



Harmonized Sales Tax for Ontario and British Columbia – Questions and Answers for Public Service Bodies

NOTE: This notice replaces the earlier version dated April 2010.

This publication provides questions and answers that reflect the tax changes that came into effect on July 1, 2010 in the provinces of Ontario and British Columbia.

The HST rate in Ontario is 13% of which 5% represents the federal part and 8%, the provincial part. The HST rate in British Columbia is 12% of which 5% represents the federal part and 7%, the provincial part.

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General

1. What is the HST rate for Ontario and when does it apply?

The HST rate in Ontario is 13%, consisting of a federal part at 5% and a provincial part at 8%. In general, the HST applies to taxable supplies of property and services made in Ontario for which consideration becomes due, or is paid without having become due, on or after July 1, 2010. For more information on the transitional rules for the implementation of HST in Ontario, see question 102.

2. What is the HST rate for British Columbia (B.C.) and when does it apply?

The HST rate in B.C. is 12%, consisting of a federal part at 5% and a provincial part at 7%. In general, the HST applies to taxable supplies of property and services made in B.C. for which consideration becomes due, or is paid without having become due, on or after July 1, 2010. For more information on the transitional rules for the implementation of HST in B.C., see question 102.

3. What is a “participating province”?

A participating province is a province that has agreed to harmonize their provincial sales tax with the GST to form the HST. The participating provinces are: Nova Scotia, New Brunswick, Newfoundland and Labrador, Ontario and B.C.

La version française de la présente publication est intitulée *Taxe de vente harmonisée de l'Ontario et de la Colombie-Britannique – Questions et réponses à l'intention des organismes de services publics.*



4. What is a “public service body” (PSB)?

A “public service body” is a non-profit organization, a charity, a municipality, a school authority, a hospital authority, a public college or a university.

5. What is a “charity”?

A “charity” is a registered charity or a registered Canadian amateur athletic association within the meaning of the *Income Tax Act*. A charity can issue official donation receipts for income tax purposes. For GST/HST purposes, a charity does not include a public institution.

6. What is a “public institution”?

A “public institution” is a registered charity (within the meaning of the *Income Tax Act*) that is a school authority, a public college, a university, a hospital authority, or a local authority determined by the CRA to be a municipality.

7. What was the former Ontario retail sales tax (RST) treatment for PSBs?

For information relating to the application of the RST in Ontario, you may visit www.rev.gov.on.ca or contact the Government of Ontario’s Budget Hotline at 1-800-337-7222.

8. What was the former B.C. provincial sales tax (PST) treatment for PSBs?

For information relating to the application of the PST in B.C., you may visit www.sbr.gov.bc.ca, contact the Government of British Columbia’s Taxpayer Services Information Line at 604-660-4524 if you are located in Vancouver or 1-877-388-4440 toll-free elsewhere in B.C., or send your questions by email to CTBTaxQuestions@gov.bc.ca.

9. Have any supplies of property and services made by PSBs, which were exempt from the GST prior to July 1, 2010, become taxable under the HST?

No. Supplies of property and services made by PSBs that were exempt for GST purposes are exempt supplies for HST purposes. (An “exempt supply” means a supply of property or service that is not subject to the GST/HST.)

10. Are PSBs required to collect the HST on their supplies of property and services?

Supplies of property and services that were taxable under the GST are taxable under the HST. As a result, PSBs that are GST/HST registrants generally have to collect the HST on all taxable (other than zero-rated) supplies of property and services that they provide to their customers. This means that PSBs need to collect HST on property and services that they collected GST prior to July 1, 2010, unless a point-of-sale rebate applies. A registrant is a person that is registered or has to be registered for the GST/HST. A taxable supply is a supply made in the course of a commercial activity and includes zero-rated supplies (i.e., supplies that are taxed at the rate of 0%).

Point-of-sale rebates of the provincial part of the HST are available for a number of goods in Ontario and B.C. For more information on the point-of-sale rebates available in Ontario and B.C., see question 103.

11. A PSB makes zero-rated supplies. Is the tax status the same under the HST as it was under the GST?

Yes. Supplies of property and services that were zero-rated under the GST are zero-rated under the HST.

12. Are PSBs required to register for the HST?

A PSB that is engaged in commercial activities and that is not a small supplier is required to be registered for the HST.

13. When is a PSB a small supplier?

A PSB is a small supplier for GST/HST purposes if its total revenue (including the total revenue of its associates) from taxable supplies does not exceed \$50,000 in a calendar quarter and over the last four consecutive calendar quarters. Total revenues from taxable supplies include worldwide revenues from supplies of property and services subject to the GST/HST, including zero-rated supplies. It does not include sales of capital property, supplies of financial services, and certain payments for goodwill.

Charities and public institutions may also qualify as small suppliers if they apply another test called “the gross revenue test”.

The limit for the gross revenue test for a charity or a public institution for a fiscal year is \$250,000. Gross revenue is generally the total of business income, donations, grants, gifts, property income, investment income, and any amount considered a capital gain **less** any amount considered a capital loss from the disposal of property for income tax purposes. When calculating its gross revenue under this test, a charity or public institution does not have to determine if the property and services it supplies are subject to the GST/HST. Under this test a charity or public institution is a small supplier:

- if it is in its first fiscal year;
- if the charity or public institution is in its second fiscal year, it calculates its gross revenue from its first fiscal year and the amount is \$250,000 or less; or
- if the charity or public institution is neither in its first fiscal year, nor its second fiscal year, it calculates its gross revenue in each of its two previous fiscal years and the amount is \$250,000 or less in either of these years.

Therefore, a charity or public institution qualifies as a small supplier if **either** its total revenue from taxable supplies is \$50,000 or less, or its gross revenue is \$250,000 or less.

A PSB that is a small supplier for GST purposes is a small supplier for HST purposes.

14. Are the small supplier thresholds for PSBs the same under the HST?

Yes, the small supplier thresholds for PSBs are the same under the HST as they were under the GST.

15. Does a PSB that is registered for the GST need to apply to be registered under the HST?

No, a PSB that is registered for GST purposes is automatically registered for the HST.

16. Does a PSB need to apply for any special registration numbers in order to claim PSB rebates of the provincial part of HST?

If a PSB previously claimed a PSB rebate of the GST, it was issued an account number for GST/HST purposes. This number, which has 15 characters, consists of the following three parts: a nine-digit business number (BN) that is unique to the PSB and that will always be the first nine digits of any account number the PSB has with the CRA, the program identifier “RT” and a four-digit reference number. The entire 15-character number (e.g., 123456789 RT 0001) is referred to as a GST/HST account number.

