a rebate of amounts you paid or remitted in error, include the following information with your application:

- the reason the amount is not payable or remittable;
- details on how you calculated your claim; and
- copies of receipts for all purchases that you list.

We will not return any receipts or supporting documentation submitted with your application. We do **not** accept credit card slips or debit transaction slips as proof of purchase without a copy of the invoice or cash register receipt.

Filing deadline

You have to file your rebate application within two years after the day that you paid or remitted the amount in error.

You can submit only one rebate application per calendar month.

Reason code 4 – Commercial goods and artistic works exported by a non-resident

Commercial goods – eligibility

You are eligible for a rebate if:

- you are a non-resident;
- you received goods in Canada and paid the GST/HST on them on or before delivery;
- you are not a consumer of the goods;
- you exported the goods from Canada within 60 days of delivery (you have to have either taken the goods with you when you left Canada or exported them by mail or common carrier);
- you bought the goods in the course of the commercial activities of any Canadian establishment that you own;
- the **total** of all receipts attached to your application shows that you made taxable purchases (other than zero-rated purchases) of at least **CAN\$200** (excluding the HST in a participating province or the GST and provincial sales tax (PST) in the rest of Canada); and
- **each receipt** attached to your application shows that you made eligible taxable purchases (other than zero-rated purchases) of at least **CAN\$50** (excluding the HST in a participating province or the GST and PST in the rest of Canada).

You are **not** eligible for a GST/HST rebate when you export the following goods:

- alcoholic beverages such as liquor, wine, and beer;
- tobacco products; and
- gasoline, diesel fuel, or other motive fuels **other than** fuel that is being transported in a vehicle designed for bulk transport and that is not for use in the vehicle that is transporting it.

In certain cases, when the supplier charged you the GST/HST by mistake on goods that you purchased and exported from Canada, you can ask the supplier for a tax refund or credit. If you cannot get a refund or credit from the supplier (for example, if the supplier refuses to refund the amount or goes out of business), you can apply for a rebate of the GST/HST paid in error under **reason code 1**.

Goods (other than excisable goods such as beer, spirits, wine, and tobacco products) are zero-rated if you take delivery of the goods in Canada, and **all** of the following conditions are met:

- you are not a consumer;
- you export the goods as soon as is reasonable in the circumstance after they are delivered to you;
- you do not buy the goods to consume, use, or supply in Canada before exporting them;
- after buying the goods and before exporting them, you do not further process, transform, or alter the goods in Canada, unless it is reasonably necessary or incidental to transport them; and
- the supplier keeps satisfactory evidence, for audit purposes, that you exported the goods.

Artistic works – eligibility

You are eligible for a rebate if:

- you are a non-resident;
- you are not a GST/HST registrant;
- you paid the GST/HST on goods, intangible personal property (for example, a patent or copyright), or services (other than services of storing or shipping property) that you acquired to use or consume only in manufacturing or producing an original literary, musical, artistic, motion picture, or other work that is under copyright protection and any copies of that work;
- you are not a consumer of the goods, intangible property, or services;
- you are manufacturing or producing the work and all copies of it for export; and
- the **total** of all receipts attached to your application shows that you made taxable purchases (other than zero-rated purchases) of at least **CAN\$200** (excluding the HST in a participating province or the GST and PST in the rest of Canada).

Notes

For purposes of the rebate for exported artistic works, instead of paying the GST/HST when you make your purchase and filing the rebate application to get the tax back, you can assign your rights to your GST/HST rebate to the GST/HST-registered supplier. By doing this, the supplier pays or credits your rebate to you at the time of your purchase so that you can make your purchase without paying the GST/HST.

For more information and an example of an agreement to assign rights to the GST/HST rebate, see Guide RC4027, *Doing Business in Canada – GST/HST Information for Non-Residents*.

If you do not assign your rebate to the registered supplier, pay the GST/HST due on your purchase and apply to us for your rebate.

Filing instructions

Use **Method (b)** for each invoice to complete Section I of Part C, and Part F of the application. For details on how to calculate your total rebate, see “Part C – Rebate claimed” on page 32.

If you are filing a rebate application for the GST/HST you paid on commercial goods that you exported, other than artistic works that you manufactured or produced, **enter the date you exported the goods in Part F** of the rebate application and include proof that the goods were exported from Canada within 60 days of their delivery to you (for example, see Form 7501, *U.S. Entry Summary* of the U.S. Customs Border Protection).

Documents to send us

Include copies of receipts for all purchases that you record, unless you are entitled to a rebate for artistic work and you assign your rebate to the supplier. We will not return any receipts or supporting documentation submitted with your application.

We do **not** accept credit card slips or debit transaction slips as proof of purchase without a copy of the invoice or cash register receipt.

Filing deadline

If you are applying for a rebate of the GST/HST you paid on commercial goods that you exported, other than artistic works that you manufactured or produced, you have to file your rebate application within one year from the date you exported the goods.

If you are applying for a rebate of the GST/HST you paid on goods, intangible personal property, or services that you acquired to consume or use in manufacturing or producing an eligible artistic work for export, you have one year from the date that the tax became payable on your acquisition to file the rebate application.

Do not send your request to us if the registered supplier of the property or service paid or credited the rebate to you. The supplier has to send us your rebate application with their GST/HST return.

Note

The supplier can claim a deduction for the amount of tax paid or credited to you. To do this, the supplier claims the deduction on their GST/HST return for the reporting period that includes the later of the following:

- the last day the tax would have become payable by you on your purchase; and
- the day the amount was paid or credited to you.

Alternatively, the supplier can claim the deduction within one year of the later of these two days.

Reason code 5 – Legal aid plan

Eligibility

You are eligible for this rebate if:

- you are the person responsible for administering a legal aid plan; and
- you paid the GST/HST on legal services you bought for legal aid recipients.

Example

A person that administers a legal aid plan is trying to determine the amount eligible for a rebate under **reason code 5**. The plan has paid GST on office expenses. A lawyer also provided legal services to the plan administrator and charged the plan GST. The lawyer incurred some expenses in his or her capacity as a lawyer providing services to the plan administrator (long distance calls and photocopying court decisions). The lawyer, in his or her capacity as agent of the plan administrator, requested a medical report.

The plan administrator is eligible to claim a rebate under **reason code 5** for the GST/HST paid on the legal services provided by the lawyer, including the long-distance calls and photocopies that are part of the legal services provided.

The plan administrator is not eligible to claim a rebate under **reason code 5** for the office expenses and the medical report, as these are not supplies of legal services.

However, where the person responsible for administering the legal aid plan is a public service body, it may qualify for a public service bodies' rebate for some of the tax paid on expenses that are not legal services, such as the office expenses, the medical report and any other purchases that are not legal services, at the rate applicable to that public service body.

Filing instructions

Use **Method (b)** for each invoice to complete Section I of Part C, and Part F of the application. For details on how to calculate your total rebate, see "Part C – Rebate claimed" on page 32.

Documents to send us

You do not have to include receipts or invoices with your application. However, you have to keep these documents in case we ask to see them at a later date.

Filing deadline

You have to file your rebate application within four years from the end of the reporting period in which the tax became payable.

Reason code 7 – Taxable sale of real property by a non-registrant or taxable sale of capital personal property of a municipality or designated municipality who is a non-registrant

Rebate for taxable sale of real property by a non-registrant

Generally, this rebate is available when a non-registrant makes a taxable sale of real property and the non-registrant paid the GST/HST on the purchase of that property and/or on improvements made to that property but was previously unable to recover that tax.

A non-registrant may claim this rebate to recover some or all of the tax payable by the non-registrant on the purchase of the real property and/or on improvements made to the property.

Note

If the non-registrant was entitled to recover some or all of the tax the non-registrant paid on its purchase of the property or for the improvements the non-registrant made in some other way (for example, by claiming another type of rebate), the amount of this rebate will be reduced or eliminated by the amount the non-registrant was entitled to recover (whether or not it was actually claimed).

You are eligible to claim this rebate if:

- you are not a GST/HST registrant;
- you paid the GST/HST on real property such as land, a building, or an interest in real property when you last acquired the property and/or when you made improvements to it; and
- you made a taxable sale of the property, including a deemed taxable sale.

If you need help determining whether your sale of real property is taxable or whether you are eligible for this rebate, call **1-800-959-8287**.

Calculating the rebate

The amount of your rebate is equal to the **lesser** of:

- the basic tax content of the real property at the time of the sale, or the deemed sale (see the instructions below); and
- the GST/HST payable on your sale or deemed sale of the real property, or the GST/HST that would have been payable on the sale had the property not been part of the supply of a business where no tax was payable because you and the purchaser made a joint election. For more information, see Form GST44, *Election Concerning the Acquisition of a Business or Part of a Business*, or call **1-800-959-5525**.

As you are not a registrant, you will generally calculate the **basic tax content** of your property by totalling the amount of the GST/HST that you paid for the last acquisition of the property and for any improvements made to the property since it was last acquired. Next, deduct any amounts that you were entitled to recover by rebate, refund, remission or otherwise. Then, take depreciation in the value of the property into account by multiplying the difference calculated previously by a depreciation factor.

Generally, the **basic tax content** formula is as follows:

$$(A - B) \times C$$

where:

- A is the GST/HST you paid for the last acquisition or importation of the property and for any improvements made to it;
- B is any rebate or refund you were entitled to claim (or would have been entitled to claim if you had not been entitled to claim an ITC) for the GST/HST payable on your last acquisition of the property and improvements you made to it, but not including ITCs you were entitled to claim; and
- C is the lesser of:
 - 1; and
 - the fair market value of the property at the time you made, or were deemed to have made, the taxable sale of the property **divided by** the amount you paid (before tax) for the last acquisition of the property and for improvements to it since that last acquisition.

Note

If you are a municipality or a designated municipality (that is not a listed financial institution), the amounts for A and B in the basic tax content formula **do not** include the GST and the federal part of the HST paid or payable **before** February 2004.

If you are a public sector body not dealing at arm's length with the purchaser, the amount of your rebate is equal to the **lesser** of:

- the basic tax content of the real property at the time of the sale (or the deemed sale); and
- the amount determined by the following formula:

$$(A / B) \times C$$

where:

- A is the basic tax content of the real property at the time of the sale (or the deemed sale);
- B is the amount that would be the basic tax content of the property at the time of the sale, if it were determined without deducting any GST/HST you were exempt from paying under any other law or were entitled to recover by rebate, refund, remission or otherwise; and
- C is the GST/HST payable on your sale or deemed sale of the real property, or the GST/HST that would have been payable on the sale had the property not been part of the supply of a business where no tax was payable because you and the purchaser made a joint election. For more information on this election, see Form GST44, *Election Concerning the Acquisition of a Business or Part of a Business*, or call **1-800-959-5525**.

Example 1

You are an individual who is not a GST/HST registrant. You bought vacant land for \$100,000 and you paid \$5,000 GST. You later subdivide that land into four equal parts. All parts are of equal value and you sell one of these parts to an unrelated individual for \$70,000. Your sale of that part of the land is taxable and the purchaser has to pay \$3,500 GST (\$70,000 × 5%).

Since you paid GST when you bought the land and the purchaser now has to pay GST on the part of the land that they bought from you, you can claim a rebate to recover some of the tax you paid when you bought the land.

You can recover only the amount of tax that can reasonably be considered as being for the part that you sold. Your rebate will be equal to the basic tax content of the part of the land that you sold or the amount of the tax payable on your sale, whichever is less.

