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QUÉBEC



INFORMATION FOR RESTAURATEURS

Mandatory billing
in the restaurant sector

revenuquebec.ca/resto

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AS A RESTAURATEUR, YOU ACTIVELY PARTICIPATE IN QUÉBEC’S ECONOMIC DEVELOPMENT.

For your business and our economy to thrive, we need a competitive environment where everyone plays by the same rules.

By providing each and every client with a bill, you play an important role in ensuring a fair tax system for all.

This document is provided for information purposes only and does not constitute a legal interpretation of legislative provisions.



INTRODUCTION

The Québec government is committed to fighting tax evasion. In the restaurant sector, it has put in place fiscal measures to ensure that everyone pays his or her fair share of income tax and that the consumption taxes paid by consumers are remitted to the government.

This brochure is for you if you are a **restaurateur**¹ and you operate an establishment where meals are generally sold for consumption on the premises or elsewhere, or where a catering business is carried on.

This document has been developed to help you implement the tax measures related to mandatory billing in your restaurant establishment(s).

The document includes

- information to help you determine whether you operate a restaurant establishment;
- a description of the tax measures related to mandatory billing that apply to your restaurant establishment depending on whether it is registered for the QST, including
 - the obligation to remit a bill to clients if your restaurant establishment is subject to the measures,
 - the obligation to produce the bill using a sales recording module (SRM) if your establishment is registered for the QST,
 - the obligation to produce, by means of an SRM, a **Sommaire périodique des ventes (periodic sales summary)** each month and to send it to **Revenu Québec** if your establishment is registered for the QST;
- the steps to take to comply with the tax measures related to mandatory billing in the restaurant sector.

1. In this context, the term “restaurateur” is a generic term used to designate any operator of a restaurant establishment.



RESTAURANT ESTABLISHMENTS

Restaurant establishment

Definition of the term “restaurant establishment”

A restaurant establishment is:

- a place where meals (see the definition on page 7) are generally sold for consumption on the premises;
- a place where meals are sold for consumption elsewhere than on the premises;
- a place where a caterer carries on a business.

Mandatory billing also applies to the catering services of any business that offers catering services, but whose main activity is not catering (for example, grocery stores and bakeries that also provide catering services).

The term “restaurant establishment” does **not** refer to a business to which one of the following situations applies:

- 90% or more of the sales consist of alcoholic beverages.
- 90% or more of the meal sales are **tax-exempt**.¹
- 90% or more of the meals are reserved for the staff of a business.
- Meals are offered in a mobile vehicle (such as a mobile canteen, an airplane, a ship or on a train).
- 90% or more of the meals are sold for consumption in stands, bleachers, or in a space reserved for the participants or spectators of a theatre, a movie theatre, an amphitheatre, a racetrack, an arena, a stadium, a sports centre or any other similar place.
- The business is a butcher shop, bakery, fish shop, grocery store or similar business where meals are sold for consumption elsewhere than on the premises.
- The business offering meals is located on the premises of one of your businesses that is not a restaurant establishment and is laid out so that fewer than 20 people can simultaneously consume their meals on the premises (for example, a small restaurant in a hotel, store, grocery store, bakery, butcher shop or fish shop).

For more information, see the sections of this guide entitled “Caterers” and “Tourist accommodation establishments.”

1. The term “tax-exempt sale” means a sale that is not taxable under the *Act respecting the Québec Sales Tax*.



Meals

A meal is any food or beverage intended for human consumption. However, food and beverages are not considered meals if they are sold in automatic vending machines or are intended for resale (for example, food and beverages sold by a caterer to a grocery store chain).

Exemptions

We can exempt a person or a category of persons from an obligation provided for under the tax measures in the restaurant sector. Visit our website at the address given on the last page of this guide for information on the exemptions that have been granted to date.

Caterers

A business that offers catering services is considered to be a restaurant establishment if

- it offers catering services for banquets, cocktails or special occasions such as weddings, cocktail dinner buffets, private receptions, business events or anniversary or business meetings;
- or**
- it offers catering services in a grocery store, bakery, pastry shop or similar business, regardless of whether catering is its main business activity.

Main criteria for determining whether you offer catering services:

- Your business already presents itself as a caterer, in particular, in its advertising.
- You prepare and supply food and beverages on a special-order basis, according to the client's instructions.
- You establish your prices on the basis of the number of people or portions.
- Delivery is not mandatory.
- As a rule, the food and beverages are delivered to the client or on his or her behalf.
- You supply food or beverages that can be consumed as soon as they are delivered or after having been reheated.
- You supply foods or beverages with the equipment needed to serve and consume them.

These criteria are not exhaustive and no one criterion has greater bearing than another. As well, not all of the criteria need to be met for us to consider that you offer a catering service. In certain cases, a detailed analysis may be required.

If you cannot determine whether the tax measures related to mandatory billing applies to all or a part of the services provided by your business or whether your business must use an SRM, contact us. Our contact information is given on the last page of this publication.



FAQ

A client asks you to organize a méchoui at her residence. You supply the equipment and see to cooking the lamb, and other food, at her home. Does this constitute catering?

Yes. In the case of a méchoui or, for example, a corn boil, it is considered catering. The caterer is supplying the equipment as well as the food that he or she prepares at the client's residence or at the place designated by the client, and that is consumed there.

When a business (grocery store, bakery, etc.) has a take-out counter (for example, salads, sandwiches or sushis), does it constitute a catering service?

No, because the food is not prepared at the explicit request of a client.