A PSB that previously claimed a PSB rebate of the GST will continue to use its GST/HST account number to claim PSB rebates of both the federal and provincial part of the HST. A PSB that has not previously claimed a PSB rebate will need to complete [Form GST66, *Application for GST/HST Public Service Bodies' Rebate and GST Self-Government Refund*](#), and [Form RC7066-SCH, *Provincial Schedule – GST/HST Public Service Bodies' Rebate*](#). After the CRA processes the first rebate application, we will send the organization personalized versions of these forms (GST284, *GST/HST Rebate Application for Public Service Bodies* and, if applicable, Form GST284-SCH, *Provincial Schedule – GST/HST Public Service Bodies' Rebate and GST Self-government Refund*), for the next rebate application. Refer to [Guide RC4034, *GST/HST Public Service Bodies' Rebate*](#), which includes Form GST66 and Form RC7066-SCH, as well as completion instructions.

17. A PSB is registered for the GST/HST. Is it entitled to claim input tax credits for the provincial part of the HST paid on property and services used to make taxable supplies?

A PSB (other than a charity) that is registered for the GST/HST is entitled to claim input tax credits for both the federal and provincial parts of the HST paid on property and services to the extent that these are acquired, imported or brought into a participating province for the purposes of making taxable supplies (including zero-rated supplies) for consideration. Charities are generally required to use the net tax calculation for charities, which outlines the input tax credits that they may claim on certain limited items. See questions 50 to 57 for more information on the net tax calculation for charities.

18. Does the recapture of input tax credits apply to PSBs?

PSBs are excluded from the requirement to recapture input tax credits.

19. Is a person that has been determined to be a municipality subject to the recapture of input tax credits?

A person that has been determined to be a municipality by the Minister of National Revenue is a municipality for all purposes under the GST/HST. This person is therefore a public service body for purposes of the GST/HST and is excluded from the requirement to recapture input tax credits.

20. Is a person that has been designated to be a municipality subject to the recapture of input tax credits?

A person can be designated by the Minister of National Revenue to be a municipality in respect of certain activities specified in the designation or, in certain circumstances, for a specific exempting provision. In such cases, the person is not a municipality for purposes of the definition of “public service body”. Accordingly, a person that has been designated by the Minister of National Revenue to be a municipality in respect of activities specified in the designation is not a public service body, unless that person is otherwise included in the definition of “public service body” such as a charity or a non-profit organization. If the person is not otherwise a public service body, it is subject to the recapture of input tax credits.

21. Is a para-municipal organization, such as a public utility, subject to the recapture of input tax credits?

The definition of public service body does not include a para-municipal organization. In order for a para-municipal organization to be a public service body, the organization must be a “non-profit organization”, a “charity”, a “municipality”, a “school authority”, a “hospital authority”, a “public college” or a “university”. If a para-municipal organization is not a public service body, it must be determined to be a municipality by the Minister of National Revenue in order to be a municipality and a public service body. If a para-municipal organization is not otherwise a public service body, it is subject to the recapture of input tax credits.

22. How does a PSB report the amount of HST it collects?

A PSB that is a GST/HST registrant is required to periodically file GST/HST returns using Form GST34, *Goods and Services Tax/Harmonized Sales Tax Return for Registrants*. This is a personalized form sent to GST/HST registrants. The GST/HST collected is reported on this form. A non-personalized [Form GST62, *Goods and*](#)

Services Tax/Harmonized Sales Tax Return (Non-personalized) is also available and can be requested by calling the CRA at 1-800-959-2221. The same reporting requirements apply for purposes of the HST. A charity that is a GST/HST registrant uses the same form; however, it is required to use the net tax calculation for charities to determine the amounts to be reported. See questions 50 to 57 for more information on the net tax calculation for charities.

23. How often is a PSB required to report its HST?

At the time of registration for GST/HST, a PSB (other than a charity) is assigned annual, quarterly or monthly reporting periods based on the amount of consideration it receives for its taxable supplies. Conversely, charities that register for GST/HST are assigned an annual reporting period, regardless of their revenues, unless they elect to file their GST/HST returns either monthly or quarterly. PSBs, including charities, may wish to file their GST/HST returns more often than the period assigned. They can do so by filing [Form GST20, Election for GST/HST Reporting Period](#) or calling the CRA at 1-800-959-5525.

24. Do the same reporting periods that apply to my GST returns apply to my HST returns?

Yes, a PSB reports its HST using the same reporting periods it used to report its GST.

25. Do the requirements for GST/HST registrants to electronically file their GST/HST returns apply to charities?

Charities are generally excluded from the requirement to electronically file a GST/HST return but may voluntarily file their returns electronically. This exclusion does not apply to charities that are builders in certain circumstances or to public institutions. For more information on the electronic filing of GST/HST returns please see [GST/HST Notice249, Questions and Answers on the New Reporting Requirements for GST/HST Registrants](#).

26. Do the requirements for GST/HST registrants to electronically file their GST/HST returns apply to PSBs other than charities?

PSBs that are not charities may be required to file their GST/HST returns electronically. For more information on electronic filing of GST/HST returns, please see [GST/HST Notice249, Questions and Answers on the New Reporting Requirements for GST/HST Registrants](#).

27. A division of a PSB does not exceed \$50,000 in taxable supplies in a calendar quarter and over the last four consecutive calendar quarters. Is it required to be registered for the GST/HST?

A PSB that is not a small supplier is required to be registered for the GST/HST. Although branches or divisions cannot register separately, if a branch or division of a PSB has annual revenues from taxable supplies (including zero-rated supplies) of \$50,000 or less, and it has separate accounting records and either its location or its activities are separately identifiable, then the head office of the PSB may apply to have that branch or division considered a small supplier division. This would relieve that branch or division of the requirement to collect the GST/HST on its taxable supplies as long as it remains a small supplier division. However, neither the PSB nor the small supplier division would be eligible to claim input tax credits with respect to the purchases or expenses of the small supplier division.

To apply for this designation, the head office completes and submits [Form GST31, Application by a Public Service Body to Have Branches or Divisions Designated as Eligible Small Supplier Divisions](#). This form is available on the CRA Web site at www.cra.gc.ca/orderforms or by calling 1-800-959-2221.

28. As a PSB, the fees paid to acquire professional services (such as those rendered by engineers, architects, and lawyers) were not subject to the RST (in Ontario) or PST (in B.C.). Are these fees subject to the HST?

Yes, fees for professional services supplied by a person who is not a small supplier are generally subject to GST and are generally subject to the HST, even when the service is acquired by a PSB.

29. A PSB in Ontario operates a place of amusement (e.g., a museum, theatre, or zoo) and charges an admission that was not subject to the RST because it did not exceed \$4. Is this admission subject to HST?

Generally, yes. The supply of an admission to a place of amusement by a PSB that is a GST/HST registrant is subject to HST unless the maximum amount charged to a customer is \$1. For example, if a PSB that is a GST/HST registrant charges adults a \$5 admission and children a \$0.50 admission, both supplies of admissions (for adults and for children) would be taxable.

For HST purposes, a “place of amusement” generally means any place, whether or not enclosed, presenting any type of amusement or recreation such as a film, slide show, artistic presentation, fair, circus, race, or athletic contest. It also includes a museum, historical site, wildlife park, zoo, and a place where bets are taken.

