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## Bill C-29

On October 25, 2016, Bill C-29, *A second Act to implement certain provisions of the budget tabled in Parliament on March 22, 2016 and other measures*, was introduced and received first reading in the House of Commons.

Bill C-29, referred to as the *Budget Implementation Act, 2016, No. 2*, proposes to amend the *Excise Act, 2001* and certain GST/HST measures in the *Excise Tax Act* as well as the *Closely Related Corporations (GST/HST) Regulations* and *Streamlined Accounting (GST/HST) Regulations*.

Among other measures, Bill C-29 implements certain measures proposed or confirmed in the March 22, 2016 budget by:

- adding certain exported call centre services to the list of GST/HST zero-rated exports;
- strengthening the test for determining whether two corporations, or a partnership and a corporation, can be considered closely related (see GST/HST Notice303, *Changes to the Closely-related Test* for more information);

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- ensuring that the application of the GST/HST is unaffected by income tax amendments that convert eligible capital property into a new class of depreciable property; and
  - clarifying that the Canada Revenue Agency (CRA) and the courts may increase or adjust an amount included in an assessment (under the *Excise Tax Act* or the *Excise Act, 2001*) that is under objection or appeal at any time, provided the total amount of the assessment does not increase.

## **Legislative and regulatory proposals released for consultation**

On July 22, 2016, the Department of Finance Canada released the document *Legislative and Regulatory Proposals Relating to the Goods and Services Tax/Harmonized Sales Tax (GST/HST) for public consultation*.

These proposals include amendments to:

- revise the GST/HST rules applicable to pension plans to ensure that they apply fairly and effectively to pension plans that use master trusts or master corporations (see the article below);
- improve the clarity and effectiveness of the GST/HST rules applicable to certain pension plans and financial institutions by introducing clarifications and technical improvements to those rules;
- extend the application of the GST/HST rules applicable to selected listed financial institutions to include group trusts for registered education savings plans;
- revise and modernize the GST/HST drop shipment rules to enhance the effectiveness of these rules and introduce technical improvements;
- clarify the application of the GST/HST to supplies of municipal transit services to accommodate the modern ways in which those services are provided and paid for (see the article below); and
- introduce housekeeping amendments to improve the accuracy and consistency of the GST/HST legislation and regulations.

On July 22, 2016, the Department of Finance Canada also released the document, *Consultation Paper: Proposals for Consultation concerning the GST/HST Treatment of Certain Limited Partnerships and Investment Plans* (see article below).

## **Changes to pension plan rules for master trusts**

On July 22, 2016, the Department of Finance Canada announced the following draft legislative amendments regarding master trusts. A master trust may be established when an employer sponsors more than one pension plan and generally provides for the collective investment of the assets of the pension plans.

In a master trust arrangement, the proposed amendments provide that a participating employer will be deemed on the last day of its fiscal years beginning on or after July 22, 2016 to have made a taxable supply of a specified resource or an employer resource and will be deemed to have collected tax in respect of that supply in the following circumstances:

- where the employer acquires a specified resource (other than an excluded resource) for purposes of making a supply to a master trust for consumption, use or supply by the master trust in the course of pension activities of any pension plan in the master trust arrangement;
- where the employer consumes or uses an employer resource (other than an excluded resource) for the purpose of making a pension supply to a master trust for consumption, use or supply by the master trust in the course of pension activities of any pension plan in the master trust arrangement; or

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- where the employer consumes or uses an employer resource (other than an excluded resource) in the course of pension activities in respect of any pension plan in the master trust arrangement, including activities in respect of a master trust, but the consumption or use is not for the purpose of making a pension supply to a master trust or a pension entity.

Under the proposed changes a specified pension entity of each pension plan included in the master trust arrangement may be entitled to claim a rebate, or in some cases an input tax credit, in respect of a portion of this deemed tax in respect of the taxable supply of the specified/employer resource. This portion of the deemed tax is considered to be an eligible amount for each specified pension entity. Where a pension plan in the master trust arrangement has more than one pension entity, an election must be made for one of those pension entities to be the specified pension entity for the pension plan.

Additionally, where the employer or a third party makes an actual supply to a master trust and a particular amount of actual tax becomes payable by the master trust at any time in the fiscal year, a designated pension entity of each pension plan included in the master trust arrangement will be deemed, for purposes of the pension plan rebate and election rules only, to have paid a portion of the tax, subject to exceptions, actually paid by the master trust. This portion of the actual tax deemed paid is considered to be an eligible amount upon which the designated pension entity may claim a rebate. The proposed amendments provide that an election must be made to designate the pension entity for each pension plan in the master trust arrangement that has more than one pension entity.