On the other hand, if the business has designed a space that enables 20 people or more to simultaneously consume their meals, the business is subject to the tax measures in the restaurant sector.

A salad buffet is set up in a fruit and vegetable business or in a grocery store. Is the buffet considered a catering service?

No, it is not considered a catering service.

On the other hand, if the business has designed a space that enables 20 people or more to simultaneously consume their meals, it is subject to the tax measures in the restaurant sector.

At a grocery store, a client orders everything needed for a BBQ. Some food (buns, beverages, etc.) is taken from the store shelves, while meat patties are prepared by the grocer, who also supplies plates and glasses. Is the grocer offering a catering service?

No. It is not a catering service since the grocer supplies the grocery store items that must be prepared and cooked by the client before being consumed.

Your business offers catering services in a grocery store. Is your business subject to mandatory billing in the restaurant sector?

Yes. However, only the catering service is subject to the measure.

Tourist accommodation establishments

If you operate a tourist accommodation establishment, such as an inn or a bed and breakfast and you offer restaurant services in your establishment, the establishment may be subject to mandatory billing in the restaurant sector. **Your tourist accommodation establishment is considered to be a restaurant establishment if**

- a place in your establishment is laid out so that 20 people or more can simultaneously consume meals on the premises;
- meals for consumption off the premises are offered; or
- you offer catering services (for cocktail parties, banquets, weddings, conventions, etc.), regardless of whether it is your principal business activity.

Your tourist accommodation establishment is not considered to be a restaurant establishment if:

- **You provide only your clients with self-serve breakfast included with an overnight stay.** “Self-serve breakfast” is breakfast that is included in the price of an overnight stay and that is offered only to clients of the establishment, in a place reserved for that purpose where they serve themselves.
- **You provide only your clients with breakfast included in the price of a room (hotel, motel or inn) and the clients must pay this charge regardless of whether they eat the meal.** This is considered a single supply and not a supply of a meal.

FAQ

Your dining area is laid out so that you can offer self-serve breakfast to the clients you accommodate. Is your establishment subject to mandatory billing in the restaurant sector?

No, your establishment is not subject to the measure if you provide only your clients with self-serve breakfast included with their overnight stay.

You offer a night’s stay including breakfast as a package deal and your clients must pay the price of the breakfast regardless of whether they eat the meal. Your dining area is laid out so that you can also offer restaurant services at lunch and dinner. Is your establishment subject to mandatory billing in the restaurant sector?

Yes, regardless of the package deals you offer, your establishment is subject to the measure if the place designed for offering such services in your establishment allows 20 people or more to simultaneously consume meals on the premises.

You offer a night’s stay and a package deal that includes a night’s stay and breakfast and your clients are free to pay only for the night’s stay. Your dining area is laid out so that you can offer à la carte restaurant services to both guests of your hotel establishment and the general public. Is your establishment subject to mandatory billing in the restaurant sector?

Yes, regardless of the package deals you offer, your establishment is subject to the measure if the place designed for offering such services in your establishment allows 20 people or more to simultaneously consume meals on the premises.



RESTAURANT ESTABLISHMENT NOT REGISTERED FOR THE QST

If your establishment is not a QST registrant, you are required by law to

- provide your **clients**¹ with **bills**;²
- keep a paper or electronic copy of the bills.

Billing

There is no way to avoid mandatory billing. **You must provide a bill directly to every client without delay and at all times, and not just upon request.**

Therefore, you must provide a bill even if the total sale comes to \$0.00, a situation that may arise in the case of

- a complimentary meal;
- package deals that include the supply of a meal, such as a dinner theatre event or a stay in a hotel (for more information, see Appendix 1, *Package Deals*).

The bill

You can produce bills electronically using a sales recording system (cash register, point-of-sale (POS) system or any other electronic system used to manage and record sales, produce bills and keep accounting books). You can also produce hand-written bills.

1. The term “client” refers to the person for whom the bill is prepared.

2. The term “bill” refers to both the note that presents all expenditures incurred by a client in a restaurant establishment and the receipt, which is the proof of payment issued to the client.

Information that must appear on bills

Restaurant establishments that are subject to the measures but that are **not QST registrants** must include the following information on their bills:

1	NAME L'Assiette fiscale		DATE 1er janvier 2013	3	
	ADDRESS 3800, de Marly, Québec (Québec)				
2					
SOLD BY VENDU PAR		C.O.D. C.R.	CHARGE	ON ACCT REÇU A/C	ACCT.FWD MONT.REPORTÉ
1					
2	1 spaghetti				8 ⁹⁵
3	1 tarte au sucre				3 ⁹⁵
4	1 café				1 ⁴⁵
5					
6					
7					
8					
9					
10					
TPS					
TVQ					
4	0098599	TOTAL			14 ³⁵

- 1 the name of the restaurant establishment as declared to the Registraire des entreprises, if such a name does not exist, the name under which the establishment conducts business
- 2 the address of the restaurant establishment (street number, street name, and city, town or municipality)
- 3 the date the bill was prepared
- 4 a distinct number assigned to the bill (the bill number)
- 5 a detailed description of each food item and beverage sold (for example, vegetable soup, salad bar, daily special No. 1, table d'hôte No. 2, coffee, soft drink and glass of wine)
- 6 the price of each food item and beverage sold (if an item is free of charge, it must be indicated as such on the bill)
- 7 the total amount of the bill

Menus

If you use generic terms on your bills to describe the food or beverages sold (for example, "daily special No. 1" or "table d'hôte No. 2"), you must keep a copy of your menus. The menu copies you keep must

- describe the food and beverages that correspond to the terms used; and
- provide the prices of each menu item and the date.