You determine that \$1,250 (which is one-fourth of the \$5,000 tax you paid on your purchase of the land), can reasonably be considered as the amount of GST you previously paid for the part that you sold. Therefore, you determine the basic tax content of the part of the land that you sold as follows:

$$\begin{aligned} \text{Basic tax content} &= (A - B) \times C \\ &= (\$1,250 - \$0) \times (\text{the lesser of 1 and } \$70,000 / \$25,000^*) \\ &= \$1,250 \times (\text{the lesser of 1 and 2.8}) \\ &= \$1,250 \times 1^{**} \\ &= \$1,250 \end{aligned}$$

* We use \$25,000 for the amount paid on the last acquisition because this is equal to 25% of the purchase price of \$100,000 that you paid. This amount represents the part of the purchase price that is reasonable to consider as being for the part of the land that you sold.

** We use 1 as this is the maximum value that can be used for element C.

As the basic tax content of the part of the land that you sold is \$1,250, which is **less than** the \$3,500 GST that was due from the purchaser on your sale of that part of the land, you can claim a rebate of \$1,250.

Example 2

You are a non-registrant and you built a house that you lease for long-term residential use by an individual. You paid tax on your costs to construct the house and on the land you purchased and you **cannot** recover any of that tax in some other way (for example by claiming a different rebate).

Under these circumstances, you are deemed to have made a taxable sale of the house and to have collected tax on that sale, when you first give possession or use of the house to the individual for long-term residential use. The tax you are deemed to have collected is calculated on the fair market value of the house at that point in time, and you must account for it on Form GST62, *Goods and Services Tax/Harmonized Sales Tax (GST/HST) Return (Non-personalized)*.

You can claim this rebate to recover some or all of the GST/HST you paid on the land and to construct the house.

The amount of your rebate will be equal to the basic tax content of the house and related land at the time of your deemed taxable sale or to the amount of tax that you were deemed to have collected on your deemed taxable sale, whichever amount is **less**. The amount of tax deemed to be collected is the tax calculated on the fair market value of the house at the time you first give possession or use of the house to the individual for long-term residential use.

Filing instructions

Determine whether your rebate is equal to the basic tax content of the real property or to the GST/HST payable on your sale of the property or deemed taxable sale (your rebate will be equal to whichever of these amounts is less). If you are a public sector body that is not dealing at arm's length with the purchaser, use the calculation $(A/B) \times C$ on this page to determine the amount of your rebate.

Use **Method (c)** to complete Section I of Part C, and Part F of the application to list any improvements. For details on how to calculate your total rebate, see "Part C – Rebate claimed" on page 32.

Documents to send us

Send us a letter of explanation describing the circumstances for your rebate claim. Include the following information with your application:

- the address of the property and a description of the property (for example, vacant land or substantially renovated housing);
- your original intent for the property and, if your intentions for the property changed, describe your later intentions (for example, you originally purchased the property to construct your own house but later decided to subdivide and sell the land instead);
- your use of the property (for example, your personal residence or a rental property); and
- a detailed listing (using Form GST288, *Supplement to Forms GST189 and GST498*) of the GST/HST paid on any improvements you made to the property that you included in your basic tax content calculation and a description of those improvements.

Also, attach a copy of the Statement of Adjustments from your original purchase of the property.

If you sold the property, include the following information with your rebate application:

- a copy of the Statement of Adjustments for the sale of the property;
- the date the payment for the sale of the property became due or, if it was paid to you before the due date, the date it was paid to you by the purchaser;
- the full name and address of the purchaser. Include the purchaser's trading name if this is different, and indicate whether or not the purchaser is a GST/HST registrant. Where applicable, provide the Business Number of the purchaser; and
- an indication as to whether or not you are a non-resident.

If you made a deemed taxable sale of the property, be sure to include the following information with your rebate application:

- the date you are deemed to have collected the GST/HST on that deemed sale; and
- the fair market value of the property and an explanation of how you determined the fair market value.

In the case of a property seizure, provide us with the expiry date of the redemption period.

For more information, see "Restriction on claiming a rebate in the case of a seizure of real property or capital personal property" on page 17.

Note

If any of the required documentation is **not** received, your claim may be delayed or disallowed.

Rebate for taxable sale of capital personal property of a municipality or designated municipality who is a non-registrant or capital personal property that is designated municipal property of a designated municipality who is a non-registrant

Generally, this rebate is available when a non-registrant municipality makes a taxable sale of capital personal property or a non-registrant designated municipality makes a taxable sale of capital personal property that is designated municipal property and the municipality or designated municipality paid the GST/HST on the purchase of that property and/or on improvements to the property, but was previously unable to recover that tax.

The municipality or designated municipality may claim this rebate to recover some or all of the tax payable when it purchased the property and/or made improvements to it.

Note

If the municipality or designated municipality was entitled to recover some or all of the tax paid on the purchase of the property in some other way (for example, by claiming another type of rebate), the amount of this rebate will be reduced or eliminated by the amount the municipality or designated municipality was entitled to recover (whether or not it was actually claimed).

You are eligible to claim this rebate if:

- you are a municipality or designated municipality that is not a GST/HST registrant;
- you paid or are deemed to have paid the GST/HST on the purchase of capital personal property (for example, a computer, equipment, or office furniture);
- you later sell that property (for designated municipalities, the capital personal property sold must be designated municipal property); and
- your sale of that capital personal property is taxable and the GST/HST became payable or would have been payable on the sale had the property not been part of a supply of a business where no tax was payable because you and the purchaser made a joint election. For more information on this election, see Form GST44, *Election Concerning the Acquisition of a Business or Part of a Business*, or call 1-800-959-5525.

Note

Any sale (other than an exempt sale) of capital personal property by a municipality is a taxable sale for GST/HST purposes. This also applies to any sale (other than an exempt sale) of capital personal property that is designated municipal property by a designated municipality.

The amount of the rebate is equal to the **lesser** of:

- the basic tax content of the capital personal property at the time of the sale; and
- the GST/HST payable on your sale of the capital personal property, or the GST/HST that would have been payable on the sale had the property not been part of the supply of a business where no tax was payable because you and the purchaser made a joint election. For more information on this election, see Form GST44, *Election Concerning the Acquisition of a Business or Part of a Business*, or call 1-800-959-5525.

As you are not a registrant, you will generally calculate the basic tax content of your property by totalling the amount of the GST/HST that you paid to acquire the property and make any improvements to it. Next deduct any amounts that you were entitled to recover by rebate, refund, remission or otherwise, or would have been entitled to recover had the property been acquired for use only in non-commercial activities. You will then take depreciation in the value of the property into account by multiplying the difference by a depreciation factor.

For municipalities that are not listed financial institutions, the **basic tax content** calculation at any time after January 30, 2004, $(A - B) \times C$, is found on page 14.

Example

A municipality in Newfoundland and Labrador is not a GST/HST registrant. It buys office furniture for \$3,000 plus \$390 HST from Huddle Inc. on July 20, 2011. It sells the furniture on September 9, 2011, for \$1,200, collecting HST of \$156. The furniture was used in providing exempt municipal services. The sale in September is taxable even though the municipality is not a GST/HST registrant.

The rebate available would be the **lesser** of the basic tax content at the time of the sale or the HST payable on the sale.

$$\begin{aligned}\text{Basic tax content} &= (A - B) \times C \\ &= (\$390 - \$150) \times \frac{\$1,200}{\$3,000}\end{aligned}$$

$$\text{Basic tax content} = \$96$$

$$\text{HST payable on the sale (13\% of \$1,200)} = \$156$$

$$\text{Rebate} = \$96$$

Note

The figure of \$150 is the amount of the public service bodies' rebate (now generally 100% for municipalities) for the federal part of the HST paid in this case. For details on how to apply for this other rebate, see Guide RC4034, *GST/HST Public Service Bodies' Rebate*.

For more information on municipalities, see Guide RC4049, *GST/HST Information for Municipalities*.

Filing instructions

Determine whether your rebate is equal to the basic tax content of the capital personal property or to the GST/HST payable by the recipient on the sale of the capital personal property (whichever amount is less).

Enter the amount of your rebate in Section I of Part C of the application beside “**Method (c) Other**” in the “Amounts claimed” column.

A municipality does not have to provide any documentation when it makes its rebate claim. However, it has to keep documents to support its claim in case we ask to see them at a later date.

Filing deadlines for both real property and capital personal property

File your rebate application within two years after the day the amount for your sale of the property becomes payable or is paid without having become payable, or within two years from the day the redemption period expires, if applicable. For more information about redemption periods, see “Restriction on claiming a rebate in the case of a seizure of real property or capital personal property” on this page.

Exceptions for remitting GST/HST on taxable sales of real property

Generally, when you sell taxable real property or capital personal property, you have to collect the GST/HST from the purchaser and remit the GST/HST to us. However, there are some exceptions for taxable sales of real property.

You may not have to collect the GST/HST on a taxable sale of real property. For example, the purchaser has to remit the tax on their purchase to us directly if:

- the purchaser is registered for the GST/HST (if, however, the purchaser is a registered individual buying a residential complex or cemetery plot, you have to collect the tax);
- you are a non-resident; or
- you and the purchaser have made a type 2 election on Form GST22, *Real Property – Election to Make Certain Sales Taxable*.

Note

For more information about the special rules for remitting tax on a taxable sale of real property, including who has to remit the tax and how to do so, call 1-800-959-8287.

Using your rebate to reduce your remittance of GST/HST

If you are responsible for collecting the tax from the purchaser, report that tax and remit it to us using Form GST62, *Goods and Services Tax/Harmonized Sales Tax (GST/HST) Return (Non-Personalized)*. Generally, the amount of your remittance will be the amount you indicate as net tax on **line 109** of Form GST62. However, if you are entitled to a rebate under **reason code 7**, you can simply remit the difference between the net tax amount on **line 109** of Form GST62 and the amount of your rebate. To do this, enter the amount of your rebate on **line 111** of Form GST62. The amount you will have to remit is equal to the amount on **line 109 less** the amount on **line 111**.

File your rebate application together with Form GST62 if you want to reduce your remittance by the amount of your rebate.

File Form GST62 within one month after the month in which the transaction occurred. We may assess penalty and interest if we do not receive Form GST62 and any net tax remittance by the due date.

Note

Form GST62 is only available in pre-printed format and is not available for download from our Web site. To order Form GST62, go to www.cra.gc.ca/orderforms or call 1-800-959-5525.

Restriction on claiming a rebate in the case of a seizure of real property or capital personal property

A creditor can seize a person’s real property or capital personal property for non-payment of a debt and sell it to a third party to recover the debt. If your property is seized, we consider you to have made a sale to the creditor at the time of the seizure. When such a sale is taxable, you are eligible for a rebate under **reason code 7**, as long as all the other conditions are met.

However, you may have a legal right under federal or provincial law, or under an agreement relating to a debt security, to redeem the property within a certain time after the creditor’s sale of the property.

In such a case, you cannot apply for the rebate unless the time limit for redeeming the property has expired and you have not redeemed the property. In addition, the payment for your sale of the property to the creditor is deemed to have become due on the day the time limit for redeeming the property expired.