30. Is the HST charged on a supply of a membership in a PSB?

A membership in a PSB that is a membership in a club the main purpose of which is to provide dining, recreational or sporting facilities is subject to the HST when supplied by a GST/HST registrant. Any other membership in a PSB is exempt if a member does not receive any benefit from the membership, other than:

- an indirect benefit available to all members;
- the right to receive services supplied by the body that are in the nature of investigating, conciliating or settling complaints or disputes involving members;
- the right to vote at or participate in meetings;
- the right to purchase supplies for which the member pays an amount separate from the membership fee and the amount is equal to the fair market value of the supply;
- the right to receive discounts on supplies made by the PSB where the total value of all such discounts is insignificant in relation to the amount paid for the membership; or
- the right to receive periodic newsletters, reports or publications, the value of which is insignificant in relation to the membership fee, or that provide information on the activities of the body or its financial status, other than publications which have a significant value in relation to the consideration for the membership and for which a fee is ordinarily charged by the organization to non-members.

However, the PSB could elect to make such an exempt supply taxable for HST purposes by filing [Form GST23, Election by a Public Sector Body to Have Its Exempt Memberships Treated as Taxable Supplies](#).

31. Is the HST charged on summer camps operated by PSBs?

Overnight camps, regardless of the age of those attending, operated by PSBs that are GST/HST registrants are subject to the HST if the camp includes both instruction in, or supervision of, recreational or athletic activities, and overnight supervision, unless the overnight camps are supplied primarily to individuals who are disabled or underprivileged. Other summer camps may be exempt. For more information on the tax status of camps operated by PSBs see GST/HST [Info Sheet GI-037, Children's Camps Operated by Public Sector Bodies](#).

32. Is the HST charged on money received for being a foster parent?

Fostering children is not considered to be a commercial activity for purposes of the GST/HST. Therefore HST is not payable on any money received by foster parents for fostering children.

PSB rebates

33. Does a PSB have to register for the HST to receive a PSB rebate of HST?

It is not necessary for a PSB to be registered for the HST to claim a PSB rebate of the HST.

34. Do the PSB rebate rates for the GST remain the same for the federal part of HST?

The PSB rebate rates for the federal part of the HST have not changed. A PSB is generally eligible to claim a PSB rebate for a percentage of the GST or federal part of the HST paid or payable in the course of performing the activities of:

- a municipality – 100%
- a university or public college (established and operated otherwise than for profit) – 67%
- a school authority (established and operated otherwise than for profit) – 68%
- a hospital authority, facility operator or an external supplier – 83%
- a charity or qualifying non-profit organization – 50%.

For more information on PSB rebate eligibility and restrictions see [Guide RC4034, GST/HST Public Service Bodies' Rebate](#).

35. What is a “facility operator”?

A facility operator is a charity, a public institution or a qualifying non-profit organization (other than a hospital authority) that operates a qualifying facility. See question 77 for more information on facility operators.

36. What is an “external supplier”?

An external supplier is a charity, a public institution (see the answer to question 6 for a definition of “public institution) or a qualifying non-profit organization (other than a hospital authority or a facility operator) that makes ancillary supplies, facility supplies or home medical supplies. See question 78 for more information on external suppliers.

37. What is a “qualifying non-profit organization”?

A non-profit organization whose percentage of government funding in a particular fiscal year (or in the two previous fiscal years) is at least 40% of its total revenue is a “qualifying non-profit organization”. For more information, see [Guide RC4081, GST/HST Information for Non-Profit Organizations](#). For instructions on calculating the percentage of government funding, see [Form GST523-1, Non-Profit Organizations – Government Funding](#).

38. Who is eligible to claim a PSB rebate for the provincial part of the HST in Ontario and B.C.? What are the rebate rates?

In general, a PSB resident in Ontario or B.C. that qualifies for a PSB rebate of the GST or federal part of the HST is eligible to claim a PSB rebate for a percentage of the provincial part of the HST paid or payable in the course of carrying out activities in the following capacities and at the following rates:

| | Ontario | B.C. |
|---|---------|------|
| a municipality | 78% | 75% |
| a university or public college (established and operated otherwise than for profit) | 78% | 75% |
| a school authority (established and operated otherwise than for profit) | 93% | 87% |
| a hospital authority, a facility operator or an external supplier | 87% | 58% |
| a charity or qualifying non-profit organization | 82% | 57% |

For more information on PSB rebate eligibility and restrictions see [Guide RC4034, GST/HST Public Service Bodies' Rebate](#).

39. Would a PSB have to use a separate form to get a PSB rebate for the provincial part of the HST paid?

Yes. Complete [Form RC7066-SCH, *Provincial Schedule – GST/HST Public Service Bodies' Rebate*](#), to claim a rebate for the provincial part of the HST. Complete only the lines that apply to your province(s) of residence and your activity type(s). The total provincial amount claimed on the provincial schedule is entered on line B of Part E of the rebate application ([Form GST66, *Application for GST/HST Public Service Bodies' Rebate and GST Self-Government Refund*](#)).

Attach a copy of the provincial schedule, Form RC7066 SCH or GST284 SCH, to your application and send both to us.

If you are a GST/HST registrant and you are claiming your rebate on your GST/HST return, send the provincial schedule and the application with your return.

If you file your returns electronically using GST/HST NETFILE, send us a paper copy of your rebate application and the provincial schedule.

After we receive your first PSB rebate application, we will start sending you Form GST284, [Application for GST/HST Public Service Bodies' Rebate and GST Self-government Refund](#), and, if applicable, Form GST284 SCH, [Provincial Schedule – GST/HST Public Service Bodies' Rebate and GST Self-government Refund](#), which are personalized rebate applications, for all of your future claims.

40. As a resident of a non-participating province, how do I claim a PSB rebate for the provincial part of the HST paid in the province of Ontario or B.C.?

If you are not a resident of a participating province, you are not eligible for a PSB rebate of the provincial part of the HST. PSBs not resident in a participating province can claim a PSB rebate only for the federal part of the HST incurred in participating provinces in addition to any PSB rebate for GST incurred.

41. Does a PSB that claims PSB rebates for the federal and provincial parts of HST have to track the federal and provincial parts of the HST separately?

Yes, PSBs have to separately track the federal and provincial parts of HST to make a PSB rebate claim.

Eligible PSBs resident in Ontario can claim a PSB rebate of GST and the federal part (5%) of HST at the rebate rate applicable to the PSB. With the introduction of HST in Ontario, eligible PSBs resident in Ontario are entitled to a PSB rebate of the provincial part (8%) of HST.

Eligible PSBs resident in B.C. can claim a PSB rebate of the GST (5%) and the federal part (5%) of HST at the rebate rate applicable to the PSB. With the introduction of HST in B.C., eligible PSBs resident in B.C. are entitled to claim a PSB rebate of the provincial part (7%) of HST at the rebate rate applicable to the PSB.