This requirement does not apply to buffets.

Keeping bills and supporting documents

You must keep a copy of each bill, either on paper or electronically, as well as supporting documents for any adjustment made to a transaction or the cancellation of a transaction.



RESTAURANT ESTABLISHMENT REGISTERED FOR THE QST

If your restaurant establishment is a QST registrant, you are required by law to

- have the required equipment;
- provide your **clients**¹ with **bills**² produced with an SRM;
- produce the *Sommaire périodique des ventes* (periodic sales summary) and file it with us every month.

Required equipment

To produce bills using an SRM, you must use the following devices:

- an SRM selected by Revenu Québec
- an SRM-compatible sales recording system (SRS)
- an SRM-compatible receipt printer



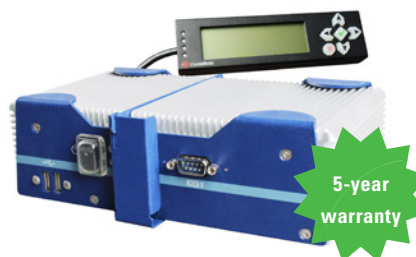
For more information, see the section entitled “Steps To Take Before Selling the First Meal.”

1. The term “client” refers to the person for whom the bill is prepared.
2. The term “bill” refers to both the note that presents all expenditures incurred by a client in a restaurant establishment and the receipt, which is the proof of payment issued to the client.

SRM

The SRM that was selected by Revenu Québec is a microcomputer equipped with a security seal.

To function properly, the SRM must be connected to an SRS and a receipt printer.



It is designed to

- receive data related to commercial transactions;
- record transaction information (such as sales and taxes) in secure data storage; and
- send to a receipt printer the information required to be printed on the bill.

The SRM has the following characteristics:

- It is equipped with a display station used to send data to the SRM and to retrieve data from it.
- It is protected with a security seal on which Revenu Québec's name appears and a unique serial number is engraved. The security seal prevents the module from being opened and must not be altered.
- It produces a barcode that is printed on each bill.
- It allows the restaurateur and our personnel to consult and copy the recorded data.
- It allows the restaurateur to produce the Sommaire périodique des ventes (periodic sales summary) that must be sent to us every month.

SRS

An SRS is a cash register, a point of sale system or any other computer system used to produce bills, manage and record sales and keep books of account.



Receipt printer

A receipt printer is a piece of equipment connected to the SRM used to print bills produced by an SRS or an SRM.





Providing your client with a bill produced using an SRM

Operators whose restaurant establishment is registered for the QST have the absolute obligation of providing clients with bills produced using an SRM. **You must provide a bill directly to every client without delay and at all times, and not just upon request.**

Therefore, you must provide a bill even if the total sale is \$0.00, a situation that may arise in the case of

- a complimentary meal;
- package deals that include the supply of a meal, such as a dinner theatre event or a stay in a hotel.

You must notify us if, for any reason, you are unable to provide your clients with bills produced using an SRM. In such a case, call our client services at one of the telephone numbers on the last page of this guide.

For more information on bills for package deals or group events, see appendixes 1 and 2 at the end of this publication.

Using an SRM to produce bills

Once an SRM is activated, you must use it at all times to produce your bills.

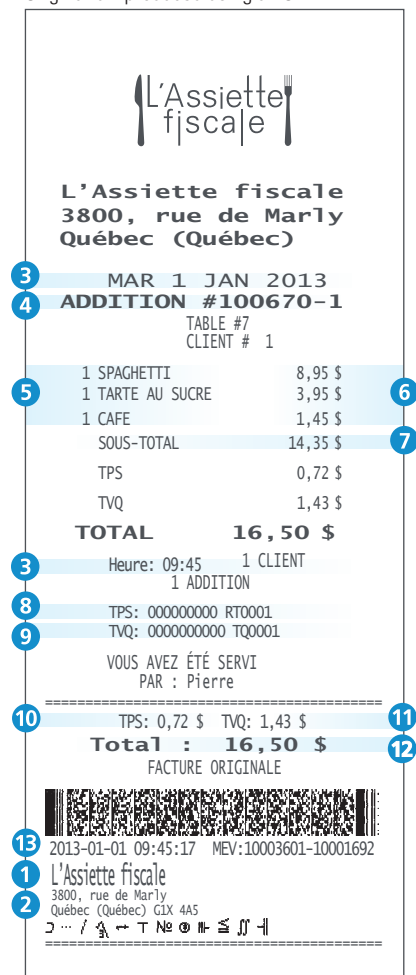
Bills produced using an SRM

A bill produced using an SRM has a number of distinguishing features generated by the SRM, including a barcode at the bottom of the bill (in the footer).

Information that must appear on bills produced using an SRM

A bill produced using an SRM must include all the information listed below.