Example

A city in Saskatchewan, a non-participating province, seized land belonging to Mr. Jones, a non-registrant, and sold it on October 1, 2011, to Mr. Smith for \$20,000 plus the GST. The \$20,000 includes the amount necessary for the city to recover Mr. Jones’ tax arrears owing to the city.

Mr. Jones can redeem the land up to two years after October 1, 2011. Mr. Jones is only eligible for a rebate of the GST if the redemption period has expired and he has not redeemed the property. Therefore, he can file his rebate application only at some time after October 1, 2013. However, he has to file it before October 1, 2015.

The value of the rebate will be equal to the GST calculated on the land’s fair market value on October 1, 2011, or to the basic tax content of the property as of October 1, 2011, whichever amount is less.

Reason code 8 – Indian band, tribal council, or band-empowered entity

Eligibility

A **reason code 8** rebate is available when the GST/HST has been paid on eligible travel expenses incurred by a band, tribal council, or band-empowered entity. As well, a **reason code 8** rebate is available to a band, tribal council, or band-empowered entity when they reimburse or pay a reasonable allowance to their employees or officials for eligible travel expenses incurred on their behalf.

Eligible travel expenses include off-reserve services of transportation, short-term accommodation, meals, or entertainment that are acquired for band management activities or real property on reserve.

No rebate is available under **reason code 8** when the tax paid was not the GST/HST. That is, there is no rebate for tax imposed by a First Nation (FNT or FNGST).

Notes

Individual Indians are not eligible to apply for a rebate under reason code 8.

Individual Indians who purchase goods or services on a reserve or goods that are delivered to a reserve, who have paid an amount as GST/HST in error to a supplier, can seek a refund or credit of the amount from that supplier. If the supplier gives a refund or credit, the individual Indians are no longer eligible for a rebate because the amount paid has already been refunded or credited. Alternatively, they can apply for a rebate of the amount under reason code 1, "Amounts paid in error." This also applies to Indian bands that buy goods that are delivered to a reserve, or services that are certified to be for band management activities or real property on reserve.

Do not claim a rebate under reason code 8 if you are a status Indian, an Indian band, or council of an Indian band and have paid an amount equal to the 8% **provincial part** of the HST in Ontario for the purchase of qualifying off-reserve property or services after June 2010. You may be entitled to apply to the Ontario Ministry of Revenue for a rebate equal to the 8% **provincial part** of the HST paid. For more information on **qualifying** off-reserve property or services, see Harmonized Sales Tax Guide #80 titled *Ontario First Nations Point-of-Sale Exemptions*. Do not use Form GST189 to apply for the provincial rebate of qualifying items.

Filing instructions

Use **Method (b)** for each invoice to complete Section I of Part C, and Part F of the application. For details on how to calculate your total rebate, see "Part C – Rebate claimed" on page 32.

Documents to send us

Include copies of receipts for all purchases you list on your rebate application, unless a written waiver is issued. We will not return any receipts or supporting documentation submitted with your application.

We do **not** accept credit card slips or debit transaction slips as proof of purchase without a copy of the invoice or cash register receipt.

An Indian band, tribal council, or band-empowered entity can apply in writing to their local tax services office, Verification and Enforcement Division (Audit), to request a letter waiving the need to submit original receipts. The request should include details of the expected frequency of filing **reason code 8** rebate claims and the estimated amount of the annual purchases subject to the rebate. Audit will issue a letter indicating if a waiver has been granted; until such time the Indian band, tribal council, or band-empowered entity is required to submit copies of receipts with its rebate application. The granting of the waiver is on the condition that original receipts are retained on file for audit purposes. In addition, there is still the requirement to complete "Part F – details of the rebate application" section on the Form GST189.

The waiver only applies to **reason code 8**, not **reason code 1** (amounts paid in error) rebates. **Reason code 1** rebate claims still require the submission of original receipts. A separate application form is required under each reason code.

Filing deadline

You have to file your rebate application within two years after the day you paid or remitted the amount.

You can submit only one rebate application per calendar month.

Reason code 9 – Lease of land for residential purposes

Eligibility

You may be eligible for a rebate of the GST/HST you paid or were deemed to have paid on land that you own or lease if you lease the land to a particular person who either assigns the lease to a third person or leases the land to a third person, and has to self-assess on a value that includes the land and remit the tax. For example, the particular person may have to self-assess if that person constructs and supplies a house under a long-term lease for its residential use by an individual.

Calculating the rebate

Calculate your rebate using the following formula:

$$A - B$$

where:

- A** is the total of all the GST/HST that was payable for your last purchase or deemed purchase of the land (or that would have been payable on your purchase had the land not been part of a supply of a business where no tax was payable because you and the vendor made a joint election) and for improvements that you made to it **before** the person you are leasing the land to had to self-assess; and
- B** is the total of other rebates and input tax credits that you were entitled to claim in relation to your purchase of the property, or improvements you made to it.

Filing instructions

Enter the result of your calculation in Section I of Part C of the application beside “**Method (c) Other**” in the “Amounts claimed” column. Do **not** complete Part F.

Documents to send us

Include the following information with your application:

- the name and address of the person to whom you are leasing the land. If you are leasing the land to a person who constructed residential rental property on the land, be sure to give the full name (and trading name, if applicable) and address of the builder;
- whether or not the person you are leasing to is registered for GST/HST purposes;
- the address of the land; and
- the date the person to whom you are leasing the land becomes liable, or is reasonably expected to become liable, to self-assess the GST/HST on a value that includes the land.

Do not include receipts or other documents with your rebate application. However, keep these documents in case we ask to see them at a later date.

Filing deadline

You have to file your rebate application within two years after the day the person to whom you are leasing the land has to self-assess.

For more information about this rebate, see GST/HST Memorandum 19.3.5, *Rebate to Owner of Land Leased for Residential Use*.

Reason code 10 – Non-resident recipient of a taxable supply of an installation service – rebate paid or credited by registered supplier

Eligibility

You are eligible for a rebate if:

- you are a non-resident;
- you are not a GST/HST registrant;
- you sold goods on an installed basis to a person who is registered for the GST/HST;
- you contracted with a supplier, who is registered for the GST/HST, to install the goods in real property located in Canada; and
- you would have had to pay the GST/HST on the installation services if the supplier had not paid or credited the rebate.

Note

If the supplier **does not pay or credit** the rebate to you and you meet all the eligibility criteria, you can file for your rebate under **reason code 11**.

Example

In some cases, a person **other** than the non-resident supplier of the goods may apply for the rebate.

A non-resident supplier, **not** registered for the GST/HST, sells goods on an installed basis to a person who is registered for the GST/HST. The non-resident supplier enters into a contract with a second non-resident, who is also **not** registered for GST/HST purposes, to perform the installation services.

The second non-resident further contracts with another supplier, who is registered for the GST/HST, to install the goods in real property in Canada.

In this example, the second non-resident would be the one entitled to the rebate for the GST/HST paid on the installation service, not the original supplier of the goods.

Joint and several liability

If a supplier pays or credits a rebate to a person and the supplier knows or ought to know that the person is not entitled to all or part of the rebate, both the supplier and the person who received the rebate are liable to repay the amount to us.

Filing instructions

Use **Method (b)** to complete Section I of Part C, and Part F of the application. Make sure to indicate the amount you would have paid if the supplier had not paid or credited the amount to you. For details on how to calculate your total rebate, see “Part C – Rebate claimed” on page 32.

The GST/HST registered supplier of the installation services who pays or credits the rebate to you has to complete Part G of the application. The supplier will then send the application with his or her GST/HST return and claim the amount paid or credited on **line 107** of the return.

Documents to send us

The registered supplier does not have to include any supporting documents (for example, a receipt or invoice for the installation service) when the GST/HST return and the rebate application are filed. Both the supplier and the purchaser need to keep their copies of these documents on file in case we ask to see them at a later date.

Filing deadline

The registered supplier has to file the rebate application with his or her GST/HST return for the reporting period in which he or she paid or credited the rebate and report the amount of the rebate on **line 107** of the return.

Reason code 11 – Non-resident recipient of a taxable supply of an installation service – rebate not paid or credited by supplier

Eligibility

You are eligible for a rebate if:

- you are a non-resident;
- you are not a GST/HST registrant;

- you sold goods on an installed basis to a person who is registered for the GST/HST;
- you contracted with a supplier who is registered for the GST/HST to install the goods in real property located in Canada; and
- you paid the GST/HST on the installation service.

Example

In some cases, a person other than the non-resident supplier of the goods may apply for the rebate.

A non-resident supplier, **not** registered for the GST/HST, sells goods on an installed basis to a person who is registered for the GST/HST. The non-resident supplier enters into a contract with a second non-resident, who is also **not** registered for the GST/HST, to perform the installation services. The second non-resident further contracts with another supplier, who is registered for the GST/HST, to install the goods in real property in Canada.

In this example, the second non-resident has to pay the GST/HST on the installation services. Therefore, the second non-resident is entitled to the rebate, not the original supplier of the goods.

Filing instructions

Use **Method (b)** for each invoice to complete Section I of Part C, and Part F of the application. For details on how to calculate your total rebate, see “Part C – Rebate claimed” on page 32. Indicate the date the installation service was completed in Part F of the application.

Documents to send us

Include copies of receipts for all purchases that you list on your rebate application. We will not return any receipts or supporting documentation submitted with your application.

We do **not** accept credit card slips or debit transaction slips as proof of purchase without a copy of the invoice or cash register receipt.

Filing deadline

You have to file your rebate application within one year after the completion of the installation service.

Reason code 12 – Goods imported at a place in a non-participating province, or imported at a place in a participating province with a lower HST rate

If you are resident in a participating province and have paid the **provincial part** of the HST on goods that you imported into Canada at a place in another province for consumption, use or supply in a province other than your province of residence, you may be entitled to a rebate of the **provincial part** of the HST paid or a portion thereof using **reason code 12**.

Generally, this rebate is not available to selected listed financial institutions (SLFI). However, if you are an SLFI that is an insurer or a surety, a rebate may be available in certain limited conditions. For more information, call **1-800-959-5525**.

Note

A general rebate under reason code 12 is only for goods imported into Canada. If you purchased goods in a participating province, for consumption in another province, see Form GST495, *Rebate Application for the Provincial Part of Harmonized Sales Tax (HST)*, for information on claiming a rebate of the **provincial part** of HST.

Calculating your rebate for the provincial part of the HST on goods imported at a place in a non-participating province, or at a place in a participating province with a lower HST rate

Use the following formula to determine the amount of the rebate you can claim for goods that are imported for consumption, use or supply exclusively in a province (90% or more):

$$A - B$$

where:

- A** is the **provincial part** of the HST paid on importation; and
- B** is **either** zero for specified items (specified items relate to a property covered by the point-of-sale rebate regulation) **or** in any other case, the amount of the **provincial part** of the HST that would have been payable on the importation of the goods if the **provincial part** were calculated at the (lower) provincial rate for the province in which the goods were imported for consumption, use or supply.

Eligibility

You are eligible for this rebate if:

- you are a resident of a participating province and paid the HST on goods that you imported into Canada;
- the goods were imported for consumption, use or supply exclusively (90% or more) in a province different from the participating province in respect of which the **provincial part** of the HST paid on importation was calculated;
- you have paid all provincial levies, if any, that are imposed on the goods; and
- the total of all tax shown on receipts attached to your application is at least **CAN\$25**.

Filing instructions

Use **Method (c)** to complete Section I of Part C, and Part F of the application. For details on how to calculate your total rebate, see “Part C – Rebate claimed” on page 32.