When a participating employer of a pension plan in a master trust arrangement is deemed to have made a taxable supply of property or service in respect of a master trust and has also charged tax on an actual supply to the master trust in respect of the same property or service, a participating employer may issue a tax adjustment note (TAN) to a specified pension entity of the pension plan. The TAN triggers a net tax deduction in the return of the participating employer and a corresponding repayment

- by the pension entity of all or part of a rebate amount previously claimed; and/or
- by the qualifying employer of the pension plan of all or part of a net tax deduction previously claimed by the qualifying employer as a result of an election with the specified pension entity.

Where certain conditions are met, the proposed changes provide that a participating employer and a master trust may jointly elect to have every actual taxable supply made by the employer to the master trust be deemed to have been made for no consideration. Where the election is in effect, the employer would no longer have to issue a TAN to the specified pension entity.

The above proposed amendments apply generally on or after July 22, 2016.

A separate retroactive relieving amendment is proposed for subsection 172.1(7) of the *Excise Tax Act*, which currently requires an employer to self-assess the deemed tax collected on a deemed taxable supply of an employer resource that was consumed or used in the course of pension activities in respect of a pension plan. The amendment excludes, retroactively, employer resources consumed or used in respect of pension activities of the pension plan that are the establishment, management or administration of a master trust of the plan or the administration of assets in respect of the pension plan held by a master trust of the plan.

An employer that has included in its net tax calculation of prior reporting periods such an amount of deemed tax may within one year of when these changes receive royal assent request in writing an assessment or reassessment of those returns on the basis that the amount of tax was not deemed to have been collected by the employer. The Minister must assess or reassess the employer and the pension entity for any amount of this deemed tax that was paid to a pension entity as a pension rebate or any portion of the pension rebate amount that was shared with the employer and upon which the employer would have made a net tax deduction.

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More detailed information on the proposed amendments to the pension plan rules for master trusts will be provided in a technical publication.

## **Changes concerning the application of the GST/HST to municipal transit services**

On July 22, 2016, the Department of Finance Canada announced draft legislative amendments that clarify the application of the GST/HST to supplies of municipal transit services. These proposed amendments are meant to accommodate the modern ways in which transit services are provided and paid for.

The concept of “transit authority” is central to these exemptions, and an amendment to the definition of “transit authority” has been proposed. To qualify as a transit authority, an entity would need to be either:

- a division, department or agency of a government, municipality or school authority, the primary purpose of which is to supply public passenger transportation services, or
- a non-profit organization that receives funding from a government, municipality or school authority to support the supply of public passenger transportation services, or is established and operated for the purpose of providing public passenger transportation services to individuals with a disability.

In addition, all or substantially all of the supplies made by the entity would need to be:

- supplies of public passenger transportation services provided within a particular municipality and its environs, or
- supplies of rights for individuals to use such public passenger transportation services.

According to the draft amendments, the following four types of supplies would be exempt from the GST/HST, except where the supplies are made to a transit authority:

1. A supply of a municipal transit service. “Municipal transit service” would be defined to include not only a public passenger transportation service (other than a charter service or a service that is part of a tour), but also a right that exclusively entitles an individual to use such a service (such as a right conveyed through a transit pass). To qualify as a municipal transit service, the service or right must be supplied by a transit authority.
2. A supply of a right that exclusively entitles an individual to use a public passenger transportation service (other than a charter service or a service that is part of a tour) that is operated by a transit authority. This amendment ensures that the supply of such a right would be exempt from the GST/HST when the supply is made by someone other than the transit authority that is performing the transportation service, such as when an employer purchases transit passes to resell to its employees or a student association resells bus passes to its members, provided that the underlying service is operated by a transit authority.
3. A supply of a public passenger transportation service where the service is designated by the Minister to be a municipal transit service.
4. A supply of a right that exclusively entitles an individual to use a service designated by the Minister to be a municipal transit service.

Please note that a person supplying a public passenger transportation service that is designated by the Minister to be a municipal transit service is not required to make another request for designation as a result of these proposed amendments.

