
INFORMATION BULLETIN

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Ministry of Finance

SOME HST TRANSITION RULES TAKE EFFECT MAY 1ST

VICTORIA – The Harmonized Sales Tax will generally apply to consideration that becomes due or is paid without having become due on or after May 1, 2010, for property and services provided on or after July 1, 2010, based on the general HST transitional rules under the federal Excise Tax Act. The Harmonized Sales Tax is proposed to be effective in B.C. on July 1, 2010.

The transitional rules are intended to avoid imposing both the PST and the provincial portion of the HST on the same payments for goods and services—that is, to avoid double taxation. Generally, the HST will apply to goods and services purchased on or after July 1, 2010.

As a result of these rules, consumers that are purchasing property or services that will be provided on or after July 1, 2010, or entering into leases on or after July 1, 2010, will start seeing HST on their invoices or bills for these as of May 1, 2010.

Where leases or services straddle July 1, 2010, there are special transitional rules outlining when the portion of the lease or service that occurs on or after July 1, 2010, are subject to the HST.

On Oct. 14, 2009, the Government of B.C. released proposed general transitional rules to help guide businesses and consumers in a smooth changeover to the proposed HST. The transitional rules are being implemented in Ontario as well as in B.C.

To view complete information on the General Transition Rules for the HST, visit: [www.sbr.gov.bc.ca/documents_library/notices/HST Notice_001.pdf](http://www.sbr.gov.bc.ca/documents_library/notices/HST_Notece_001.pdf).

Extensive information is also available on the CRA website at: www.cra-arc.gc.ca/tx/pstr/trnstnl/menu-eng.html.

More information about the B.C. HST is available at: www.gov.bc.ca/hst.

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