There are some purchases where the provincial part of HST is not paid (for example, where the point-of-sale rebate is available). Where this is the case, no PSB rebate of the provincial part of HST is available.

42. Does a PSB have to enter the PSB rebate for the federal part of HST and the provincial part of HST separately, or can it calculate and report the federal and provincial PSB rebate at a combined rate on the form?

You have to calculate and report the PSB rebate for the federal and provincial parts of HST separately on the PSB rebate application form. Therefore, you will have to separately track the federal and provincial parts of HST to make a PSB rebate claim.

43. What PSB rebate rate does a PSB in Ontario or B.C. that falls into two PSB categories (e.g., the PSB is both a charity and a hospital authority) use to apply for a PSB rebate of the HST?

You may be a charity, public institution, or qualifying NPO that is also a hospital authority, a municipality, a facility operator, an external supplier or a school authority, a university, or a public college that is established and operated other than for profit. In this situation you may have to calculate your PSB rebate using more than one rebate rate.

You may acquire property or services for use in different activities. If so, you claim your rebate to the extent you intended to use, consume or supply property or services in each activity type. If you are in more than one activity type and you acquire property or services to be used primarily (more than 50%) as one type of PSB, the rebate rate is based on the primary use of those items.

You file only one rebate application for the claim period. Allocate the amount of the GST or the federal part of the HST eligible for the rebate between each of the activity types. For each of these allocated amounts, calculate the amount of the rebate separately. Use the assigned rebate factor for each activity type, and enter the appropriate amounts on the PSB rebate form.

If you qualify for a rebate of the provincial part of the HST, calculate the rebate for the provincial part separately. Use the rebate rate for the provincial part of the HST for each activity type for the province(s) in which you are a resident and enter the amounts on the appropriate lines of the provincial schedule. If you are resident in more than one province, one of which is a participating province, you will have to determine the extent to which you intended to consume, use or supply property or services in the course of your activities in each province in which you are resident. For more information on special rules for claimants with multiple activity types see [Guide RC4034, GST/HST Public Service Bodies' Rebate](#).

44. Does a PSB that is a resident in Ontario or B.C. and a resident in another province apply for a PSB rebate of the provincial part of the HST at the rebate rate of a PSB in Ontario or B.C.?

If you are resident in more than one province, one of which is a participating province, you have to calculate the PSB rebate for the provincial part of the HST based on the extent you intended to consume, use or supply property or services in the course of your activities in each province in which you are resident. For more information on special rules for claimants resident in more than one province see [Guide RC4034, GST/HST Public Service Bodies' Rebate](#).

Other rebates

45. Is the HST charged on the sale of books in Ontario and B.C.?

In Ontario and B.C., a point-of-sale rebate of the provincial part of the HST is available to all persons who purchase qualifying books. Qualifying books include a printed book or an update of a printed book, an audio book, a bound or unbound printed version of scripture of any religion, a printed book and a read-only medium (such as CD-ROM whose content is related to, and integrated with, the book's content and when sold together as a single package) and/or a right to access a Web site sold together as a package.

There is no point-of sale rebate on printed books for the GST or the federal part of the HST. However, a rebate for printed books for the GST or the federal part of the HST paid or payable on printed books is available to specified persons. For a list of specified persons, see question 47.

46. Is a PSB eligible for a rebate for printed books?

Specified persons can claim a rebate for the GST or federal part of the HST paid or payable on printed books, audio recordings of printed books, and printed versions of religious scriptures purchased other than for resale. For more information on the federal rebate for printed books, see [GST/HST Memorandum 13.4, *Rebates for Printed Books, Audio Recordings of Printed Books, and Printed Versions of Religious Scriptures*](#) or [Guide RC4034, *GST/HST Public Service Bodies' Rebate*](#).

47. Who is a specified person for purposes of the rebate for printed books?

Specified persons are:

- a municipality;
- a school authority;
- a university;
- an organization that operates a post secondary college or post secondary technical institute that receives from a government or municipality funds that are paid for the purpose of assisting the organization in the ongoing provision of educational services to the general public, and the primary purpose of which is to provide programs of instruction in one or more fields of vocational, technical or general education;
- a charity, public institution or qualifying non-profit organization that operates a public lending library; or
- a charity or qualifying non-profit organization prescribed by the Minister of Finance, the primary purpose of which is the promotion of literacy.

48. What is a printed book for purposes of the rebate for printed books?

The definition of a printed book is one of exclusion. The definition lists the types of items that are not considered to be a printed book. For example, a printed book does not include certain items such as magazines and periodicals that are not purchased by subscription or that have more than 5% of their printed space devoted to advertising, newspapers, books designed primarily for writing or drawing on, brochures or pamphlets, agendas and calendars, directories, and rate books. Goods eligible for the rebate for printed books would include a printed book or an update of a printed book, an audio book and a bound or unbound printed version of scripture of any religion.

49. Can a charity or public institution that exports goods and services outside of Canada claim a rebate for the HST paid on goods and services acquired in Ontario or B.C.?

A charity or public institution can claim a rebate for 100% of the GST/HST paid on property or services that are exported outside of Canada. To be eligible for the rebate, the charity must have paid the GST/HST and have exported the property or services. Charities are able to claim 100% of the HST paid (i.e., for both the federal and provincial parts of the HST) in Ontario and B.C. on qualifying exported property and services.

Net tax calculation for charities that are GST/HST registrants

50. What is the net tax calculation for charities?

The net tax calculation for charities is a special calculation method that must be used by charities that are GST/HST registrants to determine the net tax that must be reported on their GST/HST returns. Under this method, a charity generally remits 60% of the GST/HST collected or collectible on its taxable supplies and retains the remaining 40% in lieu of claiming input tax credits on most purchases of property and services. A charity may claim input tax credits on certain specific items (e.g., real property and capital property used primarily in commercial activity). A charity is also eligible to claim PSB rebates for the GST/HST paid or payable on purchases and expenses (subject to limited exceptions) for which it cannot claim input tax credits.

For detailed information concerning the net tax calculation for charities, please refer to GST/HST [Info Sheet GI-066, *How a Charity Calculates the Net Tax to be Reported on its GST/HST Return.*](#)

51. Do all charities that are GST/HST registrants have to use the net tax calculation for charities?

Generally, yes. All charities that are GST/HST registrants are required to use the net tax calculation for charities to determine their net tax. However, a charity as a whole, can elect not to use the net tax calculation for charities if it makes supplies outside Canada or zero-rated supplies (i.e., taxable at 0%) in the ordinary course of its business, or if 90% or more of its supplies are taxable. For more information on the GST/HST and charities, see [Guide RC4082, *GST/HST Information for Charities.*](#)

Public institutions, which are not considered to be charities for GST/HST purposes, and designated charities (see the answer to question 62 for a definition of a designated charity) cannot use the net tax calculation for charities. Public institutions and designated charities follow the general rules when calculating net tax that must be reported on their GST/HST returns, or they may be eligible to use the Special Quick Method of accounting for PSBs to calculate their net tax. Refer to the section entitled “Special Quick Method of accounting for PSBs” in this notice.