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As noted previously, these exemptions would not apply where the supply of the service or right is made to a transit authority. However, the draft legislation proposes another exemption that would apply to certain supplies made to transit authorities. In particular, this proposed amendment would exempt a supply made to a particular transit authority of intangible personal property that is a right evidenced by a ticket, pass, voucher, or other similar physical or electronic media, provided that either of the following two conditions is satisfied:

1. The property must:

- exclusively entitle an individual to use a public passenger transportation service (other than a charter service or a service that is part of a tour) that is operated by a transit authority other than the particular transit authority, or
- exclusively entitle an individual to use a public passenger transportation service designated by the Minister to be a municipal transit service;

where the particular transit authority acquires the property exclusively for the purpose of making a supply of the property.

For example, if a first transit authority supplies a quantity of transit passes, each of which exclusively entitles an individual to use that transit authority's public passenger transportation services, to another transit authority for the purpose of re-sale, then the supply from the first transit authority to the other transit authority would be exempt from the GST/HST.

2. The property must exclusively entitle an individual to use a public passenger transportation service (other than a charter service or service that is part of a tour) that is operated by the particular transit authority and the particular transit authority must have previously supplied that property.

For example, if a transit authority had supplied a quantity of transit passes, each of which exclusively entitles an individual to use the transit authority's services, to a third party vendor, the subsequent supply of any unsold passes back to the transit authority would be exempt from the GST/HST.

Therefore, supplies made to transit authorities would generally be taxable unless the supply meets either of these two conditions or the conditions of another exempting provision. This would ensure that inputs acquired by a transit authority for use in making supplies of public passenger transportation services are generally taxable. For example, if transit authority A acquires a supply of a public passenger transportation service from transit authority B (which is neither a charity nor a public institution) that is an input into transit authority A's supplies of municipal transit services, then transit authority B's supply would be taxable. However, a subsequent supply of the service made by transit authority A would be exempt.

For more detailed information about these draft legislative amendments, please refer to the Department of Finance document, *Legislative and Regulatory Proposals Relating to the Goods and Services Tax/Harmonized Sales Tax and Explanatory Notes*.

## Limited partnerships and investment plans

On July 22, 2016, the Department of Finance Canada released a consultation paper on proposed changes to the GST/HST rules applicable to certain limited partnerships and investment plans. These proposals aim to address the uneven treatment between investment entities structured as limited partnerships and entities that are currently defined as investment plans. It is proposed that:

- an investment limited partnership, which would generally be defined to include a limited partnership whose principal activity is the investing of funds on behalf of a group of investors through the acquisition and disposition of financial instruments, be added to the definition of investment plan in

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subsection 149(5) of the *Excise Tax Act* (the Act), resulting in investment limited partnerships becoming listed financial institutions for GST/HST purposes; and

- the selected listed financial institution (SLFI) rules applicable to entities defined as distributed investment plans in the *Selected Listed Financial Institutions Attribution Method (GST/HST) Regulations* be adapted to apply to investment limited partnerships.

The consultation paper also discusses two other proposals, specifically that (i) the import rules for financial institutions be amended to ensure that non-resident limited partnerships in which Canadians have an interest are required to self-assess GST/HST in respect of their Canadian activities, and (ii) a new GST rebate be made available to investment plans having non-resident investors.

The Department of Finance Canada invites industry stakeholders and other interested parties to provide input into these proposals. Comments should be sent by November 30, 2016 by email to [fin.gsthst2016-tpstvh2016.fin@canada.ca](mailto:fin.gsthst2016-tpstvh2016.fin@canada.ca) or mail to: Sales Tax Division, Tax Policy Branch, Department of Finance, 90 Elgin Street Ottawa, Ontario K1A 0G5.

## **Mortgage broker franchisee and franchise fees**

A mortgage loan supplied by a mortgage lender to a loan applicant is an exempt financial service. When a mortgage broker provides an “arranging for” service under paragraph (l) of the definition of financial service in subsection 123(1) of the *Excise Tax Act* in relation to the supply of the mortgage loan, the mortgage broker is also making an exempt supply of a financial service. Examples 9 and 10 in Technical Information Bulletin B-105, *Changes to the Definition of Financial Service*, provide guidance for determining whether the activities of a mortgage broker constitute an “arranging for” service.

When a mortgage broker is a franchisee, and is required to pay to the franchisor a portion of the revenue earned through its exempt activity as part of its franchise fee, the tax status of the franchise fee must be determined based on the franchise agreement. A franchise fee is generally paid for the right to operate a franchise which includes the right to use the name of the franchisor as an advertising tool and any systems made available by the franchisor to facilitate the operation of the franchise. The supply of such a right is a supply of intangible personal property. Supplies of intangible personal property are generally taxable and where the franchisor is a GST/HST registrant, the franchisor is required to charge and collect GST/HST on the franchise fee payable by the franchisee for this right. Where the franchisee is required to include in its franchise fee a percentage of its revenue earned through making exempt supplies of financial services, it is still required to pay GST/HST on the entire franchise fee payable to the franchisor.