Documents to send us

Include copies of receipts for all purchases that you list on your application. You also have to provide proof that you have paid all taxes imposed outside the participating provinces that are payable, if any, on all the purchases you listed. We will not return any receipts or supporting documentation submitted with your application.

We do **not** accept credit card slips or debit transaction slips as proof of purchase without a copy of the invoice or cash register receipt.

Filing deadline

You have to file your rebate application within one year from the day that the tax becomes payable.

If you are an individual, you can only claim a rebate once in each calendar quarter. Businesses can apply once every calendar month.

Reason code 13 – Intangible personal property or services acquired in a participating province

This rebate is for the **provincial part** of the HST or portion thereof that becomes payable by a person on supplies of intangible personal property or services acquired in a particular participating province for consumption, use or supply, in whole or in part, in non-participating provinces or provinces for which the **provincial part** of the HST is lower than the particular participating province.

Generally, this rebate is not available to selected listed financial institutions (SLFIs). However, if you are an SLFI that is an insurer or a surety, a rebate may be available in certain limited conditions. For more information, call 1-800-959-5525.

Note

Intangible personal property is generally a right rather than a physical object. Intangible personal property is defined on page 6.

Calculating your rebate on or for the provincial part of the HST or portion thereof

Use the following formula to determine the amount of the rebate you can claim as the recipient of a supply made in a particular participating province of intangible personal property or a service:

$$A - B$$

where:

- A** is the amount of the **provincial part** of the HST that becomes payable for the supply; and
- B** is the total of all amounts, each of which is determined for a participating province by the formula:

$$C \times D$$

where:

C is:

- zero if the property or service is a specified item for the participating province; or
- in any other case, the amount of tax that would have become payable by the person for the supply if that tax were calculated on the amount of consideration for the supply:
- at the tax rate for the participating province, if the tax rate for the participating province is lower than the tax rate for the particular participating province, or
- in any other case, at the tax rate for the particular participating province; and

D is the extent (expressed as a percentage) to which you acquired the property or service for consumption, use or supply in the participating province.

Eligibility

You are eligible for this rebate if:

- you are a resident of Canada and the HST becomes payable by you on a supply of intangible personal property or a service;
- the intangible personal property or service is acquired for consumption, use, or supply significantly (10% or more) in provinces for which the **provincial part** of the HST is lower than the participating province in which the intangible personal property or service was acquired (for non-participating provinces, the **provincial part** of the HST is treated as being 0%); and
- the total of all tax that you are eligible to claim for this rebate, shown on your receipts attached to your application, is at least **CAN\$25**. Each receipt must show tax of at least **CAN\$5** that you are eligible to claim.

Filing instructions

Use **Method (c)** when completing Section I of Part C, and Part F of the application. For details on how to calculate your total rebate, see “Part C – Rebate claimed” on page 32.

Documents to send us

Include copies of receipts for all purchases that you list on your rebate application. We will not return any receipts or supporting documentation submitted with your application.

We do **not** accept credit card slips or debit transaction slips as proof of purchase without a copy of the invoice or cash register receipt.

Filing deadline

You have to file your rebate application within one year from the day that the tax became payable.

If you are an individual, you can only claim a rebate once in each calendar quarter. Businesses can apply once every calendar month.

Reason codes 14 and 15

Recent amendments to the *Excise Tax Act* (ETA) and the proposed *Selected Listed Financial Institutions Attribution Method (GST/HST) Regulations* (the Regulations), issued on January 28, 2011, changed the rules for some investment plans with investors in non-participating provinces. Section 261.31 of the ETA, as it read before July 1, 2010, does not allow a selected listed financial institution (SLFI) to claim a rebate for the **provincial part** of the HST. Effective July 1, 2010, an investment plan that is an SLFI and has a provincial series will be able to claim a rebate for the **provincial part** of the HST.

These changes directly affect **reason codes 14 and 15** to the extent that you can no longer claim amounts on these codes for transactions after June 2010. However, the codes remain on Form GST189, *General Application for Rebate of GST/HST*, for investment plans or segregated funds of an insurer that may not have filed their rebates for tax that became payable or was paid without becoming payable before July 2010.

For definitions of the terms “insurer”, “investment plan”, “selected listed financial institution” and “segregated fund of an insurer”, for **reason codes 14 and 15**, see GST/HST Memorandum 17.6, *Definition of “Listed Financial Institution”*.

For information about the rebate provisions that apply after June 2010, to certain investment plans and segregated funds, see **reason codes 25 and 26**.

Reason code 14 – Segregated fund receives taxable specified services from insurer – rebate paid or credited by insurer

As noted above, the ETA has set out new rules that expand on who is eligible to claim a rebate under **reason code 14** as well as expand the types of inputs for which a rebate can be claimed. These changes are effective as of July 1, 2010. If you are an insurer that has made the election with your segregated fund to pay or credit the rebate directly to the fund and your rebate claim relates to inputs for which the HST was paid or payable **before** July 2010, use **reason code 14** to claim according to the rules that applied before July 1, 2010. If you are an insurer that has made the election with your segregated fund to pay or credit the rebate directly to the fund and your rebate claim relates to inputs for which the HST was paid or payable after June 2010, use **reason code 26**.

The following information applies for any rebate that is in respect of tax that became payable or was paid without becoming payable before July 2010.

This rebate allows an insurer’s segregated fund to claim a rebate of the **provincial part** of the HST payable on “specified services” to the extent that the fund holds or invests funds for persons who are resident outside the participating provinces where the fund and the insurer elect to have the insurer pay or credit the amount of the rebate to the fund.

Calculating your rebate for the provincial part of the HST

After 2007, the **provincial part** of HST is equal to 8 divided by 13, multiplied by the amount of HST ($8/13 \times \text{HST amount}$).

Before January 2008, the **provincial part** of HST was equal to 8 divided by 14, multiplied by the amount of HST ($8/14 \times \text{HST amount}$).

For purposes of this rebate, specified services include any management or administrative services supplied to a segregated fund by the insurer, as well as any other services provided to the fund by the insurer.

The rebate is available regardless of whether the fund consumes or uses the services outside the participating provinces. When the fund has self-assessed the HST on services acquired outside the participating provinces, the amount of the rebate is adjusted to reflect the fact that the HST is payable only to the extent that the service was acquired to be consumed or used in the participating provinces.

Eligibility

An insurer may pay or credit the amount of the rebate to you if:

- you are a segregated fund of the insurer;
- you are not a selected listed financial institution;
- you are the recipient of a taxable specified service from the insurer;
- the insurer would usually have to collect the HST from you on the value of the service;
- you hold or invest funds for the benefit of persons who are resident outside the participating provinces; and
- you and the insurer **elect** to have the insurer pay or credit the rebate to you (see “Election” below).

Election

As a segregated fund of an insurer, you and the insurer may elect to have the insurer pay or credit to you the amount of your rebate. The election is made by the insurer completing Part G of the rebate application. There is no separate election form.

Joint and several liability

When an insurer, in determining its net tax for a reporting period, deducts a rebate it paid or credited to a segregated fund and the insurer knows or ought to know that the segregated fund is not entitled to all or part of the rebate, the insurer and the segregated fund are both liable to repay the amount to us.

Filing instructions

Determine the amount of your rebate by using whichever **one** of the following two formulas applies:

If the specified services have been supplied in a participating province:

$$A \times B$$

where:

- A is the **provincial part** of the HST; and
- B is the percentage at which you may reasonably be regarded as holding or investing funds for the benefit of persons who are resident outside the participating provinces.

OR

If the specified services have been supplied outside the participating provinces, and you had to self-assess the provincial part of the HST:

$$A - (B \times C)$$

where:

- A is the **provincial part** of the HST that you had to self-assess;
- B is the **provincial part** of the HST that you would have to self-assess if you acquired the services to consume, use, or supply exclusively in the participating provinces; and
- C is the extent (expressed as a percentage) to which you may reasonably be regarded as holding or investing funds for the benefit of persons who are resident in the participating provinces.

Complete Parts A, B, E, F, and Section I of Part C of the rebate application. Use **Method (c)** to complete Section I of Part C, and Part F of the application.

Enter the purchase details of the specified service in Part F of the rebate application. Next, enter the result of your calculation, based on the applicable formula, under "Other" in Part F. If you need more space to list all the details of your purchases, use Form GST288, *Supplement to Forms GST189 and GST498*.

Add all amounts you listed in Part F and on Form GST288, if you used it, under "Other." Enter the total at the bottom of that column and in Section I of Part C beside "**Method (c)** Other" under the "Amounts claimed" column.

The insurer does not have to send any supporting documents (for example, receipts, invoices, or contracts) relating to the specified services when the GST/HST return and the rebate application are filed. Both the insurer and the segregated fund need to keep their copies of these documents on file in case we ask to see them at a later date.

Filing deadline

The segregated fund must submit its rebate application to the insurer within one year after the day the tax for the specified services becomes payable. The insurer has to complete Part G and send the rebate application with the GST/HST return for the period in which the insurer paid or credited the rebate. The insurer claims the amount of the rebate on **line 107** of the return.

The segregated fund can submit an application once every calendar month.

If you are required to self-assess the **provincial part** of the HST, see the notes under "Filing deadline" for **reason code 15** on the next page.

Note

If you have any rebate applications that relate to your GST/HST return that you are filing electronically, send your rebate applications to:

Summerside Tax Centre
275 Pope Road
Summerside PE C1N 6A2

Reason code 15 – Specified services supplied to an investment plan or a segregated fund

The ETA has set out new rules that expand on who is eligible to claim a rebate under **reason code 15** as well as expand the types of the inputs for which a rebate can be claimed. These changes are effective as of July 1, 2010. If you are an investment plan that is not a selected listed financial institution or you are a segregated fund of an insurer that is not a selected listed financial institution and your rebate claim relates to inputs for which the HST was paid or payable before July 1, 2010, use **reason code 15** to make your claim according to the rules that applied before July 2010. If your rebate claim relates to inputs for which the HST was paid or payable after June 2010, use **reason code 25**.

The following information applies for any rebate that is for tax that became payable or was paid without becoming payable before July 2010.

This rebate allows an investment plan or an insurer's segregated fund to claim a rebate of the **provincial part** of the HST payable on specified services to the extent that the plan or fund holds or invests funds for persons who are resident outside the participating provinces.

Calculating your rebate for the provincial part of the HST

After 2007, the **provincial part** of HST is equal to 8 divided by 13, multiplied by the amount of HST ($8/13 \times \text{HST amount}$).

Before 2008, the **provincial part** of HST was equal to 8 divided by 14, multiplied by the amount of HST ($8/14 \times \text{HST amount}$).

For purposes of this rebate, specified services include any management or administrative service supplied to an investment plan or a segregated fund by a person, as well as any other service provided to the plan or fund by the same person.

When the fund or plan has self-assessed the HST on services acquired outside the participating provinces, the amount of the rebate is adjusted to reflect the fact that the HST is payable only to the extent that the service was acquired to be consumed or used in the participating provinces.

Eligibility

You are eligible for this rebate if:

- you are an investment plan or an insurer's segregated fund;
- you are not a selected listed financial institution;
- you are the recipient of taxable specified services;

- you are required to pay to the supplier, or to self-assess, the **provincial part** of the HST; and
- you hold or invest funds for the benefit of persons who are resident outside the participating provinces.

