

# Information Bulletin

for Restaurateurs Throughout Québec

February 2011

## Important Message to Restaurateurs



### Mandatory billing in the restaurant sector

This bulletin is for restaurateurs<sup>1</sup> who operate establishments where:

- meals are generally sold for on-site consumption;
- take-out meals are sold; or
- a catering business is carried on.

It contains important information about mandatory billing in the restaurant sector. This information will help you implement the new tax measures in your restaurant establishments.

1. In this document, "restaurateur" is used as a general term that refers to all restaurant establishment operators, including those whose establishments are located, for example, in hotels or shopping centres.

### How to receive a higher subsidy amount

You must activate all of the sales recording modules (SRMs) for your restaurant establishment no later than March 31, 2011.

The Québec government has allocated \$83 million for a subsidy program designed to help restaurateurs subject to the new tax measures. The subsidy covers

- acquiring SRMs; and
- updating or acquiring (through purchase or lease) the equipment required for the proper functioning of the SRM.

For more information, see the *Subsidy Program for Restaurateurs* (IN-574-V) and the *Requirements for Leased or Rented Equipment Under the Subsidy Program for Restaurateurs* (IN-574.A-V), available on our website.



## Protect your access code!

We are aware that certain restaurateurs give their access code to their installer so that the installer can activate their SRMs at the shop. If you do this, it is important to ensure that your installer activates only the number of SRMs that you need.

Remember that as soon as an SRM is activated with your access code, you are required by law to use the SRM to produce your bills and your *Sommaire périodique des ventes* (periodic sales summaries). If more SRMs are activated than what you are aware, you will not be able to fulfill your tax obligations regarding the additional SRMs, making you liable to penalties and fines. Also, you will have to prove to Revenu Québec that the additional SRMs were never really installed in your restaurant establishment.

Ensure that the number of SRMs and that the SRM numbers installed in your establishment correspond to those contained in the letter that Revenu Québec sent you following the activation of your SRMs. If you realize that there has been a mistake, contact us and your installer.

## Access code needed to activate your SRMs

To activate your SRMs, you need the identification number and access code that Revenu Québec sent you in the letter confirming the registration of each of your restaurant establishments.

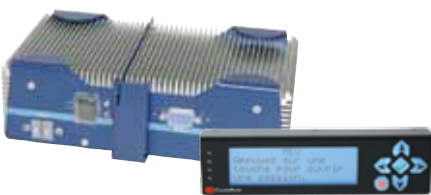
Have you forgotten your identification number and access code?	Call us at one of the numbers provided at the end of this bulletin.
Do you need an identification number or access code?	Complete form VD-350.52.A-V, <i>Information Form for Restaurant Establishments in Québec</i> (available on our website), and send it to one of the addresses indicated on that form.

## Avoid discrepancies in your sales records

When closing transactions, make sure you use a cash register or point-of-sale system that is **connected to an SRM**. This will ensure that the sales recorded by the two devices will correspond.

## Buying existing restaurant establishments

If, after September 1, 2010, you became the owner of a restaurant establishment already active in the market, contact us to know if we consider it a new establishment. If so, you must use an SRM to produce your bills beginning the day on which the first meal is served.



## SRM prices

The price you must pay to purchase an SRM from an installer is not set by the Québec government. However, the Québec government and IBM Canada entered into an agreement in May 2010 that established the price that an installer must pay for each of the products and services listed below:

Products and services	Price that the installer must pay to IBM Canada	Effective until
SRM (including the display station, the power supply, and the 5-year warranty that begins the day the SRM is activated)	\$780.00	April 2013
Estimate of costs to repair any components not covered by the warranty on the SRM.	\$35.00	April 2015
Recovery of SRM data (including the cost of the required DVD and shipping costs)	\$41.00	April 2015
Replacement of a security seal	\$26.00	April 2015
Replacement or additional display station	\$82.19	April 2015
Replacement or additional power supply	\$27.35	April 2015

## What must be indicated on the bills to be remitted to clients?

Several pieces of information must be indicated on the bills to be remitted to clients.  
The type of information depends on your restaurant establishment's situation.