Original bill produced using an SRM



1	the name of the restaurant establishment as declared to the Registraire des entreprises or, if such a name does not exist, the name under which the establishment conducts business (make sure the name entered in the SRM at the time of activation is accurate, as it is the name that will appear in the footer of your bills)
2	the address of the restaurant establishment (including the street number, street name, and city, town or municipality), which must correspond to the premises where the meals are provided (make sure the address entered in the SRM at the time of activation is accurate, as it is the address that will appear in the footer of your bills)
3	the date and time (hour and minute) the bill was produced
4	a distinct number assigned to the bill
5	a detailed description of each food item and beverage sold (for example, vegetable soup, salad bar, daily special No. 1, table d'hôte No. 2, coffee, soft drink and glass of wine)
6	the price of each food item and beverage sold (if an item is free of charge, it must be indicated as such on the bill)
7	the subtotal before taxes
8	the goods and services tax (GST) registration number
9	the Québec sales tax (QST) registration number
10	the amount of GST
11	the amount of QST
12	the total amount of the bill, including taxes
13	the date and time (hour, minute and second) the bill was printed

The bill must include all the required information. In addition, it is your responsibility to ensure that the SRM and SRS clocks are set to the correct time and that the information on bills is accurate.



Menus

If, on your bills produced using an SRM, you use generic terms to describe the food or beverages sold (for example, “daily special No. 1” or “table d’hôte No. 2”), you must keep a copy of your menus. The menu copies you keep must

- describe the food and beverages that correspond to the terms used; and
- provide the prices of each menu item and the effective date of the prices.

This requirement does not apply to buffets.

Recording a payment mode in the SRM

Use an SRS connected to an SRM to record the payment mode in the SRM when you close a transaction and collect the amount due using an SRS connected to an SRM. You simply enter the payment mode used by the client to pay his or her bill. Accepted payment modes include cash, credit card and debit card. Note that the SRM can also record a combination of payment modes.

In addition, the SRM records closed transactions for which no payment is required, for example, a supply reduced by 100% (a free item).

You must not wait until the end of your shift to enter the payment mode for each bill produced during the shift. If you wait until the end of the shift to enter the payment mode, you will be in violation of the law. In the case where a client leaves money on the table to pay the bill and then leaves the premises, you must immediately enter the information on the sale (including payment mode) in the SRS connected to an SRM.

Note that you are required by law to enter the payment mode in the SRM immediately and that failure to do so may result in a fine.

Special cases: deliveries and takeout orders

The requirement to produce a bill using an SRM also applies to deliveries and takeout orders.

However, bills produced using an SRM are printed on heat-sensitive paper; the information on a bill can therefore be erased if it comes into contact with hot meals ready for takeout or delivery.

To ensure that such bills remain intact until they are given to the client, you can use a separate delivery document (that does not mention the taxes or the total amount payable) for internal management purposes.

As soon as the delivery person returns to your place of business, you must enter the payment mode for the sale in an SRS connected to an SRM.



Sales and tax records that correspond

When closing transactions, make sure you use an SRS that is **connected to an SRM**. This will ensure that the sales and taxes recorded in the SRM and those recorded in your SRS correspond.

If your records do not correspond, contact your installer.

Keeping bills and supporting documents

Even though the SRM stores information about the bills it produces, we recommend making backup copies of that information on a regular basis to avoid any data recovery fees that you would be charged should the equipment malfunction resulting in loss of data. To make your backup copies, follow the instructions in the *SRM User Guide* (IN-577-V), available on our website.

You must keep the data, together with your establishment's accounting records, in a safe place. As with your accounting records, the data must be kept for the period of time prescribed by law. In addition, you must keep documents that support any adjustment made to a transaction or the cancellation of a transaction.



Sommaire périodique des ventes (periodic sales summary)

**SOMMAIRE PÉRIODIQUE
DES VENTES**

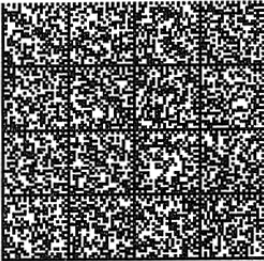
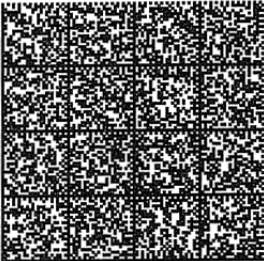
De : ADMIN (ADMINISTRATEUR)

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

No MEV : 10000101
Produit le : 2013-01-01 à 07:23:58

<u>Période</u> 2012-12	
Nombre :	0
Total avant taxes :	0,00 \$
TPS :	0,00 \$
TVQ :	0,00 \$

Identification du SPV
10000101-3201004

Note : Veuillez transmettre ce SPV
à Revenu Québec

Signature : _____

Once an SRM has been activated in your restaurant establishment, you must produce the *Sommaire périodique des ventes* (periodic sales summary) and file it with us every month. You must file this document even if no transaction was recorded in the SRM for the month in question.

The periodic sales summary is a report that contains data (presented in the form of bar codes) on the transactions recorded in an SRM in the course of a calendar month.

You must file a periodic sales summary on paper or electronically with us every month. Each summary must cover a one-month period and be sent to Revenu Québec no later than the last day of the following month.

The periodic sales summary must contain the prescribed information and be filed in the prescribed manner. To find out how to file a periodic sales summary, consult the *SRM User Guide* (IN-577-V), available on our website.