The agreement between a franchisor and a franchisee may provide that the franchise fee also includes a percentage of any incentive payments paid to the franchisee by a mortgage lender. For example, a mortgage broker franchisor may enter into an agreement with a mortgage lender which provides for incentive payments to be paid by the lender to the franchisees when certain sales volumes are reached. Where a percentage of these incentive payments form part of the franchise fee, the franchisee is still required to pay GST/HST on the entire franchise fee payable to the franchisor.

Furthermore, where the mortgage lender sends the total amount of all the incentive payments earned by the franchisees to the franchisor with instructions on how to divide the lump sum incentive payment between the franchisees, if the franchisor retains the percentage of the franchisee’s incentive payment that corresponds to the franchisee’s franchise fee, the portion of the incentive payment retained by the franchisor as part of the franchise fee is still subject to the GST/HST, which is payable by the franchisee.

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## Incidental promotion of insurance products

A person, such as a car dealer or travel agent, may promote insurance products that are incidental to the products or services (for example, vehicles or travel services) that the person supplies to its customers. The insurer that supplies the insurance generally pays an amount to the person for the person's promotional and administrative service. An example of this would be when a car dealer (the Dealer) sells a car to a customer under a financing arrangement. The Dealer offers the customer creditor disability insurance under which the insurer may pay all or part of the balance owing on the financed vehicle in the event of the disability of the customer. If a customer would like the insurance, the Dealer ensures the customer completes a short application form, the Dealer collects the insurance premium, and forwards the form and the insurance premium to the insurer. The insurer pays the Dealer for its service. The Dealer is making a taxable supply of a promotional and administrative service to the insurer. This service is not a financial service. If the Dealer is a GST/HST registrant, it will generally be required to collect GST/HST on the payment from the insurer.

In the context of insurance, the term "arranging for" in paragraph (l) of the definition of a financial service in subsection 123(1) of the *Excise Tax Act* is generally intended to include intermediation activities that are normally performed by a person whose principal business is as an insurance agent or broker. A taxable promotional and administrative service provided by a person such as a car dealer does not become an exempt supply of a financial service of "arranging for" the insurer's supply of insurance simply because the person may be the only point of contact between the customer and the insurer.

## Insurance claims administration services

An insurer may enter into an agreement with another person for that person to provide the insurer with a claims administration service related to insurance policies issued by the insurer. The insurer pays an amount to the person for this service. Generally, a claims administration service provided to an insurer is a taxable supply.

For example, an insurer enters into an agreement with a company (AdminCo) to provide the insurer with a claims administration service relating to certain travel insurance policies supplied by the insurer. AdminCo receives claim information from a person making a claim (the claimant), confirms that the claimant was insured under the insurance policy when the expenses were incurred, checks that the expenses for which the claim is made are in accordance with the terms and conditions of the insurance policy, and processes the insurer's payment in respect of the claim. If the claim is above an agreed amount, AdminCo obtains approval from the insurer prior to processing the claim. AdminCo also provides regular standard reports to the insurer regarding its service and the claims that it processes. AdminCo is paid a fee for its claims administration service. AdminCo is making a taxable supply of an administrative service to the insurer. This is not a financial service. If AdminCo is a GST/HST registrant, it will generally be required to collect GST/HST on the payment received from the insurer.

## Annual information return for financial institutions

Did you know that reporting institutions are required to file an annual information return such as Form GST111, *Financial Institution GST/HST Annual Information Return*? If you are required to complete and file Form GST111, you must file it once per fiscal year, within six months of the end of your fiscal year.

Generally, you are a reporting institution if:

- you are a financial institution at any time in your fiscal year;
- you are a registrant at any time in your fiscal year; and

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- the total of all amounts included in computing your income for purposes of the *Income Tax Act* exceeds \$1 million.

If you are not sure if you are a financial institution, please see GST/HST Memorandum 17.6, *Definition of “Listed Financial Institution”* and GST/HST Memorandum 17.7, *De Minimis Financial Institutions*. For example, did you know that you are a listed financial institution if you are a corporation that has an election under section 150 of the *Excise Tax Act* in effect?