52. How does a charity elect not to use the net tax calculation for charities?

An eligible charity may elect not to use the net tax calculation for charities by completing and filing [Form GST488, *Election or Revocation of an Election Not to Use the Net Tax Calculation for Charities.*](#) Once a charity makes this election it can calculate its net tax using the general rules. The charity can revoke the election no earlier than one year after the election takes effect by completing and filing another GST488. If the charity revokes the election it must use the net tax calculation for charities. The same election process applies under the HST.

53. Does a charity that reported for GST purposes using the net tax calculation for charities continue to use that method for HST purposes?

Yes, a charity that used the net tax calculation for charities will continue to use this calculation method for HST purposes.

54. In Ontario, does a charity that used the net tax calculation for charities continue to remit its HST collected or collectable at the rate of 60%?

Yes, the remittance calculation for the net tax calculation for charities is 60% for both the federal and provincial parts of the HST.

55. In B.C., does a charity that used the net tax calculation for charities continue to remit its HST collected or collectable at the rate of 60%?

Yes, the remittance calculation for the net tax calculation for charities is 60% for both the federal and provincial part of the HST.

56. Is a charity that is a GST/HST registrant, and therefore required to use the net tax calculation for charities, entitled to claim a PSB rebate?

Yes. For charities using the net tax calculation, eligible amounts of GST/HST paid or payable that are not included as an input tax credit in the net tax calculation will qualify for the PSB rebate. As mentioned in question 50, a charity may only claim input tax credits on certain specific items.

57. How does a charity that is not a GST/HST registrant recover the HST paid on its purchases?

A charity that is not a GST/HST registrant can recover some of the HST paid on its purchases by claiming a PSB rebate at the applicable rate. See question 38 for more details.

Special Quick Method of accounting for PSBs

58. What is the Special Quick Method of accounting for PSBs?

The Special Quick Method of accounting for PSBs is a simplified accounting option available to some PSBs that are GST/HST registrants.

When a PSB uses the Special Quick Method of accounting for PSBs, it collects GST/HST on the taxable (other than zero-rated) property or services it supplies. However, to calculate the amount of GST/HST to be remitted, the PSB multiplies the amount of its GST/HST-included supplies for the reporting period by the remittance rate, or rates, that apply in its situation. The Special Quick Method of accounting for PSBs is available under the HST. However, the remittance rates for various PSBs have changed.

59. What are the benefits of the Special Quick Method of accounting for PSBs?

The Special Quick Method of accounting for PSBs reduces paperwork and makes it easier to calculate the GST/HST remittances and file GST/HST returns because it eliminates the need to keep track of the actual GST/HST paid on purchases, or to separate purchases that are for commercial activities versus those for making exempt supplies.

60. How does an eligible PSB make the switch to the Special Quick Method of accounting for PSBs?

A PSB must apply to use this method by filing [Form GST287, *Election or Revocation of the Election by Public Service Bodies to Use the Special Quick Method of Accounting*](#) and sending it to its tax services office. If a PSB has branches or divisions, its election to use this method will apply to all of its branches or divisions, whether or not they file separate GST/HST returns. Once the PSB decides to use the Special Quick Method of accounting for PSBs, it will be required to use the method for at least one year. A PSB can keep using the Special Quick Method of accounting for PSBs without having to re-elect, as long as it remains eligible. The Special Quick Method of accounting for PSBs is applied in the same manner for HST purposes.

61. Why is the Special Quick Method of accounting for PSBs not available to most charities?

The Special Quick Method of accounting for PSBs is not available to most charities as charities are required to use the net tax calculation for charities. (See questions 50 to 57 for more information on the net tax calculation for charities.) This remains the same for HST purposes.

62. What are the remittance rates under the Special Quick Method of accounting for PSBs located or with a permanent establishment in Ontario?

The remittance rates under the Special Quick Method of accounting for PSBs are as follows:

| PSB located or with a permanent establishment in Ontario | Supplies made in a non-participating province | Supplies made in B.C. | Supplies made in Nova Scotia | Supplies made in any other participating province |
|--|---|-----------------------|------------------------------|---|
| Specified Facility Operator, Qualifying NPO, Designated Charity ¹ | 3% | 9.1% | 11.4% | 9.9% |
| Municipalities | 4.3% | 10.3% | 12.6% | 11.1% |
| Universities and Public Colleges ² | 3.3% | 9.4% | 11.8% | 10.2% |
| Universities and Public Colleges ³ | 3.9% | 9.9% | 12.3% | 10.7% |
| School Authorities | 4.2% | 10.2% | 12.6% | 11% |
| Hospital Authority, External Supplier, or Facility Operator | 4.2% | 10.2% | 12.5% | 11% |

¹ "Designated charity" refers to a charity that provides employment assistance to individuals with disabilities, supplies services that are performed by such individuals to clients, and has been approved by the Minister of National Revenue to make its supplies of these services taxable when provided to a GST/HST registrant.

² These rates are used if vending-machine sales (and certain other retail sales) are at least 25% of an amount determined by a formula.

³ These rates are used if vending-machine sales (and certain other retail sales) are less than 25% of an amount determined by a formula.

63. What are the remittance rates under the Special Quick Method of accounting for PSBs for PSBs located or with a permanent establishment in B.C.?

The remittance rates under the Special Quick Method of accounting for PSBs are as follows:

| PSB located or with a permanent establishment in B.C. | Supplies made in a non-participating province | Supplies made in B.C. | Supplies made in Nova Scotia | Supplies made in any other participating province |
|---|---|-----------------------|------------------------------|---|
| Specified Facility Operator, Qualifying NPO, Designated Charity | 2.3% | 8.4% | 10.8% | 9.2% |
| Municipalities | 4.3% | 10.3% | 12.6% | 11.1% |
| Universities and Public Colleges ¹ | 3.4% | 9.4% | 11.8% | 10.2% |
| Universities and Public Colleges ² | 3.9% | 9.9% | 12.3% | 10.7% |
| School Authorities | 4.1% | 10.1% | 12.5% | 10.9% |
| Hospital Authority, External Supplier, or Facility Operator | 3.6% | 9.7% | 12% | 10.5% |

¹ These rates are used if vending-machine sales (and certain other retail sales) are at least 25% of an amount determined by a formula.

² These rates are used if vending-machine sales (and certain other retail sales) are less than 25% of an amount determined by a formula.

64. For PSBs that provide point-of-sale rebates on eligible goods made in a participating province, what are the remittance rates under the Special Quick Method of accounting for PSBs?