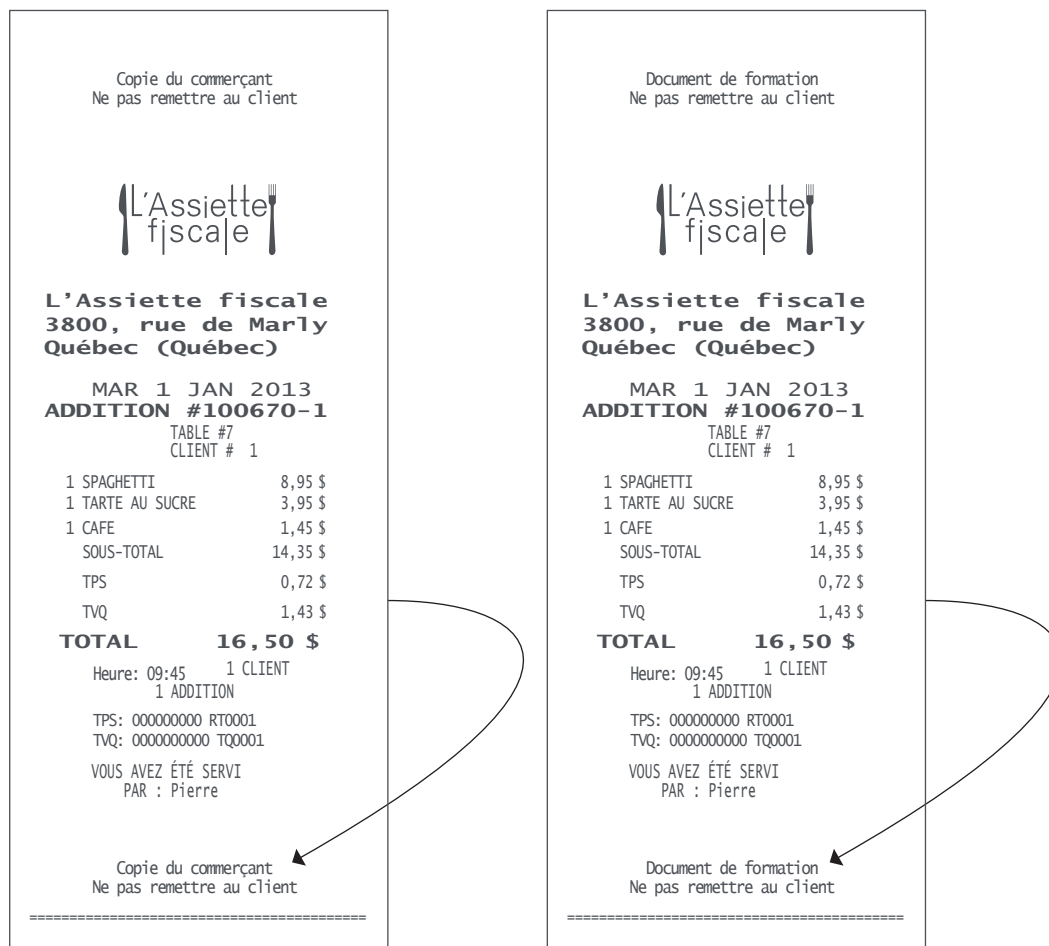
If you temporarily or permanently stop using the SRM, you must produce the periodic sales summaries not yet filed for the periods during which the SRM was activated, including the current period.

Do not use the sales and tax data from your periodic sales summaries to file your GST/HST – QST returns or your income tax returns. Certain transactions (such as those for package deals and group events) are not included in the data. Instead, use the information in your accounting system.

SRM-generated documents for internal management purposes

The SRM allows you to produce certain documents for the internal management of your restaurant establishment. These documents do not include a footer; they can be kept or reproduced as needed.

If you reproduce bills for internal management purposes, make sure they bear the indication “Copie du commerçant” (merchant copy) or “Document de formation” (training document).



Copie du commerçant
Ne pas remettre au client

L'Assiette fiscale

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

MAR 1 JAN 2013
ADDITION #100670-1

TABLE #7
CLIENT # 1

1 SPAGHETTI	8,95 \$
1 TARTE AU SUCRE	3,95 \$
1 CAFE	1,45 \$
SOUS-TOTAL	14,35 \$
TPS	0,72 \$
TVQ	1,43 \$
TOTAL	16,50 \$

Heure: 09:45 1 CLIENT
1 ADDITION

TPS: 000000000 RT0001
TVQ: 000000000 TQ0001

VOUS AVEZ ÉTÉ SERVI
PAR : Pierre

Copie du commerçant
Ne pas remettre au client

=====

Document de formation
Ne pas remettre au client

L'Assiette fiscale

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

MAR 1 JAN 2013
ADDITION #100670-1

TABLE #7
CLIENT # 1

1 SPAGHETTI	8,95 \$
1 TARTE AU SUCRE	3,95 \$
1 CAFE	1,45 \$
SOUS-TOTAL	14,35 \$
TPS	0,72 \$
TVQ	1,43 \$
TOTAL	16,50 \$

Heure: 09:45 1 CLIENT
1 ADDITION

TPS: 000000000 RT0001
TVQ: 000000000 TQ0001

VOUS AVEZ ÉTÉ SERVI
PAR : Pierre

Document de formation
Ne pas remettre au client

=====

The SRM can also produce six types of management reports:

- The “Informations générales” (general information), “Sommaire des ventes” (sales summary), “Analyse transactionnelle” (transaction analysis) and “Sommaire du journal des événements” (event log summary) reports help view the contents of the bar codes shown on periodic sales summaries.
- The “Détail des ventes” (sales detail) and “Détail du journal des événements” (event log detail) reports detail the data recorded in the SRM.

To find out how to produce these documents, see the *SRM User Guide* (IN-577-V), available on our website.



STEPS TO TAKE BEFORE SELLING THE FIRST MEAL

This section describes the steps you must take to comply with your obligation to produce bills using an SRM, an obligation that begins with the first meal you supply to a client. A reference tool is included in Appendix 3 at the end of this guide to help you remember the steps.