Where a financial institution is a reporting institution for a particular fiscal year but is only a registrant for part of the particular fiscal year, it is still required to file Form GST111 and provide information related to that entire fiscal year and not just for the period where the financial institution is a registrant. The requirement to file Form GST111 applies to fiscal years after 2007.

In addition to any other penalty that may apply, every reporting institution that fails to report an amount when and as required, or that misstates such an amount in Form GST111, may be liable for penalties. To file Form GST111, send your completed form to the same tax centre to which you file your GST/HST returns. Addresses are listed on the last page of the form.

For more information on Form GST111, please see Guide RC4419, *Financial Institution GST/HST Annual Information Return*.

## **Non-compliance hold on refunds**

As part of the ongoing commitment to improve compliance of GST/HST registrants and to encourage GST/HST registrants to meet their GST/HST filing requirements, the CRA will be implementing some changes to its current processes.

Currently, the CRA may place a non-compliance hold on a person’s accounts if the person is a non-compliant GST/HST registrant. The non-compliance hold prevents any refunds or credits on the registrant’s account from being issued until the registrant is compliant.

In May 2017, the CRA will apply a non-compliance hold to all non-compliant GST/HST registrants including financial institutions that are GST/HST registrants that have outstanding annual information returns (Form GST111, *Financial Institution GST/HST Annual Information Return*). The CRA will remove the non-compliance hold on a registrant’s account(s), once the registrant is compliant.

## **Video – Keeping your business on track**

The CRA has produced a video which provides information on what to do if you own a business that owes taxes to the CRA. In cases where your business wants to make a payment, the video lets you know about electronic payment options. If your business can’t pay its taxes in full on filing, the video explains how to work with the CRA to make a payment arrangement. The video also lets you know about the legal and financial consequences if your business does not pay.

To see the video “Keeping your business on track” go to the Video gallery webpage, select Videos and recorded webinars for businesses, and select the Series: Debt Collection at the Canada Revenue Agency (CRA). For more information go to [cra.gc.ca/collections](http://cra.gc.ca/collections).

## **Prince Edward Island HST increase**

Effective October 1, 2016, the provincial part of the HST in Prince Edward Island has increased by 1%. The HST rate in Prince Edward Island is now 15%, of which 5% represents the federal part and 10% the provincial part.



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For more information on how the HST applies in Prince Edward Island please see the following publications on the CRA website:

- GST/HST NOTICE301, *Prince Edward Island HST Rate Increase – Questions and Answers on General Transitional Rules for Personal Property and Services*
- GST/HST NOTICE302, *Prince Edward Island HST Rate Increase – Questions and Answers on Housing Rebates and Transitional Rules for Housing and Other Real Property Situated in Prince Edward Island*
- GST/HST Info Sheet GI-192, *Prince Edward Island HST Rate Increase – Sales and Rentals of Non-residential Real Property*
- GST/HST Info Sheet GI-193, *Prince Edward Island HST Rate Increase – Information for Non-registrant Builders*
- GST/HST Info Sheet GI-194, *Prince Edward Island HST Rate Increase – Sales and Rentals of New Housing*
- GST/HST Info Sheet GI-195, *Prince Edward Island HST Rate Increase – Stated Price Net of the GST/HST New Housing Rebate*

## **Déline First Nation ratification of their Final Self-Government Agreement**

The *Déline Final Self-Government Agreement*, signed by the Government of Canada, the Government of the Northwest Territories and the Sahtu Dene and Metis of Déline, represented by the Déline First Nation Band and the Déline Land Corporation, is effective as of September 1, 2016, and will establish the Déline Got'ine Government (DGG) to act in place of the Déline First Nation Band and the Charter Community of Déline.

### **Tax relief under section 87 of the *Indian Act***

The Déline First Nation band has ceased to exist as an Indian band under the *Indian Act*. Tax relief provided to the former band under Technical Information Bulletin B-039, *GST/HST Administrative Policy – Application of the GST/HST to Indians* no longer applies effective September 1, 2016.

The DGG, which was created under the *Déline Final Self-Government Agreement*, is not a “band” under the *Indian Act* and will therefore not be eligible for tax relief under section 87 of the *Indian Act*.

With respect to Indian citizens of the Déline First Nation, the *Déline Final Self-Government Agreement* provides for a transitional period during which Indian citizens of the Déline First Nation will continue to be entitled to tax relief under section 87 of the *Indian Act*. Where the conditions of B-039 are met, relief from the GST/HST continues to be available up to and including September 30, 2024, for the Indian citizens of the Déline First Nation.