If you are a PSB that provides a point-of-sale rebate on eligible goods and you use the Special Quick Method of accounting for PSBs, use these rates regardless of your province of residence:

| PSB | Any province |
|---|--------------|
| Specified Facility Operator, Qualifying NPO, Designated Charity | 3.6% |
| Municipalities | 4.7% |
| Universities and Public Colleges ¹ | 4.1% |
| Universities and Public Colleges ² | 4.4% |
| School Authorities | 4.4% |
| Hospital Authority, External Supplier, or Facility Operator | 4.5% |

¹ These rates would be used if vending-machine sales (and certain other retail sales) are at least 25% of an amount determined by a formula.

² These rates would be used if vending-machine sales (and certain other retail sales) are less than 25% of an amount determined by a formula.

65. Does a PSB that uses the Special Quick Method of accounting for PSBs have to collect HST?

Yes, a PSB that uses the Special Quick Method of accounting for PSBs is required to collect the HST on the taxable (other than zero-rated) property or services it supplies in a participating province.

66. Can a PSB that uses the Special Quick Method of accounting for PSBs claim a PSB rebate?

Yes, there is nothing that precludes a PSB from claiming a PSB rebate to recover some of the HST paid on its purchases when it uses the Special Quick Method of accounting for PSBs. See questions 33, 34 and 38 for additional information.

Municipalities

67. Who qualifies as a “municipality” for HST purposes?

For GST/HST purposes, a municipality is an incorporated city, town, village, metropolitan authority, township, district, county or rural municipality, or other incorporated municipal body, however designated. Examples of other incorporated municipal bodies include incorporated communities in Newfoundland and Labrador, incorporated northern hamlets, and incorporated northern settlements in Saskatchewan.

In addition, the Minister of National Revenue may grant either full or partial municipal status to a local authority or other person.

Full municipal status may be granted to a person by **determining** a local authority to be a municipality. This means that all the GST/HST rules that apply to municipalities would apply to the local authority determined to be a municipality.

Partial municipal status may be granted to a person by **designating** the person to be a municipality for certain municipal services that it provides to consumers. Municipal designation only applies to those municipal activities for which the person has been designated. This restriction recognizes that the designated activities represent the only capacity in which the person is like a municipality. For more information on determining or designating a local authority to be a municipality see [Guide RC4049, GST/HST Information for Municipalities](#).

68. An organization has been determined to be a municipality for GST purposes. Does that organization have to request to be determined to be a municipality for purposes of the HST?

No, an organization that has been determined by the Minister of National Revenue to be a municipality for GST purposes does not have to reapply to be determined to be a municipality for HST purposes. Municipal determination that was granted for GST purposes applies for purposes of the HST.

69. An organization that supplies unbottled water has been designated as a municipality for GST purposes. Does the organization need to make a request for designation under the HST?

No, a designation as a municipality for GST purposes to supply unbottled water applies for HST purposes provided there have been no changes to the organization that could affect its status as a designated municipality.

70. Are garbage collection services exempt from the HST when supplied by a municipality?

Garbage collection services, including the collection of recyclable materials and special collections, are exempt from the GST/HST when supplied by a government or municipality or by a board, commission, or other body established by a government or municipality.

71. In Ontario, a municipality could present a Purchase Exemption Certificate and acquire certain goods for resale without paying the RST. Is the same exemption available for the provincial part of the HST?

No, a purchase exemption certificate is not available to municipalities under the HST. Municipalities are required to pay the GST/HST on their acquisition of taxable property.

However, municipalities that are GST/HST registrants may qualify for input tax credits of the tax paid or payable on the acquisition of property and services for use in making taxable supplies. They may be further entitled to claim a full rebate of the GST (or federal part of the HST) as well as a partial rebate of the provincial part of the HST, paid or payable on their other acquisitions of property and services. Municipalities that are not GST/HST registrants may claim a full rebate of the GST or federal part of the HST, as well as a partial rebate of the provincial part of the HST, paid on their acquisitions of property and services.

72. In the past, municipal services supplied by a municipality in Ontario or B.C. to property owners or occupants were not subject to the RST (in Ontario) or the PST (in B.C.). Are these services subject to HST?

Municipal services, such as sewerage services, that a municipality provides on a non-optional basis to owners or occupants of real property in the municipality are generally exempt from the HST. This exemption applies only when the person paying for the service is the property owner or occupant. Further, services that a municipality provides to owners or occupants of real property are exempt if they are supplied because of the owner or occupant's failure to comply with a legal obligation (for example, failure to cut overgrown weeds).

73. Municipal transit services were exempt from the RST in Ontario and the PST in B.C. Are these services subject to the HST?

Municipal transit services that are provided directly to the public by municipalities are exempt from the HST. A public passenger transportation service made directly to the public that has been designated as a municipal transit service by the Minister of National Revenue is also exempt.

However, a supply of a service of operating a municipal transit system made by a person to a municipality is subject to the HST. The HST also applies to:

- charter services provided by a municipal transit authority;
- city tour services provided by a transit authority if, in addition to the transportation services, passengers get a commentary by a tour guide; and
- any transit services supplied by a private company and charged to a municipality.

Health

74. An organization was designated as a hospital authority under the GST. Does the organization need to reapply for this designation under the HST?

No. If an organization has been designated by the Minister of National Revenue as a hospital authority for GST purposes, it does not have to reapply to be designated as a hospital authority for HST purposes. Such an organization is automatically designated for HST purposes.

75. As a hospital authority, an organization was entitled to an 83% rebate of the GST paid on purchases used in its hospital. Is the organization entitled to the same rebate under the HST?

Hospital authorities in **Ontario** are entitled to an 83% rebate of the GST (or the federal part of the HST) and an 87% rebate of the provincial part of the HST paid or payable on purchases used in the course of operating a public hospital, or used in operating a qualifying facility for use in making facility supplies, or in making facility supplies, ancillary supplies or home medical supplies.

Hospital authorities in **B.C.** are entitled to an 83% rebate of the GST (or the federal part of the HST) and a 58% rebate of the provincial part of the HST paid or payable on purchases used in the course of operating a public hospital, or used in operating a qualifying facility for use in making facility supplies, or in making facility supplies, ancillary supplies or home medical supplies.

76. Does the HST apply to purchases of goods and services such as medical, surgical and diagnostic equipment by hospitals?

Generally, hospitals have to pay the HST on the goods and services they acquire and are able to claim a partial rebate of the tax paid or payable. Certain exceptions apply, such as hospital beds which are zero-rated (i.e., taxable at 0%) when supplied to the operator of a health care facility.

77. A community care clinic that meets the definition of a “facility operator” under the GST has been claiming 83% rebates for the GST paid on expenses of operating the clinic. Does this change under the HST?

A person who meets the definition of a facility operator under the *Excise Tax Act* is entitled to apply for an 83% rebate of the GST (or federal part of the HST) paid or payable in the course of operating a qualifying facility for use in making facility supplies, in making facility supplies in another person’s facility or in making ancillary supplies or home medical supplies.

Where a person in **Ontario** meets the definition of a facility operator, that person is also entitled to a partial rebate at the rate of 87% of the provincial part of the HST paid or payable in the course of the activities listed above.