1 Make sure you have the required equipment and the information you need to activate the SRM

Required equipment

To install and activate an SRM, you need an SRM-compatible SRS, and an SRM-compatible receipt printer.

SRM-COMPATIBLE SRS

As a restaurateur, you are required to ensure that the SRS you use to manage your sales is compatible with an SRM and can communicate with it at all times. To be SRM-compatible, an SRS must be adapted by its manufacturer or developer in accordance with our technical specifications.

Manufacturers or developers can apply to have us evaluate whether their adapted products meet our technical specifications. If we determine that an adapted product meets all our specifications, we provide its manufacturer or developer with a certification of compliance that recognizes that the product is compatible with the SRM.

A list of sales recording systems that we have certified or are in the process of certifying is available on our website for consultation.

You can also contact an installer to help you choose among the various products available on the market.

SRM-COMPATIBLE RECEIPT PRINTERS

You are required to use a receipt printer compatible with the SRM to print bills with the required footer and all the required information.

Most thermal printers used in the restaurant sector are SRM-compatible. However, receipt printers integrated into cash registers, however, are not.

You can consult the list of SRM-compatible printers on our website.

Information required to activate the SRM

Before activating your SRM, be sure to have on hand

- the 10-digit **identification number** on your QST registration certificate (“Certificat d’inscription”);
- the 4-digit **file number** on your QST registration certificate;
- the **identification number of your restaurant establishment** that you received from us further to the registration of your establishment;
- the **access code** that you received from us further to the registration of your establishment (be sure to keep this confidential number in a safe place).

<p>You have forgotten your establishment’s identification number or your access code.</p>	<p>Call us at one of the numbers on the last page of this publication.</p>
<p>You do not have the identification number of your restaurant establishment and your access code.</p>	<p>You must contact us to have us register your restaurant establishment in our files. You can do so using either of the two following methods:</p> <ul style="list-style-type: none"> • On our website, access the online service Inscription d’un établissement de restauration (available in French only). If you use this service, you will receive the identification number of your restaurant establishment and your access code immediately. • Complete the <i>Information Form for Restaurant Establishments in Québec</i> (VD-350.52.A-V), available on our website, and send it to one of the addresses indicated on the form. Once we have processed your form, we will send you the identification number of your restaurant establishment and your access code in a letter confirming your registration.



2 Acquire an SRM

Acquiring a new SRM

To acquire a new SRM, you must contact an SRM installer registered as such with Revenu Québec.

Please note that prices are not set by Revenu Québec. However, in May 2010, the Québec government and IBM Canada entered into an agreement that established the price that an installer must pay for each of the products and services listed below.

Products and services offered by IBM Canada to SRM installers registered with Revenu Québec
SRM (including the display station, the power supply, and the 5-year warranty that begins the day the SRM is first activated)
Estimate to repair any components not covered by the warranty on the SRM
Recovery of SRM data (including the cost of the required DVD and shipping costs)
Replacement of a security seal
Replacement or additional display station
Replacement or additional power supply

The priced paid by the installer for each of these products and services is subject to change based on the agreement. Consult our website for information on the prices.

Acquiring a used SRM

A used SRM can be acquired from an individual, a business or an SRM installer.

Make sure the former owner has initialized the SRM, otherwise you will not be able to activate it for use in your restaurant establishment. If you see message "Appuyer sur une touche pour ouvrir une session" on the SRM's display station a few minutes after having turned it on, the SRM has not been initialized. If this happens, ask the former owner to initialize the SRM.

Ownership

Once you acquire an SRM, it becomes your property and you must

- safeguard and protect it;
- leave the security seal intact;
- maintain it in proper working order;
- make sure that it is always accessible and that information pertinent to inspections can be extracted.

Notify us in case of theft, breakage or damage to the SRM security seal (our telephone numbers are given on the last page of this publication).



Warranty

The SRM is covered by a 5-year transferable warranty provided by the supplier, IBM Canada. The warranty begins on the date the SRM is first activated. However, it does not cover the work time and travel expenses charged by the installer to deactivate a defective SRM or activate a replacement SRM.

3 SRM installation and activation

To have an SRM installed and activated, you must require the services of an SRM installer registered as such with Revenu Québec.

We recommend that you enter your access code yourself upon activation so that the code remains confidential. If you decide to give your code to an installer you assume the responsibility for any purpose for which the installer uses this code.

Once your SRMs are activated, we will send you a letter of confirmation. If the information in the letter does not correspond to the SRMs that were actually installed in your restaurant establishment, contact us and your installer immediately to correct the situation (our telephone numbers are listed on the last page of this publication).

SRM software update

Upon activation, the SRM is automatically equipped with the most recent software version whether it is new or used.

We develop software updates and recommend that you install them when available. Note that some updates are required while some are optional.

For information on the principal changes in each software update, consult the table entitled “Characteristics of the various versions of the SRM software,” available on our website.

To update your SRM’s software, contact an SRM installer registered as such with Revenu Québec. Note that installing an update will not result in the loss of transaction data stored in the SRM.

How to use an SRM

For information on how to use an SRM, consult the *SRM User Guide* (IN-577-V), available on our website.



PENALTIES AND FINES

You are required to comply with the mandatory billing measures in each of your restaurant establishments (regardless of whether the establishment is registered for QST purposes). If you fail to do so, you are liable to penalties and fines.

The applicable penalties and fines are described on our website.