Filing instructions

Determine the amount of your rebate by using whichever **one** of the following two formulas applies:

If the specified services have been supplied in a participating province:

$$A \times B$$

where:

- A** is the **provincial part** of the HST; and
- B** is the percentage at which you may reasonably be regarded as holding or investing funds for the benefit of persons who are resident outside the participating provinces.

OR

If the specified services have been supplied outside the participating provinces, and you had to self-assess the provincial part of the HST:

$$A - (B \times C)$$

where:

- A** is the **provincial part** of the HST that you had to self-assess;
- B** is the **provincial part** of the HST that you would have to self-assess if you acquired the services to consume, use, or supply exclusively in the participating provinces; and
- C** is the extent (expressed as a percentage) to which you may reasonably be regarded as holding or investing funds for the benefit of persons who are resident in the participating provinces.

Complete Parts A, B, E, F, and Section I of Part C of the rebate application. Use **Method (c)** to complete Section I of Part C, and Part F of the application.

Enter the purchase details of the specified service in Part F of the rebate application. Also enter the result of your calculation, based on the applicable formula, under "Other" in Part F. If you need more space to list all the details of your purchases, use Form GST288, *Supplement to Forms GST189 and GST498*.

Add all the amounts you listed in Part F and on Form GST288, if you used it, under "Other" in Part F. Enter the total at the bottom of that column and in Section I of Part C beside "**Method (c)** Other" under the "Amounts claimed" column.

Do not include original receipts with your application; keep these documents in case we ask to see them at a later date.

Filing deadline

File your rebate application within one year from the day that the tax became payable on the specified services.

The investment plan or segregated fund can submit an application once every calendar month.

Notes

If you are not a GST/HST registrant, and you have to self-assess the **provincial part** of the HST on property or services brought into a participating province, use Form GST489, *Return for Self-Assessment of the Provincial Part of Harmonized Sales Tax (HST)*.

If you are not a GST/HST registrant, and you have to self-assess the **provincial part** of the HST on an imported taxable supply, use Form GST59, *GST/HST Return for Imported Taxable Supplies and Qualifying Consideration*.

If you are a GST/HST registrant and you are required to self-assess the **provincial part** of the HST, use **line 405** on your regular GST/HST return.

Reason code 16 – Provincial point-of-sale rebate on qualifying items

Participating provinces provide a point-of-sale rebate of the **provincial part** of the HST payable on qualifying items. When vendors provide point-of-sale rebates on the **provincial part** of the HST, they only collect the 5% federal part of the HST payable on the sale of these items.

Note

Use **reason code 16** for qualifying items purchased and consumed in the same province where the point-of-sale rebate was not granted. If you purchased goods in a participating province for consumption, use, or supply in another province, use Form GST495, *Rebate Application for the Provincial Part of the Harmonized Sales Tax (HST)*, to claim a rebate of the **provincial part** of the HST.

Qualifying items

The following items qualify for the point-of-sale rebate:

British Columbia (July 2010 to March 2013)	Books*, children's clothing and footwear, children's diapers, children's car seats, feminine hygiene products, and motor fuels
New Brunswick and Newfoundland and Labrador	Books*
Nova Scotia	Books*, children's clothing and footwear, children's diapers, and feminine hygiene products
Ontario (as of July 2010)	Books*, children's clothing and footwear, children's diapers, children's car seats, feminine hygiene products, qualifying newspapers, and qualifying food and beverages
Prince Edward Island (as of April 2013)	Books*, children's clothing and footwear, and qualifying heating oil

*Books, for the point-of-sale rebate, include audio books, but not e-books, newspapers, magazines, catalogues, colouring books, agendas, etc.

Books

Books eligible for the point-of-sale rebate include:

- a printed book or an update of a printed book;
- an audio recording, all or substantially all of which is a spoken reading of a printed book;
- composite property that consists of a printed book and a read-only medium (or a right to access a Web site under certain conditions), which is wrapped, packaged or prepared for sale as a single product under specific situations; and
- a bound or unbound printed version of scripture of any religion.

Note

A printed book is **not**:

- a newspaper;
- magazine or periodical acquired otherwise than by way of subscription;
- a magazine or periodical in which the printed space devoted to advertising is more than 5% of the total printed space;
- a brochure or pamphlet;
- a sales catalogue, a price list or advertising material;
- a warranty booklet or an owner's manual;
- a book designed primarily for writing on;
- a colouring book or a book designed primarily for drawing on or affixing thereto, or inserting therein, items such as clippings, pictures, coins, stamps, or stickers;
- a cut-out book or a press-out book;
- a program relating to an event or performance;
- an agenda, calendar, syllabus, or timetable;
- a directory, an assemblage of charts or an assemblage of street or road maps, but not including a guidebook or an atlas that consists in whole or in part of maps other than street or road maps;
- a rate book;
- an assemblage of blueprints, patterns or stencils; or
- an assemblage or a collection of, or any item similar to, the above items.

For more information, see GST/HST Memorandum 13.4, *Rebates for Printed Books, Audio Recordings of Printed Books, and Printed Versions of Religious Scriptures*.

Children's clothing

The following goods are qualifying children's clothing for purposes of the point-of-sale rebate:

- clothing design for babies (including baby bibs, bunting blankets, and receiving blankets);

- clothing design for children, up to and including girls' Canada standard size 16 and boys' Canada standard size 20, or clothing designed for girls and boys in sizes extra small, small, medium, or large if the clothing does **not** have a qualifying Canada standard size; and
- hosiery or stretchy socks, hats, ties, scarves, belts, suspenders, mittens, and gloves in sizes and styles designed for children or babies.

The following goods are **not** qualifying children's clothing for purposes of the point-of-sale rebate:

- adult-sized garments even if purchased for a child;
- costumes;
- children's garments of a class that is used exclusively in sports or recreational activities; and
- children's footwear and children's diapers. Rebates are available on children's footwear and children's diapers if such goods qualify as such, respectively, for the purposes of those rebates.

Children's footwear

Children's footwear designed for babies, girls, and boys that have an insole length of 24.25 centimetres or less. Children's footwear eligible for the point-of-sale rebate would not include footwear that is used exclusively in sports or recreational activities (such as skates, rollerblades, ski boots, or cleats).

Children's diapers

Diapers, including cloth and disposable diapers, designed for babies and children, diaper inserts and liners, rubber pants, and training pants. Incontinence products are generally zero-rated under the HST.

Children's car seats

Children's car seats and car booster seats that are restraint systems or booster cushions that conform to the Canada Motor Vehicle Safety Standards 213, 213.1, 213.2, and 213.5 under the federal *Motor Vehicle Restraint Systems and Booster Seats Safety Regulations*.

Feminine hygiene products

Feminine hygiene products include sanitary napkins, tampons, sanitary belts, menstrual cups or other similar products marketed exclusively for feminine hygiene purposes.

Qualifying heating oil

Fuel that is suitable for use as heating oil would qualify for the point-of-sale rebate where it is marketed or sold as fuel for use as heating oil for heating homes, buildings, or similar structures. Heavy fuel oil, or fuel sold as fuel for use in internal combustion engines, does not qualify.

Qualifying newspapers

Print newspapers that contain news, editorials, feature stories, or other information of interest to the general public, and that are published at regular intervals, typically on a daily, weekly, or monthly basis, would qualify for the point-of-sale rebate. Flyers, inserts, magazines, shoppers and periodicals would **not** qualify.

Qualifying prepared food and beverages

Qualifying prepared food or beverages that are ready for immediate consumption and that are sold for a total consideration of not more than **\$4.00**, whether consumed on or off the premises where they are sold would qualify for the point-of-sale rebate. Qualifying items would include:

- food or beverages heated for consumption;
- salads not canned or vacuum-sealed;
- sandwiches and similar products other than when frozen;
- platters of cheese, cold cuts, fruits, or vegetables, and other arrangements of prepared food;
- cakes, muffins, pies, pastries, tarts, cookies, doughnuts, brownies, croissants with sweetened filling or coating, or similar products when they are not pre-packaged for sale to consumers and are sold as single servings in quantities of less than six;
- ice cream, ice milk, sherbet, frozen yogurt or frozen pudding, non-dairy substitutes for any of the foregoing, or any product that contains any of the foregoing sold in single servings and not pre-packaged;
- other food items that are not zero-rated as basic groceries solely by virtue of the types of sales made at the establishment where they are sold (for example, the sale of a bagel or a plain croissant in a restaurant);
- non-carbonated beverages, when dispensed at the place they are sold;
- when excluded from zero-rated GST/HST treatment as basic groceries:
 - milk (flavoured or unflavoured);
 - soy, rice or almond-based beverages, or similar non-dairy beverages that are substitutes for milk; or
 - non-carbonated fruit juice or fruit flavoured beverages, other than milk-based beverages, that contain 25% or more by volume of a natural fruit juice or a combination of natural fruit juices, or a natural fruit juice or a combination of natural fruit juices that have been reconstituted into the original state;
- when sold with a qualifying food item listed above and the supply of which is not a zero-rated supply:
 - carbonated beverages, when dispensed at the place they are sold; or
 - other beverages (including carbonated beverages not listed above) when sold in a can, bottle, or other primary container that contains a quantity **not** exceeding a single serving and not sold in multiples, pre-packaged by the manufacturer or producer, of single servings;

- when supplied in combination with a qualifying food or beverage item listed above for a single consideration:

- cakes, muffins, pies, pastries, tarts, cookies, doughnuts, brownies, croissants with sweetened filling or coating, or similar products when they are pre-packaged for sale to consumers in quantities of less than six items each of which is a single serving;
- ice cream, ice milk, sherbet, frozen yogurt or frozen pudding, non-dairy substitutes for any of the foregoing, or any product that contains any of the foregoing, when pre-packaged and sold in single servings; or
- other snack foods, such as chips, salted nuts, popcorn, candies, fruit bars, and granola bars.

Wine, spirits, beer, malt liquor, or other alcoholic beverages would not be a qualifying beverage for the purpose of the point-of-sale rebate.

Qualifying and non-qualifying items purchased together

In calculating whether qualifying prepared food and beverages will be sold for a total price of \$4.00 or less, only the qualifying prepared food and beverages are included in the calculation of the \$4.00 threshold.

Example

After working late one night, Nadia stops by her local grocery store on her way home to pick up a few loaves of bread, cat litter, a roast beef sandwich for \$2.50, and a 350 ml bottle of apple juice for \$1.00.

For the purposes of determining if Nadia will be eligible for the Ontario HST point-of-sale rebate on the sandwich and the apple juice, the grocery store ignores the bread and the cat litter in calculating the \$4.00 threshold. Since the sandwich plus the apple juice are sold for a total of \$4.00 or less, the grocery store will automatically provide Nadia with the point-of-sale rebate, crediting the Ontario component of the HST and only collecting the 5% federal component of the HST on the sandwich and the apple juice.

The bread is a zero-rated item for GST/HST purposes and the cat litter is subject to the full 13% HST.

Eligibility

Generally, if you buy a qualifying item in a participating province that provides a provincial point-of-sale rebate for the qualifying item, the registrant supplier will credit you with the rebate of the **provincial part** of the HST due at the time of your purchase. This means that you usually will not pay the **provincial part** of the HST when you buy a qualifying item in a participating province that provides a provincial point-of-sale rebate for the qualifying item.