The transitional provisions do not treat Déline's Lands as though they were reserve lands. As such, the tax relief under B-039 is not available for property or services acquired or delivered on Déline Lands. The transitional period allows Indian citizens of the Déline First Nation to acquire property or services on a tax relieved basis on reserves elsewhere.
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### **GST self-government refund**

The *Déline Tax Treatment Agreement* (TTA) came into effect on September 1, 2016. The TTA provides for a 100% refund of that portion of the GST or the federal part of the HST paid on goods and services acquired by the DGG and its eligible entities provided that input tax credits are not available and the other eligibility conditions are met.

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The TTA identifies the conditions under which a GST refund for self-government activities may be claimed. The DGG and its eligible entities may claim the self-government GST refund using Form GST66, *Application for the GST/HST Public Service Bodies' Rebate and GST Self-government Refund*. The claim must be filed within four years after the tax was paid.

### **DGG tax**

Effective September 1, 2016 a DGG tax is imposed on Déline Lands. The DGG has entered into an agreement with the Government of Canada allowing it to impose a value-added tax under the *Déline GST Act*.

As the DGG tax is designed to work within the GST framework, no additional forms or registration will be required and vendors will simply apply the DGG tax in the same manner as the GST/HST.

The implementation of the DGG tax should have a minimal impact as GST was already payable on supplies made on Déline Lands.

GST/HST Notice300, *Déline First Nation Ratification of their Final Self-Government Agreement*, is published on the CRA website.

## **Expansion of electronic filing options for public service bodies (PSBs)**

As of October 24, 2016, non-registrant PSBs that are not registered for My Business Account or Represent a Client will be able to electronically file their rebate Form GST66, *Application for GST/HST Public Service Bodies' Rebate and GST Self-Government Refund*, or Form GST284, *Application for GST/HST Public Service Bodies' Rebate and GST Self Government Refund*, and, if applicable, Form RC7066-SCH, *Provincial Schedule - GST/HST Public Service Bodies' Rebate*, and Form GST284-SCH, *Provincial Schedule - GST/HST Public Service Bodies' Rebate*. Qualifying non-profit organizations will also be able to electronically file Form GST523-1, *Non-profit organizations - Government Funding*.

This additional electronic filing option will be available at [cra.gc.ca/gsthstrebate-psb](http://cra.gc.ca/gsthstrebate-psb).

## **Submit documents – GST/HST ruling or interpretation**

The CRA “Submit documents” service has recently been enhanced to allow business owners and their representatives to electronically submit a written request for a GST/HST ruling or interpretation and/or supporting documentation. This service is secure and reliable, and makes sending information to us easier.

A GST/HST ruling or interpretation is not a simple, short answer to a question:

- A GST/HST ruling is a formal written letter that provides the CRA position on how the relevant provisions of the *Excise Tax Act* apply to a clearly defined fact situation or transaction. The CRA issues a ruling only when all the relevant facts of a transaction or series of transactions and all supporting documents (for example, contracts, agreements) have been provided. A ruling is binding on the CRA.
- A GST/HST interpretation is a formal letter that explains the CRA view or general understanding of how the *Excise Tax Act* applies to a generic fact situation. Sufficient information to enable the CRA to understand the issue(s) needs to be provided with the request.

For detailed information on the GST/HST rulings and interpretations service, refer to GST/HST Memorandum 1.4, *Excise and GST/HST Rulings and Interpretations Service*.

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You can access the CRA Submit documents service through:

- My Business Account at [cra.gc.ca/mybusinessaccount](http://cra.gc.ca/mybusinessaccount) , if you are a business owner; or
- Represent a Client at [cra.gc.ca/representatives](http://cra.gc.ca/representatives) , if you are an authorized representative.

For more information, go to [cra.gc.ca/submitdocumentsonline](http://cra.gc.ca/submitdocumentsonline) .

## Prescribed rates of interest

The prescribed annual rate of interest in effect from October 1, 2016 to December 31, 2016, on overdue amounts payable to the Minister is 5%. The prescribed annual rate of interest on amounts owed by the Minister (i.e., rebates or refunds) is 1% for corporate taxpayers and 3% for non-corporate taxpayers. These rates are applicable to income tax, excise tax, the softwood lumber products export charge, GST/HST, the air travellers security charge (ATSC) and excise duty on wine, spirits and tobacco.