Providing clients with bills

If you operate a restaurant establishment, you are required to

- produce bills showing all the required information;
- provide each client with a bill immediately and at all times, not just upon request;
- keep a paper or electronic copy of each bill for six years after the year of the transaction;
- keep all documents supporting adjustments made to transactions or cancellations of transactions for six years after the year of the transaction; and
- keep a copy of all your menus if you use generic terms on your bills to describe the food items and beverages sold.

Using an SRM to produce bills

If your restaurant establishment is registered for the QST, in addition to complying with the above-mentioned requirements, you must

- use your SRM to produce your bills;
- use your SRM as soon as it is activated;
- enter the payment mode used by your clients in an SRS connected to an SRM so that it is recorded in the SRM; and
- make sure the SRM's security seal remains intact.

Please inform us if the security seal is damaged.

If for some reason you are unable to provide a client with a bill produced by your SRM, notify us at one of the numbers on the last page of this guide.



Producing the *Sommaire périodique des ventes* (periodic sales summary)

If your restaurant establishment is registered for QST purposes you must produce the *Sommaire périodique des ventes* (periodic sales summary) every month (using your SRM) and send it to us.

If you fail to send us one or more periodic sales summaries by the prescribed deadline, you will be liable to a fine in the amount of \$25 per day late, up to \$2,500 for each summary. If you cannot produce the summary, contact our client services immediately at the telephone number given on the last page of this publication.

VOLUNTARY DISCLOSURE

As a restaurateur, you have several tax obligations to fulfill. If you failed to report certain tax information in the past, our voluntary disclosure policy could give you an opportunity to rectify your tax situation.

Under this policy, we will not impose the penalties provided for under fiscal legislation and will waive our right to undertake penal proceedings as long as all conditions are met and the related tax debt is paid at the end of the disclosure process.

If you wish to make a voluntary disclosure, contact us to make your intention known. For more information, consult the brochure *Voluntary Disclosure: Rectifying Your Tax Situation* (IN-309-V), available on our website.



PROCEDURE TO STOP USING AN SRM AND HOW TO TRANSFER OWNERSHIP

If you stop using an SRM or wish to sell your SRM or buy a used one, there are certain steps that must be followed. The steps will ensure that you comply with the tax measures relating to mandatory billing in the restaurant sector, in particular, the ones pertaining to the SRM.

To help you properly manage your SRM(s), we have prepared a list of the various things you need to do in the case where you no longer use an SRM or wish to transfer ownership of it. Follow the instructions in the *SRM User Guide* (IN-577-V), available on our website.

SRM status

The SRM status refers to its activation status. See the table below for the details.

SRM status	Description	Possibilities/Restrictions
Activated	An activated SRM records all transactions and stores all data.	<ul style="list-style-type: none"> • Bills can be produced. • Various reports, including the <i>Sommaire périodique des ventes</i> (periodic sales summary), can be produced.
Deactivated	A deactivated SRM will no longer record transactions, but retains all data already entered.	<ul style="list-style-type: none"> • Bills cannot be produced. • Various reports, including the <i>Sommaire périodique des ventes</i> (periodic sales summary), can be produced only for the periods in which the SRM was activated.
Initialized	An initialized SRM contains no data. It can be sold to another person that can activate it for use in that person's restaurant establishment.	<ul style="list-style-type: none"> • Bills cannot be produced. • The various reports, including the <i>Sommaire périodique des ventes</i> (periodic sales summary), cannot be produced.

Note that outside of certain exceptional circumstances, an SRM in an operating restaurant establishment should always be activated.

Note that initializing or deactivating your SRM(s) does not register your restaurant establishment for Revenu Québec files or cancel such a registration. Likewise registering for Revenu Québec files or cancelling such registration does not automatically result in the initialization or deactivation of your SRM(s). For more information, see form VD-350.52.A-V, *Information Form for Restaurant Establishments in Québec*, available on our website.

APPENDIX 1 – PACKAGE DEALS

Package deals

You are required to provide your clients with bills for any package deal purchased. A sale is considered a package deal when a meal is included with a service, such as at a dinner theatre, during hotel stays, at golf tournaments and during visits to beauty centres. For package deals, you must provide bills specifying each food item or beverage included. You can decide whether or not to include the price of each item or the total amount of the bill.

Bills for package deals produced without an SRM

If you choose to provide **bills for package deals** where the price of each food item or beverage as well as the total are zero, a special mention, such as “Forfait” (package deal), must be printed on the bill.

In addition, you must add to package deal bills the price of each food or beverage item not included in the package deal and adjust the total accordingly. You must also keep all supporting documents pertaining to the package deal.

Providing clients with bills for package deals avoids having sales and taxes recorded in both the accounting system and the SRS.

	
L'Assiette fiscale 3800, rue de Marly Québec (Québec)	
MAR 1 JAN 2013	
ADDITION #0089995	
1 SPAGHETTI	0,00 \$
1 TARTE AU SUCRE	0,00 \$
1 CAFE	0,00 \$
SOUS-TOTAL	0,00 \$
TPS	0,00 \$
TVQ	0,00 \$
TOTAL	0,00 \$
FORFAIT	
Heure: 13:25 1 CLIENT	
TPS: 000000000 RT0001	
TVQ: 000000000 TQ0001	

	
L'Assiette fiscale 3800, rue de Marly Québec (Québec)	
MAR 1 JAN 2013	
ADDITION #0089995	
1 SPAGHETTI	0,00 \$
1 TARTE AU SUCRE	0,00 \$
1 CAFE	0,00 \$
1 LITRE DE VIN MAISON	32,00 \$
SOUS-TOTAL	32,00 \$
TPS	1,60 \$
TVQ	3,19 \$
TOTAL	36,79 \$
FORFAIT	
Heure: 13:25 1 CLIENT	
TPS: 000000000 RT0001	
TVQ: 000000000 TQ0001	



Bills for package deals produced with an SRM

If you choose to provide **bills for package deals** where the price of each food item or beverage as well as the total are zero, a special mention, such as "Forfait" (package deal), must be printed on the bill.