The point-of-sale rebate applies to sales of qualifying items at retail establishments, over the Internet, and at any point in the distribution chain. However, if the registrant supplier does not credit the rebate to you, you can apply for a rebate of the **provincial part** of the HST paid on the sale of qualifying items under **reason code 16**.

You are eligible for this rebate if:

- you bought a qualifying item, in a participating province that provides a provincial point-of-sale rebate for the qualifying item and you paid the **provincial part** of the HST and the registrant supplier did not credit you with the rebate of the **provincial part** of the HST due at the time of your purchase; or
- you brought a qualifying item, into a participating province that provides a provincial point-of-sale rebate for the qualifying item, and you have self-assessed and remitted the **provincial part** of the HST at the applicable rate for the participating province.

If you are a registrant, you can also claim an input tax credit to recover the 5% federal part of the HST paid. You cannot claim an input tax credit to recover the **provincial part** of the HST paid. Instead, apply for a rebate under reason code 16.

Calculating your rebate for the provincial part of the HST

If you are eligible for a rebate of the **provincial part** of the HST, multiply the amount of the HST by:

- 7/12 for those purchases taxed at 12%;
- 8/13 for those purchases taxed at 13%;
- 9/14 for those purchases taxed at 14%; or
- 10/15 for those purchases taxed at 15%.

Filing instructions

Use **Method (c)** to complete Section I of Part C, and Part F of the application. For details on how to calculate your total rebate, see “Part C – Rebate claimed” on page 32.

Documents to send us

Include copies of receipts with the application for all the purchases you list. We will not return any receipts or supporting documentation submitted with your application.

We do **not** accept credit card slips or debit transaction slips as proof of purchase without a copy of the invoice or cash register receipt.

Filing deadline

You have to file your rebate application within four years from the day the tax became payable.

Reason code 23 – Ontario First Nations point-of-sale relief

The Government of Ontario made regulations under the *Retail Sales Tax Act of Ontario* that, effective September 1, 2010, allow for point-of-sale relief equal to the 8% **provincial part** of the HST to be provided to Indians, Indian bands, and councils of an Indian band for purchases of qualifying property and services made off a reserve. This relief is referred to as the Ontario First Nations point-of-sale relief.

As a result, GST/HST registrant suppliers in Ontario may credit an amount equal to the 8% **provincial part** of the HST at the point of sale beginning September 1, 2010.

For information on what goods or services qualify, who is eligible, and the documents required to support the amounts credited, go to the Ontario Ministry of Finance Web site at www.fin.gov.on.ca/en/guides/hst/80.html. To see the regulations, go to the ServiceOntario Web site at www.e-laws.gov.on.ca.

Note

Do **not** claim a rebate under this reason code if you are a status Indian, an Indian band, or council of an Indian band and have paid an amount equal to the 8% **provincial part** of the HST in Ontario for the purchase of qualifying off-reserve property or services after June 2010. You may be entitled to apply to the Ontario Ministry of Revenue for a rebate equal to the 8% **provincial part** of the HST paid. Do **not** use Form GST189 to apply for this rebate.

How to account for the Ontario First Nations point-of-sale relief

On the GST/HST return, a GST/HST registrant supplier that credits amounts for the Ontario First Nations point-of-sale relief would:

- include the amount of HST collected or collectible for these supplies on **line 103** at the **full 13%** rate (if you are filing your GST/HST return electronically, include this amount on **line 105**);
- report the amounts credited at the point of sale on **line 111**; and
- submit Form GST189, *General Application for Rebate of GST/HST*. Indicate in Section II of Part C the total amount claimed and the reporting period in which the amounts credited at the point of sale have been included on **line 111**.

For more information, see GST/HST Info Sheet GI-106, *Ontario First Nations Point-of-Sale Relief – Reporting Requirements for GST/HST Registrant Suppliers*.

Note

File a separate Form GST189 for each reason code.

If you are a GST/HST registrant, you can file your Ontario First Nations point-of-sale relief rebate applications electronically with your GST/HST returns. Use GST/HST NETFILE to submit your First Nations point-of-sale relief. For more information, go to www.cra.gc.ca/gsthst-netfile.

Reason code 24 – Poppies and wreaths

Eligibility

If you are a Legion entity, you may apply for a 100% rebate of the GST/HST paid or payable on poppies or wreaths you acquired, imported or brought into a participating province during a claim period. This rebate applies to GST/HST that became payable, or was paid without having become payable, after 2009.

If you are a GST/HST registrant, your claim period is the same as your reporting period for your GST/HST returns. If you are a non-registrant, your claim period is a six-month period covering either the first two fiscal quarters or the last two fiscal quarters of your fiscal year.

Filing instructions

Use **Method (b)** for each invoice to complete Section I of Part C, and Part F of the application. For details on how to calculate your total rebate, see “Part C – Rebate claimed” on page 32.

Documents to send us

Include copies of receipts for all purchases you list on your rebate application. We will not return any receipts or supporting documentation submitted with your application.

We do **not** accept credit card slips or debit transaction slips as proof of purchase without a copy of the invoice or cash register receipt.

Filing deadline

You have to file your rebate application within four years after the last day of your claim period in which the tax became payable, or was paid without having become payable, after 2009.

You can submit only one rebate application for any claim period.

Note

As a transitional provision, the deadline for filing a rebate is extended to the day that is four years after June 26, 2011, (the day the poppy and wreath rebate became law), if the deadline for filing the rebate would otherwise have expired sooner.

Reason code 25 – Subsection 261.31(2) rebate for certain investment plans and segregated funds of an insurer

As a result of recent changes to the *Excise Tax Act* (ETA), the rebate under section 261.31 of the ETA has been revised. The *Draft Regulations Amending Various GST/HST Regulations*, including the *Selected Listed Financial Institutions Attribution Method (GST/HST) Regulations* and proposed amendments to the *New Harmonized Value-Added Regulations No. 2*, released on January 28, 2011, also affect the calculation of this rebate.

These changes allow certain investment plans and segregated funds of an insurer to claim a rebate under section 261.31 of the ETA under certain conditions for all or part of the **provincial portion** of the HST in respect of tax that became payable or was paid without becoming payable after June 2010. Generally, this rebate is not available to an SLFI. However, after June 2010, this rebate will also be available to an investment plan that is an SLFI and that has a provincial series where certain conditions are met.

This revised rebate is claimed under **reason code 25**.

If you are an insurer that elects with your segregated fund to pay or credit the relevant part of the rebate directly to your segregated fund, use **reason code 26**.

For the definition of the term “segregated fund of an insurer”, see GST/HST Memorandum 17.6, *Definition of Listed Financial Institution*.

For more information on investment plans, provincial investment plans, provincial private investment plans, provincial series, selected listed financial institutions (SLFIs) and stratified investment plans, see GST/HST Technical Information Bulletin B-107, *Investment Plans (Including Segregated Funds of an Insurer) and the HST*.

Calculating your rebate for the provincial part of the HST

If you are eligible for a rebate of the **provincial part** of the HST, multiply the amount of the HST by:

- 7/12 for those purchases taxed at 12%;
- 8/13 for those purchases taxed at 13%;
- 9/14 for those purchases taxed at 14%; or
- 10/15 for those purchases taxed at 15%.

Eligibility

The rebate payable under **reason code 25** may be available to you if you are:

- an investment plan (including a segregated fund of an insurer) that is not an SLFI (other than an SLFI stratified investment plan with a provincial series), including the following investment plans that are generally not SLFIs:
 - a provincial investment plan; or
 - a provincial private investment plan or provincial pension entity;
- an investment plan that is a trust governed by a registered retirement savings plan, a registered retirement income fund or a registered education savings plan; or
- a stratified investment plan that is an SLFI and has one or more provincial series.

Notes

Each rebate amount for which an application is made under subsection 261.31(2) of the ETA for the purposes of **reason code 25** must be at least **CAN\$25**.

For the purposes of the proposed *Selected Listed Financial Institutions Attribution Method (GST/HST) Regulations*, and to determine whether an investment plan is an SLFI under subsection 225.2(2) of the ETA, an investment plan means an investment plan under subparagraph 149(1)(a)(ix) of the ETA, or a segregated fund of an insurer referred to in subparagraph 149(1)(a)(vi) of the ETA other than a trust governed by a registered retirement savings plan, a registered retirement income fund or a registered education savings plan.

A rebate under sections 261.1 to 261.3 is not available to an investment plan (subparagraph 149(1)(a)(ix)) or a segregated fund (subparagraph 149(1)(a)(vi)).

For more information, see GST/HST Technical Information Bulletin B-107.

How to calculate the rebate amount under section 261.31 of the ETA

If you are an investment plan that meets the eligibility criteria referred on the previous page, apply the following formulas to calculate the rebate amount applicable to you under subsection 261.31(2) of the ETA with respect to tax on taxable supplies made in a participating province under subsection 165(2), section 212.1, or section 218.1 or amounts self-assessed under Division IV.1 of the ETA.

Stratified investment plans with one or more provincial series

This rebate is generally for selected listed financial institutions (SLFIs) that are stratified investment plans with one or more provincial series.

Note

An SLFI stratified investment plan with more than one provincial series must calculate its rebate for each provincial series using the following formulas.

Rebate amount on the provincial part of the HST under subsection 165(2) of the ETA

If you are a stratified investment plan with one or more provincial series and tax is payable for a participating province under subsection 165(2) in respect of a supply of property or a service, use the following formula to determine the amount of the rebate you can claim on these tax amounts for each provincial series:

$$(A - B) \times C$$

where:

- A is the amount of the **provincial part** of the HST;
- B is the amount of tax that would have become payable under subsection 165(2) in respect of the supply at that time if that tax were calculated at the provincial tax rate for the participating province, if the provincial series is for a participating province. Otherwise, B is zero;
- C is the extent (expressed as a percentage) to which the property or service was acquired for consumption, use or supply in the course of the activities relating to the provincial series, as determined in accordance with proposed section 54 of the *Selected Listed Financial Institutions Attribution Method (GST/HST) Regulations*.

Rebate amount on tax with respect to tangible personal property

If you are a stratified investment plan with one or more provincial series, and tax is payable under section 212.1 or 218.1 of the ETA or subsection 220.06(1) of the ETA for tangible personal property, use the following formula to determine the rebate you can claim for a provincial series:

$$(D - E) \times F$$

where:

- D is the amount of the **provincial part** of the HST self-assessed under the applicable section or subsection referred to above;

- E is the amount of tax that would have become payable under the applicable section or subsection in respect of the property at the particular time if that tax were calculated at the tax rate for that participating province and if the provincial series is for a participating province. Otherwise, E is zero;
- F is the extent (expressed as a percentage) to which the tangible personal property was acquired, or imported for consumption, use or supply in the course of the activities relating to the provincial series, as determined in accordance with proposed section 54 of the *Selected Listed Financial Institutions Attribution Method (GST/HST) Regulations*.

Rebate amount on tax payable under subsection 220.05(1) or 220.07(1) of the ETA

If you are a stratified investment plan with one or more provincial series and tax is payable under subsection 220.05(1) or subsection 220.07(1), use the following formula to determine the amount of the rebate you can claim for tangible personal property brought into a particular participating province for a provincial series:

$$(G - H) \times I$$

where:

- G is the amount of the **provincial part** of the HST self-assessed under the applicable subsection referred to above;
- H is:
 - if the provincial series is for the particular participating province, the amount of that tax;
 - if the provincial series is for a participating province, other than the particular participating province, the amount of tax that would have become payable under that subsection in respect of the bringing in of the property if the property were brought into the particular province;
 - in any other case, zero; and
- I is the extent (expressed as a percentage) to which the property was brought into the particular participating province for consumption, use or supply in the course of the activities relating to the provincial series, as determined in accordance with proposed section 54 of the *Selected Listed Financial Institutions Attribution Method (GST/HST) Regulations*.