**Restaurant establishments that are subject to the measures and that are not QST (Québec sales tax) registrants** must include the following information on the bills they remit to their clients:

**Bill 1 (Left):**

RELS BY VENDEUR	CODE C.A.	DENOMB REQUAC	QUANT MONTREPORTE
1 spaghetti			8.95
1 tarte au sucre			3.95
1 cafe			1.45
TOTAL			14.35

**Bill 2 (Right):**

L'Assiette fiscale  
3800, rue de Marly  
Québec (Québec)

SAN 1 JAN 2011

ADDITION #0098599

1 SPAGHETTI	\$8.95
1 TARTE AU SUCRE	\$3.95
1 CAFE	\$1.45
<b>TOTAL</b>	<b>\$16.35</b>

Heure: 13:25 1 CLIENT

- 1 the name of the restaurant establishment as registered with the Registraire des entreprises or, if such a name does not exist, the name under which the establishment conducts business;
- 2 the address of the restaurant establishment (number, street, and city, town or municipality);
- 3 the date the bill was prepared;
- 4 the bill number;
- 5 a detailed description of each food item and of each beverage sold (for example, vegetable soup, salad bar, coffee, soft drink, glass of wine);
- 6 the price of each food item and of each beverage sold (if the items were free of charge, it must be indicated as such on the bill);
- 7 the total amount of the bill.

**Restaurant establishments that are subject to the measures and that are QST registrants** must also include the following information on the bills they remit to their clients:

**Bill 1 (Left):**

1 tarte au sucre	3.95	
1 cafe	1.45	
TOTAL		14.35

TPS: 0.72  
TQ: 1.28  
TOTAL: 16.35

**Bill 2 (Right):**

ADDITION #0098599

1 SPAGHETTI	\$8.95
1 TARTE AU SUCRE	\$3.95
1 CAFE	\$1.45
SOUS-TOTAL	\$14.35
TPS	\$0.72
TQ	\$1.28
<b>TOTAL</b>	<b>\$16.35</b>

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TPS: 000000000 RT0001  
TQ: 000000000 TQ0001

- 7 the subtotal before taxes;
- 8 the GST number made up of 15 characters: 9 digits followed by the letters RT and 4 other digits (for example: 999999999 RT 0001);
- 9 the QST number made up of 16 characters: 10 digits followed by the letters TQ and 4 other digits (for example, 9999999999 TQ 0001);
- 10 the GST amount;
- 11 the QST amount;
- 12 the total amount of the bill, including taxes.

**When producing bills with an SRM, restaurant establishments that are subject to the measures and that are QST registrants** must ensure that all of the information listed above is indicated on their bills. In addition, specific information produced by the SRM, such as a barcode, must be included in the footer of each bill.



## If you do not fulfill your tax obligations... there will be consequences!



Revenu Québec would like to remind you that you are required by law, since September 1, 2010, **to remit bills to your clients consistently and without delay** (as opposed to only providing them upon request). If you do not remit bills to your clients, you are liable to a fine of no less than \$300 for the first offence.

Beginning September 1, we have been increasing our inspection activities to ensure that restaurateurs are fulfilling their tax obligations.

On December 31, 2010, our inspectors visited over 1,000 restaurant establishments out of a potential 20,000. Nearly 60% of the establishments visited had not fulfilled one or more of their obligations. We issued warnings and statements of offence, mainly in the following cases:

- A bill was not remitted to a client.
- The required information was not indicated on the bill.
- An SRM was not being used in a restaurant establishment required to use one.

Remember that if you do not fulfill your tax obligations, you are liable to fines. Note that with each offence, the amount of the fine is increased. For more information, visit our website at [www.revenu.gouv.qc.ca/resto](http://www.revenu.gouv.qc.ca/resto).

In addition, if you receive a statement of offence for which you are found guilty, you will be required to use an SRM in all of your restaurant establishments before the prescribed date.

## Important dates

Tax obligations		Subsidy program	
<b>September 1, 2010</b>	<b>November 1, 2011</b>	<b>March 31, 2011</b>	<b>December 31, 2011</b>
Since September 1, 2010, you have been required to remit bills to your clients.	By November 1, 2011, all restaurant establishments that are subject to the measures and that are QST registrants must remit to their clients bills produced by a sales recording module (SRM).	If you activate your SRMs by March 31, 2011, you could receive a higher subsidy amount for acquiring or updating the equipment required for the proper functioning of SRMs.	You have until December 31, 2011, to submit your application for a subsidy under the subsidy program for restaurateurs.

## Additional information

A series of documents are available to help you implement the new tax measures in your restaurant establishments.

Notably, you can find the following documents on our website at [www.revenu.gouv.qc.ca](http://www.revenu.gouv.qc.ca):

- *Information for Restaurateurs* (IN-575-V);
- *SRM User Guide* (IN-577-V);
- *Subsidy Program for Restaurateurs* (IN-574-V);
- *Requirements for Leased or Rented Equipment Under the Subsidy Program for Restaurateurs* (IN-574.A-V).

Refer to our website regularly, particularly to the section devoted to mandatory billing in the restaurant sector, at [www.revenu.gouv.qc.ca/resto](http://www.revenu.gouv.qc.ca/resto).

For more information, you can also call us at:

- 418 652-6014 (Québec);
- 514 287-2014 (Montréal);
- 1 855 271-0519 (elsewhere, toll-free).