The prescribed annual rate of interest respecting excise duty on beer, on overdue amounts payable for the indicated period, is set at 3%. Refund interest rates are not applicable for amounts owed by the Minister (i.e., rebates or refunds) for excise duty that is in relation to beer.

PERIOD	GST/HST, Excise Tax, Softwood Lumber Products Export Charge, Excise Duty (wine, spirits, tobacco), ATSC, Income Tax		ARREARS AND INSTALMENT INTEREST	Excise Duty (beer) ARREARS INTEREST
	REFUND INTEREST <i>Corporate Taxpayers</i>	<i>Non-Corporate Taxpayers</i>		
October 1 to December 31, 2016	1%	3%	5%	3%
July 1 to September 30, 2016	1%	3%	5%	3%
April 1 to June 30, 2016	1%	3%	5%	3%
January 1 to March 31, 2016	1%	3%	5%	3%

Prescribed interest rates for previous years are available on the CRA website at [www.cra.gc.ca/interestrates](http://www.cra.gc.ca/interestrates).

## What's new in publications

The following is a list of new or revised excise and GST/HST forms and publications.

### ***GST/HST forms***

GST59	<i>GST/HST Return for Imported Taxable Supplies, Qualifying Consideration, and Internal and External Charges</i>
GST111	<i>Financial Institution GST/HST Annual Information Return</i>
GST303	<i>Application to Offset Taxes by Refunds or Rebates</i>
GST507	<i>Third Party Authorization and Cancellation of Authorization for GST/HST Rebates</i>
RC79	<i>Deposit Advice</i>
RC145	<i>Request to Close Business Number Program Accounts</i>
RC151	<i>GST/HST Credit Application for Individuals Who Become Residents of Canada</i>
RC193	<i>Service-Related Complaint</i>
RC321	<i>Delegation of Authority</i>
RC4288	<i>Request for Taxpayer Relief - Cancel or Waive Penalties or Interest</i>
RC4607	<i>GST/HST Pension Entity Rebate Application and Election</i>

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RC4616	<i>Election or Revocation of an Election for Closely Related Corporations and/or Canadian Partnerships to Treat Certain Taxable Supplies as Having Been Made for Nil Consideration for GST/HST Purposes</i>
RC4617	<i>Election and Schedule to a Return for Simplified Reporting of Specified Housing Supplies</i>
RC7190-WS	<i>GST190 Calculation Worksheet</i>
RC7207	<i>GST/HST Rebate Application and Election for GST/HST and QST Purposes for Pension Entities that are Selected Listed Financial Institutions</i>
RC7207-1	<i>QST Rebate Application and Election for Pension Entities that are Selected Listed Financial Institutions for GST/HST Purposes Only</i>
RC7291	<i>GST/HST and QST Annual Information Return for Selected Listed Financial Institutions</i>
RC7321	<i>Delegation of Authority for Certain Selected Listed Financial Institutions</i>
RC7345	<i>Request to Close Business Number Program Accounts for Certain Selected Listed Financial Institutions</i>

### **GST/HST guides**

RC4022	<i>General Information for GST/HST Registrants</i>
RC4027	<i>Doing Business in Canada - GST/HST Information for Non-Residents</i>
RC4028	<i>GST/HST New Housing Rebate</i>
RC4034	<i>GST/HST Public Service Bodies' Rebate</i>
RC4036	<i>GST/HST Information for the Travel and Convention Industry</i>
RC4052	<i>GST/HST Information for the Home Construction Industry</i>
RC4058	<i>Quick Method of Accounting for GST/HST</i>
RC4082	<i>GST/HST Information for Charities</i>
RC4231	<i>GST/HST New Residential Rental Property Rebate</i>
RC4419	<i>Financial Institution GST/HST Annual Information Return</i>
RC7219	<i>GST/HST and QST Annual Information Return for Selected Listed Financial Institutions</i>

### **GST/HST info sheets**

GI-188	<i>New Brunswick and Newfoundland and Labrador HST Rate Increases – Sales and Rentals of Non-residential Real Property</i>
GI-189	<i>New Brunswick and Newfoundland and Labrador HST Rate Increases – Information for Non-registrant Builders</i>
GI-190	<i>New Brunswick and Newfoundland and Labrador HST Rate Increases – Sales and Rentals of New Housing</i>
GI-191	<i>New Brunswick and Newfoundland and Labrador HST Rate Increases – Stated Price Net of the GST/HST New Housing Rebate</i>
GI-192	<i>Prince Edward Island HST Rate Increase – Sales and Rentals of Non-residential Real Property</i>
GI-193	<i>Prince Edward Island HST Rate Increase – Information for Non-registrant Builders</i>
GI-194	<i>Prince Edward Island HST Rate Increase – Sales and Rentals of New Housing</i>
GI-195	<i>Prince Edward Island HST Rate Increase – Stated Price Net of the GST/HST New Housing Rebate</i>