Where a person in **B.C.** meets the definition of a facility operator, that person is also entitled to a partial rebate at the rate of 58% of the provincial part of the HST paid or payable in the course of the activities listed above.

78. A regional health authority that meets the definition of an “external supplier” under the GST claimed 83% rebates for the GST it paid on expenses incurred in the course of organizing and coordinating health care services in its region. What rebates can be claimed under the HST?

If a person meets the definition of external supplier under the *Excise Tax Act*, it is entitled to apply for an 83% rebate of the GST (or federal part of the HST) paid or payable in the course of making ancillary supplies, facility supplies or home medical supplies.

External suppliers in **Ontario** are also entitled to a partial rebate at the rate of 87% of the provincial part of the HST paid or payable in the course of the activities listed above.

External suppliers in **B.C.** are also entitled to a partial rebate at the rate of 58% of the provincial part of the HST paid or payable in the course of the activities listed above.

79. Are dental services taxable under the HST?

A consultative, diagnostic, treatment or other health care service provided by a dentist is generally exempt from the HST. However, a surgical or dental service performed for cosmetic purposes and not for medical or reconstructive purposes, such as teeth whitening is subject to the HST, unless the dentist is a small supplier and is not required to be registered to charge and collect the HST.

80. Are doctor's services subject to the HST?

Consultative, diagnostic, treatment or other health care services provided by a medical practitioner are generally exempt from the HST. However, a surgical service performed for cosmetic purposes and not for medical or reconstructive purposes, such as liposuction, is subject to the HST unless the doctor is a small supplier and not required to be registered to charge and collect the HST.

81. Are acupuncture services taxable under the HST?

HST does not apply if acupuncture services are provided as part of an institutional health care service in a health care facility by the operator of the facility. Acupuncture services rendered to an individual by a medical practitioner, dentist, chiropractor, physiotherapist, or that are supplied by a charity or public institution may also be exempt. In addition, the supply of acupuncture in a particular province may be exempt from the HST to the extent that the consideration for the service is covered by the health insurance plan of that particular province.

82. Are services provided by midwives taxable under the HST?

Midwifery services are exempt from the HST, if they are rendered to an individual by a practitioner of the service. To be a practitioner, an individual must be licensed or certified to practice the profession, where required by the province in which the services are provided. If the province does not require midwives to be licensed or certified in order to practice the profession, then the individual must have qualifications equivalent to those necessary to be licensed or certified in another province.

83. Are services rendered by health care practitioners exempt from the HST?

The following services are exempt from the HST, when rendered to an individual by a practitioner of that service, as they are under the GST:

- optometric services;
- chiropractic services;
- physiotherapy services;
- chiropodic services;
- podiatric services;
- osteopathic services;
- audiological services;
- speech-language pathology services;
- occupational therapy services;
- psychological services; and
- midwifery services.

To be a practitioner, an individual must be licensed or certified to practice the profession where required by the province. If the province does not require the person to be licensed or certified in order to practice the profession, then the person must have qualifications equivalent to those necessary to be licensed or certified in another province.

If the individuals rendering these services are not practitioners, they are required to charge the HST on their services unless they are small suppliers and are not required to be registered to charge and collect the HST.

84. Are services of a naturopath or an herbalist taxable under the HST?

Naturopaths and herbalists are not included in the list of practitioners whose services are exempt from the HST. Therefore, the services provided by these persons are subject to the HST, unless the individuals in question are small suppliers and not required to register to charge and collect the tax.

85. Are flu shots given by a nurse in a community centre or shopping mall taxable under the HST?

No. The administration of a flu shot in the course of a nursing service rendered to an individual by a registered nurse within a nurse-patient relationship is exempt from the HST.

86. A call to 911 results in an individual being rushed to the hospital. Does HST apply to the charge for the ambulance service?

No. An ambulance service provided by a person who carries on the business of providing ambulance services is exempt from the HST.

87. Are conflict resolution sessions conducted by a social worker exempt or taxable?

A service rendered in the practice of the profession of social work is exempt from the HST, under the following circumstances:

- the service is rendered to an individual within a professional-client relationship for the prevention, assessment or remediation of, or to assist the individual in coping with, a physical, emotional, behavioural or mental disorder or disability of the individual. The service may also be rendered to another individual to whom the individual is related or to whom the individual provides care or supervision otherwise than in a professional capacity;
- the social worker must be licensed or otherwise certified to practice the profession of social work in the province in which the service is supplied. If the supplier is not required to be licensed or otherwise certified to practice that profession in that province, the supplier must possess the qualifications equivalent to those necessary to be licensed or certified to practice that profession in a province in which such a requirement exists.

Medical devices

88. What is the definition of “medical device”?

The *Excise Tax Act* does not define the term “medical device”; however, the legislation provides a list of certain medical devices that are zero-rated (i.e., taxable at 0%).

89. Is the HST charged on the purchase of prescription eyeglasses or contact lenses?

No. The supply of corrective eyeglasses or contact lenses that are sold under prescription by an eye-care professional are zero-rated.

90. Is the HST charged on the purchase of dentures?

No. The supply of artificial teeth is zero-rated.

91. Is the HST charged on the purchase of hearing aids and their batteries?

No. The supply of a hearing aid is zero-rated. Batteries that are specially designed for a hearing aid are also zero-rated.

92. Is the HST charged on the purchase of a blood-glucose monitor or its testing strips?

No. The supply of a blood-glucose monitor or meter is zero-rated. Supplies of blood-sugar testing strips, blood-ketone testing strips, urinary-sugar testing strips, reagents, or tablets, or urinary-ketone testing strips, reagents or tablets are also zero-rated.

93. If a distributor sells heart monitoring devices to a hospital is the distributor required to charge the HST?

The supply of a heart monitoring device is only zero-rated when supplied on the written order of a medical practitioner for use by a consumer with heart disease who is named in the order. Therefore the supply between the distributor and the hospital is taxable under the HST at a rate of 13% in **Ontario** and 12% in **B.C.**

94. Is the HST charged on the purchase of prescription drugs?

No. Drugs dispensed directly by a medical practitioner or on the prescription of a medical practitioner or authorized individual, such as a pharmacist are zero-rated.

95. Is the HST charged on fees for dispensing services on my prescriptions?

No. The service of dispensing zero-rated prescription drugs is zero-rated.

96. Is the HST charged on the purchase of controls for operating a motor vehicle by disabled persons?

No. The supply of an auxiliary driving control that is designed for attachment to a motor vehicle to facilitate the operation of the vehicle by an individual with a disability is zero-rated.

Education services

97. Is the HST charged on tuition fees paid to a private school?

The supply by a school authority of instructing individuals in a course that is provided primarily to elementary or secondary school students is exempt from the HST where the instruction meets the standards of educational instruction established by the government of the province in which the school is operated.

98. Is the HST charged on tuition fees paid to a university or a public college?

The supply by a university or public college of a service of instructing individuals in, or administering examinations in respect of, courses for which credit may be obtained towards a diploma or degree is exempt from the HST.