Provincial investment plan

If you are a provincial investment plan you must calculate your rebate using the formulas below.

Rebate amount on the provincial part of the HST under subsection 165(2) of the ETA

If you are a provincial investment plan and tax is payable under subsection 165(2) in respect of a supply of property or service, use the following formula to determine the amount of the rebate you can claim:

$$A - B$$

where:

- A** is the **provincial part** of the HST;
- B** is the amount of tax that would have become payable under subsection 165(2) in respect of the supply at the particular time if that tax were calculated at the tax rate for a participating province and if the provincial investment plan is for that participating province. Otherwise, B is zero.

Rebate amount on tax with respect to tangible personal property

If you are a provincial investment plan and tax is payable under section 212.1 or 218.1 of the ETA or subsection 220.06(1) of the ETA in respect of tangible personal property, use the following formula to determine the amount of the rebate you can claim:

$$C - D$$

where:

- C** is the **provincial part** of the HST self-assessed under the applicable section or subsection referred to above; and
- D** is the amount of tax that would have become payable under the applicable section or subsection in respect of the property at the particular time if that tax were calculated at the tax rate for a participating province and if the provincial investment plan is for that participating province. Otherwise, D is zero.

Rebate amount on tax payable under subsection 220.05(1) or 220.07(1) of the ETA

If you are a provincial investment plan, and tax is payable under subsection 220.05(1) or subsection 220.07(1), use the following formula to determine the amount of the rebate you can claim:

$$E - F$$

where:

- E** is the **provincial part** of the HST self-assessed under the applicable subsection above, and
- F** is:
- if the provincial investment plan is for a participating province, the amount of that tax;
 - if the provincial investment plan is for a participating province other than the particular participating province, the amount of the tax that would have become payable under that subsection in respect of the bringing in of the property if the property were brought into the particular province; or
 - in any other case, zero.

Other investment plans

If you are an investment plan (other than a stratified investment plan with one or more provincial series or a provincial investment plan) such as a provincial private investment plan or a provincial pension entity, a trust governed by a registered retirement savings plan, a registered retirement income fund, or a registered education savings plan, you must calculate your rebate using the formulas below.

Rebate amount on the provincial part of the HST under subsection 165(2) of the ETA

If you are an investment plan (other than a stratified investment plan with one or more provincial series or a provincial investment plan) and tax is payable under subsection 165(2) use the following formulas to determine the amount of the rebate you can claim for the supply of property or service in a participating province:

$$A - B$$

where:

- A** is the **provincial part** of the HST; and
- B** is the total of all amounts, each of which is determined for a participating province by the following formula:

$$C \times D$$

where:

- C** is the provincial part of HST that would have become payable under subsection 165(2) for the supply at the particular time if it were calculated at the tax rate for the participating province; and
- D** is the extent (expressed as a percentage) to which the investment plan may reasonably be regarded as holding or investing funds for the benefit of persons that are resident in the participating province.

Rebate amount on tax with respect to tangible personal property

If you are an investment plan (other than a stratified investment plan with one or more provincial series or a provincial investment plan) and tax is payable under section 212.1 or 218.1 of the ETA or subsection 220.06(1) of the ETA for tangible personal property, use the following formula to determine the amount of the rebate you can claim:

$$E - F$$

where:

- E** is the **provincial part** of the HST self-assessed under the applicable section or subsection referred to above; and
- F** is the total of all amounts, each of which is determined for a participating province by the following formula:

$$G \times H$$

where:

- G** is the **provincial part** of the HST that would have become payable under the applicable section or subsection in respect of property at the particular time if that tax were calculated at the tax rate for the participating province; and
- H** is the extent (expressed as a percentage) to which the investment plan may reasonably be regarded as holding or investing funds for the benefit of persons that are resident in the participating province.

Rebate amount on tax with respect to intangible personal property or services

If you are an investment plan (other than a stratified investment plan with one or more provincial series or a provincial investment plan) and tax is payable under section 218.1 or subsection 220.08(1) in respect of a supply of tangible personal property or a service on the amount of consideration for that supply, use the following formula to determine the amount of the rebate you can claim:

$$I - J$$

where:

- I** is the **provincial part** of the HST self-assessed under the applicable section or subsection referred to above; and
- J** is the total of all amounts, each of which is determined for a participating province by the following formula:

$$K \times L$$

where:

- K** is the amount of tax that would have become payable under the applicable section or subsection at the particular time if the supply were acquired by the investment plan for consumption, use or supply exclusively in the participating province; and
- L** is the extent (expressed as a percentage) to which the investment plan may reasonably be regarded as holding or investing funds for the benefit of persons that are resident in the participating province.

Rebate amount on tax payable under subsection 220.05(1) or 220.07(1) of the ETA

If you are an investment plan (other than a stratified investment plan with one or more provincial series or a provincial investment plan), and tax is payable under subsection 220.05(1) or 220.07(1) in respect of bringing tangible personal property into a participating province, use the following formula to calculate your claim:

$$M - N$$

where:

- M** is the **provincial part** of the HST self-assessed under the applicable subsection referred to above; and
- N** is the total of all amounts, each of which is determined for a participating province by the following formula:

$$O \times P$$

where:

- O** is the **provincial part** of the HST that would have become payable under the applicable subsection in respect of the bringing in of the property, if the property were brought into the participating province; and
- P** is the extent (expressed as a percentage) to which the investment plan may reasonably be regarded as holding or investing funds for the benefit of persons that are resident in the participating province.

Filing instructions

Use **Method (c)** to complete Section I of Part C, and Part F of the application. For details on how to calculate your total rebate, see "Part C – Rebate claimed" on the next page.

Documents to send us

You do not have to include receipts or invoices with your application. However, you have to keep these documents in case we ask to see them at a later date.

Filing deadline

You have to file your rebate application within one year from the day that the tax became payable for the supply.

The investment plan or segregated fund can submit only one rebate application per calendar month.

Reason code 26 – Election under subsection 261.31(3) between the segregated fund and insurer

As a result of recent changes to the *Excise Tax Act* (ETA), the election between the insurer and the segregated fund under subsection 261.31(3) of the ETA has been revised.

The election under subsection 261.31(3) allows the insurer to pay to, or credit in favour of, the segregated fund the amount of the subsection 261.31(2) rebate for tax that became payable, or was paid without having become payable, after June 2010 for supplies made by the insurer to the segregated fund (the relevant amount calculated under **reason code 25**).

Subsection 261.31(3) allows a segregated fund of an insurer to file an election to obtain rebates directly from the insurer for services supplied by the insurer. Under this provision, a segregated fund must submit its rebate application to the insurer. Where the insurer pays or credits a rebate to the segregated fund under these provisions, it may, under subsection 234(5), claim a deduction equal to the rebate in determining its net tax. The insurer must send us the rebate application with the return in which the deduction is claimed.

You must fill out Part G if you are an insurer and want to pay or credit an investment plan or segregated fund directly. For more information, see "Part G – Registered supplier identification OR insurer election" on page 34.

Note

The rebate amount under the election between the insurer and the segregated fund of the insurer under subsection 261.31(3) (**reason code 26**) must be at least **CAN\$25**.

Joint and several liability

If an insurer pays or credits a rebate to a person and the insurer knows or ought to know that the person is not entitled to all or part of the rebate, both the insurer and the person who received the rebate are liable to repay the amount to us.

Filing instructions

Use **Method (c)** when you complete Section I of Part C, and Part F of the application. For details on how to calculate your total rebate, see “Part C – Rebate claimed” below.

Make sure to indicate what you would have received if the insurer had not paid or credited the amount to you.

The insurer will determine the amount of the rebate by using the first formula from **reason code 25** beginning on page 28.

Note

If the insurer **does not pay or credit** the rebate to you and you meet all the eligibility criteria, you can file for your rebate under **reason code 25**.

Documents to send us

You do not have to include receipts or invoices with your application. However, you have to keep these documents in case we ask to see them at a later date.

Filing deadline

The segregated fund has to file its rebate application to the insurer within one year after the day the tax becomes payable for the supply. The insurer has to complete Part G and send the rebate application with its GST/HST return for the period in which the insurer paid or credited the rebate. The insurer claims the amount of the rebate on **line 107** of the return.

The segregated fund can submit only one rebate application per calendar month.

Note

If you, the insurer, have any rebate applications that relate to your GST/HST return that you are filing electronically, the rebate applications should be sent by mail to the Summerside Tax Centre.

Remission order

If you are filing this form as a result of a remission order granted under the *Financial Administration Act*, tick the unnumbered box in Part B of the application beside the words “Remission order.”

Part C – Rebate claimed

Complete Section I to calculate the total rebate of GST/HST paid on purchases under reason codes 1, 4, 5, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 24, 25, and 26.

Complete Section II to claim the Ontario First Nations point-of-sale relief under **reason code 23** only.

Section I – Rebate calculation

Step 1 – Decide which calculation method you will use

The first step is to decide which calculation method you will use to calculate the amount of your rebate. There are two methods: **Method (b)** and **Method (c)**. The calculation method you use depends on the reason code under which you are applying for a rebate. For the reason code applicable to your claim, see “Part B – Reason for rebate request” on page 10.

Method (b) – Actual GST/HST paid

Use **Method (b)** if you are applying for a rebate under reason code 4, 5, 8, 10, 11, or 24. You also use this method if you are applying for a rebate under reason code 1 (other than for a rebate of penalties, interest, and the difference between the old and new GST/HST rates, see **Method (c)** below).

Method (c) – Other

Use **Method (c)** when you are applying for a rebate under reason code 7, 9, 12, 13, 14, 15, 16, 25 or 26. You also use this method if you are applying for a rebate under reason code 1 because you incorrectly paid penalties or interest or you were charged the GST/HST at the old rate.

Step 2 – Complete Part F of the application

Complete Part F **before** you complete Section I of Part C. You will use some of the information in Part F to calculate the amount of your rebate in Section I of Part C.

Note

Do not complete Part F if you are claiming a rebate under **reason code 9**.

For information on completing Part F, see “Part F – Details of rebate application” on the next page.

Step 3 – Complete Section I of Part C of the application

Complete Section I of Part C of the rebate application form.

The two calculations methods, **Method (b)** and **Method (c)**, are listed in the first column of the chart in Section I.

If you are claiming a rebate using **reason code 9**, calculate the amount using the formula from “Reason code 9 – Lease of land for residential purposes” on page 18. Enter the result of your calculation beside “**Method (c)** Other”.

For all other reason codes, enter the total you calculated in Part F of the application in Section I beside its related method.

Next, add all of the amounts you entered under the “Amounts claimed” column and enter the total at the bottom of that column beside “Total rebate claimed.” This is the total amount of your rebate.

For an example of how to complete Section I of Part C and Part F of the rebate application, see “Example of Section I of Part C, and Part F on Form GST189” on page 35.