### **GST/HST notices**

NOTICE300	<i>Déline First Nation Ratification of their Final Self-Government Agreement</i>
NOTICE301	<i>Prince Edward Island HST Rate Increase – Questions and Answers on General Transitional Rules for Personal Property and Services</i>
NOTICE302	<i>Prince Edward Island HST Rate Increase – Questions and Answers on Housing Rebates and Transitional Rules for Housing and Other Real Property Situated in Prince Edward Island</i>

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## **GST/HST policy statements**

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All GST/HST, excise duty and excise taxes and special levies publications can be found on the CRA website at [cra.gc.ca/gsthsttech](http://cra.gc.ca/gsthsttech), at [cra.gc.ca/etsl](http://cra.gc.ca/etsl) and at [cra.gc.ca/exciseduty](http://cra.gc.ca/exciseduty).

To receive email notification as soon as a document is published on the CRA website, go to the electronic mailing lists page at [cra.gc.ca/lists](http://cra.gc.ca/lists) and subscribe to the RSS feed for all new CRA publications and forms, or subscribe to any number of mailing lists for different types of publications.

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## Contact us

### More information

#### Forms and publications

- All **GST/HST technical publications** and **GST/HST related forms** are available on the CRA website at [cra.gc.ca/gsthstpub](http://cra.gc.ca/gsthstpub).
- To access **all other** forms and publications on the CRA website go to [cra.gc.ca/forms](http://cra.gc.ca/forms) and select by topic, document type or publication number.
- To order forms and publications **by telephone**, call 1-800-959-5525.

To make a **GST/HST enquiry** by **telephone**:

- for **GST/HST general enquiries**, call Business Enquiries at 1-800-959-5525;
- for **GST/HST technical enquiries**, call GST/HST Rulings at 1-800-959-8287.

If you are located in **Quebec**, call **Revenu Québec** at **1-800-567-4692** or visit their website at [revenuquebec.ca](http://revenuquebec.ca).

If you are a **selected listed financial institution** (whether or not you are located in Quebec) and require information on the **GST/HST** or the **QST**, go to [cra.gc.ca/slfi](http://cra.gc.ca/slfi) or

- for **general GST/HST** or **QST enquiries**, call **Business Enquiries** at **1-800-959-5525**;
- for **technical GST/HST** or **QST enquiries**, call **GST/HST Rulings SLFI** at **1-855-666-5166**.

### Account enquiries

For **general information** and to make **enquiries** regarding your **account** (except for softwood lumber products export charge accounts), you can:

- view answers to common enquiries, or submit an enquiry using the online “Enquiries service” on “My Business Account”;
- view account information online at [cra.gc.ca/businessonline](http://cra.gc.ca/businessonline); or
- call Business Enquiries at 1-800-959-5525.

For **online access** to your **GST/HST**, **air travellers security charge**, **excise tax** and **duty accounts** (such as viewing up-to-date account balances and transactions, transferring payments and more), go to:

- [cra.gc.ca/representatives](http://cra.gc.ca/representatives), if you are an authorized representative or employee; or
- [cra.gc.ca/mybusinessaccount](http://cra.gc.ca/mybusinessaccount), if you are the business owner.

For **enquiries** regarding your **softwood lumber products export charge account**, you can call 1-866-330-3304.

For **enquiries** regarding the **status of specific GST/HST domestic rebate claims**, call Business Enquiries at 1-800-959-5525.

### Help

For **technical support using our online services**:

- business accounts, call 1-877-322-7849
- teletypewriter users, call 1-888-768-0951
- calls outside of Canada and the United States, call collect at 1-613-940-8528

Please have the screen number (bottom right) and, if applicable, the error number and message received on hand when calling.

The *Excise and GST/HST News* is published quarterly and highlights recent developments in the administration of the GST/HST, First Nations goods and services tax (FNGST) and First Nations tax (FNT), softwood lumber products export charge, air travellers security charge (ATSC) as well as excise taxes and duties. If you would like to receive a link to each new edition of the *Excise and GST/HST News* as it is published, subscribe to the electronic mailing list.

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