The supply by a university or public college of instructing individuals in, or administering examinations in respect of, courses (other than courses in sports, games hobbies, or other recreational pursuits that are designed to be taken primarily for recreational purposes) that are part of a program that consists of two or more courses and that is subject to the review of, and is approved by, a council, board or committee of the university or public college established to review and approve the course offerings of the university or public college is exempt from the HST.

The supply by a university or public college of instructing individuals in courses leading to, or for the purpose of maintaining or upgrading, a professional or trade accreditation or designation recognized by a regulatory body is exempt from the HST. Additionally, a supply of a certificate or a service of administering an examination in respect of a course or in respect of an accreditation or designation described above is exempt from the HST. However, the university or public college could elect to make such an exempt supply taxable for HST purposes by completing [Form GST29, *Educational Services: Election and Revocation of the Election to Make Certain Supplies Taxable.*](#)

The supply by a university or public college of instructing individuals in, or administering examinations in respect of, courses leading to certificates, diplomas, licences or similar documents, or classes or ratings in respect of licences, that attest to the competence of individuals to practise or perform a trade or vocation is exempt from the HST. However the university or public college could elect to make such an exempt supply taxable for HST purposes by completing [Form GST29, Educational Services: Election and Revocation of the Election to Make Certain Supplies Taxable](#).

The supply by a university or public college of instructing individuals in, or administering examinations in respect of, language courses that form part of a program of second language instruction in either English or French is exempt from the HST.

99. Is the HST charged on tuition fees paid to a vocational school?

The supply by a vocational school of instructing individuals in courses leading to, or for the purpose of maintaining or upgrading, a professional or trade accreditation or designation recognized by a regulatory body is exempt from the HST. Additionally, a supply by a vocational school of a certificate or a service of administering an examination in respect of a course or in respect of an accreditation or designation described above is also exempt from the HST. However the vocational school could elect to make such an exempt supply taxable for HST purposes by completing [Form GST29, Educational Services: Election and Revocation of the Election to Make Certain Supplies Taxable](#).

The supply by a vocational school of instructing individuals in, or administering examinations in respect of, courses leading to certificates, diplomas, licences or similar documents, or classes or ratings in respect of licences, that attest to the competence of individuals to practise or perform a trade or vocation is exempt from the HST. However the vocational school could elect to make such an exempt supply taxable for GST/HST purposes by completing [Form GST29, Educational Services: Election and Revocation of the Election to Make Certain Supplies Taxable](#).

The supply by a vocational school of instructing individuals in, or administering examinations in respect of, language courses that form part of a program of second language instruction in either English or French is exempt from the HST.

100. Is the HST charged on second language instruction provided by an entity other than a university, public college, school authority or vocational school?

The supply of instructing individuals in, or administering examinations in respect of, language courses that form part of a program of second language instruction in either English or French is exempt from the HST if the supply is made in the course of a business established and operated primarily (i.e., 50% or more) to provide instruction in languages.

101. Is the HST charged on music lessons?

No. A supply of a service of tutoring or instructing an individual in music lessons is exempt from the HST.

For more information

102. Where can I find more information on Ontario's and B.C.'s transition to the HST?

For more information on the transitional rules for the implementation of the HST in Ontario and B.C., see the following publications, which are available on the CRA Web site:

GST/HST NOTICES

- NOTICE244 *Harmonized Sales Tax for Ontario – Questions and Answers on Housing Rebates and Transitional Rules for Housing and Other Real Property Situated in Ontario*
- NOTICE246 *Harmonized Sales Tax for British Columbia – Questions and Answers on Housing Rebates and Transitional Rules for Housing and Other Real Property Situated in British Columbia*
- NOTICE249 *Questions and Answers on the New Reporting Requirements for GST/HST Registrants*
- NOTICE254 *Collecting First Nations Taxes in a Participating Province*
- NOTICE255 *Elections for Certain Selected Listed Financial Institutions under the HST*

GST/HST INFO SHEETS

- GI-053 *Ontario and British Columbia: Transition to the Harmonized Sales Tax – Freight Transportation Services*
- GI-054 *Ontario and British Columbia: Transition to the Harmonized Sales Tax – Passenger Transportation Services*
- GI-055 *Ontario and British Columbia: Transition to the Harmonized Sales Tax – Transportation Passes*
- GI-056 *Ontario and British Columbia: Transition to the Harmonized Sales Tax – Services*
- GI-057 *Ontario and British Columbia: Transition to the Harmonized Sales Tax – Memberships*
- GI-058 *Ontario and British Columbia: Transition to the Harmonized Sales Tax – Admissions*
- GI-059 *Ontario and British Columbia: Transition to the Harmonized Sales Tax – Intangible Personal Property*
- GI-069 *Ontario and British Columbia: Transition to the Harmonized Sales Tax – Direct Sellers and Independent Sales Contractors*
- GI-070 *Ontario and British Columbia: Transition to the Harmonized Sales Tax – Goods*
- GI-071 *Ontario and British Columbia: Transition to the Harmonized Sales Tax – Tour Packages*
- GI-072 *HST and First Nations in Ontario and British Columbia*
- GI-073 *Ontario and British Columbia: Transition to the Harmonized Sales Tax – Payment of the GST/HST by Ontario and B.C. Government Entities*
- GI-074 *Ontario and British Columbia: Transition to the Harmonized Sales Tax – Prepaid Funeral and Cemetery Arrangements and Interment Rights*
- GI-075 *Ontario and British Columbia: Transition to the Harmonized Sales Tax – Returns and Exchanges*
- GI-076 *Ontario and British Columbia: Transition to the Harmonized Sales Tax – Continuous Supplies and Budget Payment Arrangements*

103. Where can I find more information on the point-of-sale rebates that are available in Ontario and B.C.?

For more information on the point-of-sale rebates available in Ontario and B.C., see the following publications, which are available on the CRA Web site:

- GI-060 *Harmonized Sales Tax for Ontario – Point-of-Sale Rebate on Newspapers*
- GI-061 *Harmonized Sales Tax for British Columbia – Point-of-Sale Rebate on Motor Fuels*
- GI-062 *Harmonized Sales Tax for Ontario and British Columbia – Point-of-Sale Rebate on Feminine Hygiene Products*
- GI-063 *Harmonized Sales Tax for Ontario and British Columbia – Point-of-Sale Rebate on Children's Goods*
- GI-064 *Harmonized Sales Tax for Ontario – Point-of-Sale Rebate on Prepared Food and Beverages*

Enquiries by telephone

Questions relating to this notice or technical enquiries on the GST/HST: 1-800-959-8287

General enquiries on the GST/HST: 1-800-959-5525 (Business Enquiries)

If you are located in Quebec: 1-800-567-4692 (Revenu Québec)

All technical publications on GST/HST are available on the CRA Web site at www.cra.gc.ca/gsthstech.