Reducing the amount of net tax owing on your GST/HST return by your rebate

Answer **yes** to the question at the bottom of Section I of Part C only if you are filing your rebate application with your GST/HST return and are reducing your net tax by the amount of your rebate. If you are doing this, indicate the reporting period of your GST/HST return on the rebate application.

If you are applying for a rebate under reason code 10, or 16, do **not** claim your rebate on **line 111** of your GST/HST return. For reason code 10, the registered supplier who paid or credited the rebate to you will file your rebate application with his or her GST/HST return, claiming an adjustment on **line 107**. For reason code 16, you must file your rebate application with the Summerside Tax Centre.

Section II – Ontario First Nations point-of-sale relief

Complete this section to report your total amount claimed for the Ontario First Nations point-of-sale relief credited on your off-reserve supplies of qualifying property and services.

Complete this section for **reason code 23 only**. If you ticked **reason code 23** in Part B of Form GST189, you **cannot** claim a rebate for any other reason codes on the application. Instead, file a separate application for each reason code.

Part D – Third party address

Complete Part D **only** if a third party is filing this rebate application on behalf of the claimant and the claimant previously signed and sent us Form GST507, *Third Party Authorization and Cancellation of Authorization for GST/HST Rebates*, or is attaching Form GST507 to the rebate application.

Form GST507 allows the third party to either:

- sign and file the rebate application on the claimant's behalf **and** receive the rebate cheque (made payable to the claimant); or
- file the rebate application, signed by the claimant, **and** receive the rebate cheque (made payable to the claimant).

The third party information in Part D of the rebate application must match the information given by the claimant on Form GST507.

Tick the appropriate box in Part D to tell us whether Form GST507 is attached to the rebate application or that it was previously provided to us for this third party.

Completion of Part D does not authorize a third party to sign or file the rebate application, to receive the rebate cheque, nor to request direct deposit in Part H. If you are filing a general application for a rebate and you want to authorize a third party to act on your behalf (for example, to sign and file the rebate application for you **and** to receive the rebate cheque(s) made payable to you), complete Form GST507. Send this form to us with the rebate application, unless it was previously sent to us authorizing this third party and the authorization is still in effect when you claim your rebate.

Do **not** complete Part D if you are applying for a rebate under reason code 10 or 23.

Note

A claimant may choose to authorize a third party for a specific period and indicate this on Form GST507. If the claimant does this, the period covered by the rebate application **must** fall within the period of authorization indicated by the claimant on Form GST507.

We will keep authorizations on file, both for specific periods and indefinite periods of time. Do not submit the same authorization with every application. However, if any information on Form GST507 changes, the claimant has to send us another authorization form with the new information.

You can also use Form GST507 to cancel a third party authorization.

Part E – Certification

Sign your rebate application, or a representative you have authorized using Form GST507 can sign your rebate application on your behalf. We will return any unsigned rebate applications we receive. If you are completing Part H – Direct deposit request, Part E must be signed by an owner, partner, corporate director, or officer, and cannot be signed by an authorized representative.

Note

If you are filing an application under reason code 10, 14 or 26 because a GST/HST registered supplier or insurer paid or credited you with your rebate, you are still considered to be the legal claimant. Sign Part E of the rebate application. The registered supplier or insurer cannot complete this part.

Books and records

You must maintain proper documentation to support your rebate claim, including any calculation(s) relating to the **provincial part** of the tax paid or self-assessed, in your files. You must keep adequate books and records, including original invoices for six years from the end of the year to which they relate. You may be asked for them at a later date.

Part F – Details of rebate application

This part explains “Step 2 – Complete Part F of the application” on the previous page. If you have not yet completed “Step 1 – Decide which calculation method you will use,” go back to the previous page before completing Part F of the rebate application.

Part F is broken down into six columns. In the first four columns, enter the date of the purchase or the invoice date, the invoice number or import entry number, the supplier's name, and a brief description of the purchase.

List all purchase details in Part F. For an example, see “Example of Section I of Part C, and Part F on Form GST189” on page 35. If you need more space to list all of your purchases in Part F, add another page.

Note

Do not complete Part F if you are claiming a rebate using **reason code 9** or **23**.

Using calculation Method (b) – Actual GST/HST paid

The fifth column in Part F of the rebate application is for calculation **Method (b)**. Enter the actual amount of the GST/HST you paid for each purchase in this column. If you need more space to list all the details of your purchases in this column, use Form GST288, *Supplement to Forms GST189 and GST498*.

Add all the amounts of all the purchases you listed in Part F and on Form GST288, if you used it, under “Actual GST/HST paid” and enter the total at the bottom of the column.

Using calculation Method (c) – Other

The sixth column in Part F of the rebate application is for calculation **Method (c)**. Calculate the amount of your rebate using the instructions for the applicable reason code and enter the amount of each purchase in this column.

There is no standard calculation you have to use when you file your application using calculation **Method (c)**. This method is used when only a part of the GST/HST you paid is eligible for rebate or when there is a specific calculation that must be completed separately to determine the amount of a rebate. For example, if you are applying for a rebate under reason code 12, the amount of your rebate is based on a formula that is specific to that particular rebate. Therefore, each calculation will be different depending on your situation.

If you need more space to list all the details of your purchases in this column, use Form GST288.

Add all the amounts you listed in Part F and on Form GST288, if you used it, under “Other,” and enter the total at the bottom of the column.

Part G – Registered supplier identification OR insurer election

An authorized official of the registered supplier or insurer has to complete and sign Part G of the rebate application when you request a rebate under reason code 10, 14, or 26.

If you are applying for a rebate under **reason code 10**, by completing Part G, the registered supplier is indicating that it is submitting the rebate request to us and it has paid or credited you with your rebate at the time of your purchase. For details on applying for a rebate under reason code 10, see page 19.

If you are applying for a rebate under **reason code 14**, by completing Part G, the insurer is indicating that it has made an election with your segregated fund to pay or credit the rebate directly to the fund. Your rebate claim relates to inputs for which the HST was paid or payable. For details on applying for a rebate under reason code 14, see page 22.

If you are applying for a rebate under **reason code 26**, by completing Part G, the insurer is indicating that it is submitting the rebate request to us and it has paid the amounts to you. For details on applying for a rebate under reason code 26, see page 31.

Part H – Direct deposit request

Complete Part H or attach a blank cheque with the information encoded on it and "VOID" written across the front to have your refund deposited directly into your bank account. Do **not** complete Part H for reason codes 10, 14, and 26.

Note

If you are completing Part H – Direct deposit request, Part E must be signed by an owner, partner, corporate director or officer and cannot be signed by an authorized representative.

Example of Section I of Part C, and Part F on Form GST189

See page 32 for information on how to complete Section I of Part C of the application and page 33 for information on how to complete Part F.

The example below, applies to **reason code 1**. The rebate details from Part F are used to complete the “Amounts claimed” column in Section I of Part C.

Part C – Rebate claimed	
Section I – Rebate calculation (Do not complete this section for reason code 23.) Complete Part F on the next page (if applicable) before completing this section.	
Calculation method	Amounts claimed (Total from Part F or Supplements)
Method (b) Actual GST/HST paid (for reason code 1 in certain cases, and for reason codes 4, 5, 8, 10, 11, and 24, see Guide RC4033)	+ \$ 22.75
Method (c) Other (for reason code 1 in certain cases, and for reason codes 7, 9, 12, 13, 14, 15, 16, 25, and 26, see Guide RC4033)	+ \$ 112.50
Total rebate claimed	= \$ 135.25

Part F – Details of rebate application (Do not complete this part for reason codes 9 and 23.)					
To support your claim, attach all required documents and information, as indicated in Guide RC4033. If the space below is not sufficient to list all details, use Form GST288, <i>Supplement to Forms GST189 and GST498</i> .					
Method (b) Actual GST/HST paid (for reason code 1 in certain cases, and for reason codes 4, 5, 8, 10, 11, and 24, see Guide RC4033); or Method (c) Other (for reason code 1 in certain cases, and for reason codes 7, 12, 13, 14, 15, 16, 25, and 26, see Guide RC4033).					
				Purchases	
Date	Invoice No. or import entry No.	Supplier's name	Brief description of purchases For vehicle purchases, indicate full Vehicle Identification Number (VIN)	Actual GST/HST paid	Other
1 Feb 14/12	IN 601	W & L Bicycles	3 gear changers	\$ 5.25	
2 Feb 15/12	56339	Hocking Parts	1 roll of 7/8"	+	+ \$ 3.50
3 Mar 20/12	7905	CYR Inc.	3 piece office suite	+	+ \$ 96.00
4 Mar 20/13	19514	Red Button Photography	30x40 print on canvas	+	+ \$ 13.00
5 Aug 6/13	MMR-003	Mackenzie Limited	office supplies	+ \$17.50	+
Total (forward to Part C – Rebate claimed)				(b) = \$22.75	(c) = \$112.50

For more information

What if you need help?

If you need more information after reading this guide, go to www.cra.gc.ca/gsthst or call 1-800-959-5525.

If you have questions about the status or processing of your rebate application, call 1-800-959-5525.

Forms and publications

To get our forms and publications, go to www.cra.gc.ca/gsthstpub or call 1-800-959-5525.

Teletypewriter (TTY) users

TTY users can call 1-800-665-0354 for bilingual assistance during regular business hours.

Direct deposit

Direct deposit is a safe, convenient, dependable, and time-saving method of receiving your GST/HST refunds and rebates. If you are expecting refunds or rebates when you file your GST/HST returns or rebate applications, you can send us a completed Form RC366, *Direct Deposit Request – GST/HST, Payroll and/or Corporation Income Tax*. To get Form RC366, go to www.cra.gc.ca/dd-bus or call 1-800-959-5525.

GST/HST electronic filing and remitting

You have several options for filing your GST/HST return or remitting an amount owing electronically. For more information, go to www.cra.gc.ca/gsthst-filing.

Online services built for businesses

With the CRA's online services for businesses, you can do many things, including:

- authorize a representative for **online access** to your business accounts;
- change the mailing and physical addresses, as well as the books and records address;
- file or adjust a GST/HST return without a Web access code;
- file an election;
- view the line-by-line details of processed returns, and a list of the expected returns with their due dates;

- view your up-to-date account balances and transactions;
- transfer payments and right away view updated balances; and
- submit enquiries and get the responses online within 10 business days.

To access our online services, go to:

- www.cra.gc.ca/representatives, if you are an authorized representative (including employees); or
- www.cra.gc.ca/mybusinessaccount, if you are a business owner.

Electronic payments

Make your payment online using the CRA's My Payment service at www.cra.gc.ca/mypayment or using your financial institution's telephone or Internet banking services. For more information, go to www.cra.gc.ca/electronicpayments or contact your financial institution.

Our service complaint process

If you are not satisfied with the **service** that you have received, contact the CRA employee you have been dealing with or call the telephone number that you were given. If you are not pleased with the way your concerns are addressed, you can ask to discuss the matter with the employee's supervisor.

If the matter is not settled, you can then file a service complaint by completing Form RC193, *Service Related Complaint*. If you are still not satisfied, you can file a complaint with the Office of the Taxpayers' Ombudsman.

For more information, go to www.cra.gc.ca/complaints or see Booklet RC4420, *Information on CRA – Service Complaints*.

Your opinion counts

If you have comments or suggestions that could help us improve our publications, send them to:

Taxpayer Services Directorate
Canada Revenue Agency
395 Terminal Avenue
Ottawa ON K1A 0L5