Your SRS must be equipped with special features to produce bills for package deals. To find out if your equipment has these features, contact your installer or see our website (www.revenuquebec.ca/resto) to see which sales recording systems Revenu Québec has certified.

In addition, you must add to bills for package deals the price of each food or beverage item not included in the package deal and adjust the total accordingly. You must also keep all supporting documents pertaining to the package deal.

Providing clients with bills for package deals avoids having sales and taxes recorded in both the accounting system and the SRS.

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

MAR 1 JAN 2013
ADDITION #100670-1
TABLE #7
CLIENT # 1

1 SPAGHETTI	0,00 \$
1 TARTE AU SUCRE	0,00 \$
1 CAFE	0,00 \$
SOUS-TOTAL	0,00 \$
TPS	0,00 \$
TVQ	0,00 \$
TOTAL	0,00 \$

Heure: 09:45 1 CLIENT
1 ADDITION

TPS: 000000000 RT0001
TVQ: 0000000000 TQ0001

VOUS AVEZ ÉTÉ SERVI
PAR : Pierre

TPS: 0,00 \$ TVQ: 0,00 \$
Total : 0,00 \$
FACTURE ORIGINALE
FORFAIT

2013-01-01 09:45:17 MEV:10003601-10001692

L'Assiette fiscale
3800, rue de Marly
Québec (Québec) G1X 4A5

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

MAR 1 JAN 2013
ADDITION #100670-1
TABLE #7
CLIENT # 1

1 SPAGHETTI	0,00 \$
1 TARTE AU SUCRE	0,00 \$
1 CAFE	0,00 \$
1 LITRE DE VIN MAISON	32,00 \$
SOUS-TOTAL	32,00 \$
TPS	1,60 \$
TVQ	3,19 \$
TOTAL	36,79 \$

Heure: 09:45 1 CLIENT
1 ADDITION

TPS: 000000000 RT0001
TVQ: 0000000000 TQ0001

VOUS AVEZ ÉTÉ SERVI
PAR : Pierre

TPS: 1,60 \$ TVQ: 3,19 \$
Total : 36,79 \$
FACTURE ORIGINALE
FORFAIT

2013-01-01 09:45:17 MEV:10003601-10001692

L'Assiette fiscale
3800, rue de Marly
Québec (Québec) G1X 4A5



FAQ

Are restaurant gift certificates and discount coupons considered package deals?

Gift certificates and discount coupons are not considered package deals. They are simply payment modes, the same as cash or credit cards.

Where a hotel offers breakfast in a restaurant with each night's stay, is the hotel or the restaurant responsible for providing the bill to the client?

It is always the restaurant establishment that is responsible for providing bills to clients.



APPENDIX 2 – GROUP EVENTS

Group events

The term “group event” applies only if you provide meals or catering services to a group of people (at a banquet, wedding, convention or seminar, for example) **under a written agreement signed with a client.**

Any activity that is not the subject of a written agreement is not considered a group event. Such is the case, for example,

- of an order made by telephone for a group of people;
- where a meal is served to a group, regardless of whether or not a reservation was made ahead of time.

Bills for group events

	
L'Assiette fiscale 3800, rue de Marly Québec (Québec)	
DATE: 01/01/2013	HEURE: 14:46:22
1 NO CONTRAT	#235
1 DATE DE L'ÉVÉNEMENT	2013-01-10
1 DATE DE L'ÉVÉNEMENT	2013-01-12
1 MONTANT PREVU	250,00 \$
1 NBRE PREVU DE PERSONNES	25

TOTAL: 0,00	
TPS: 00000000 RT0001	
TVQ: 00000000 TQ0001	
LE SERVICE N'EST PAS INCLUS. MERCI! GRATUITIES ARE NOT INCLUDED. THANK YOU!	

TPS: 0,00 \$ TVQ: 0,00 \$	
Total : 0,00 \$	
ÉVÉNEMENT DE GROUPE	
	
2013-01-01 14:46:22 MEV:10003601-10001692	
L'Assiette fiscale	
3800, rue de Marly	
Québec (Québec) G1X 4A5	
	

In the case of a group event, you may decide not to provide a bill at the time of the event. You must, however, follow the instructions given on the following page. You also have the option of giving the client a bill produced by your SRM at the time of the event.



Processing group events

If you decide not to provide a bill, you must produce a document marked “Événement de groupe” (group event) before the event takes place. To do so, enter the following information into the SRM using your SRS:

- the reference number shown on the written agreement;
- the date(s) of the event;
- the maximum number of people expected;
- the estimated amount of the bill before taxes.

The SRM will produce a document containing the above information. Additional information generated by the SRM, most notably a barcode, will also appear at the bottom of the document.

If the date of the event or the reference number of the agreement changes after the information has been entered into the SRM, you must correct the information before the event takes place.

The group event document must be attached to the payment request sent to the client. You must keep a copy of both the document and the written agreement.

In order for your SRM to produce a group event document, your SRS must be equipped with the necessary features. To find out if your equipment has these features, contact your installer or see our website to see which sales recording systems Revenu Québec has certified.

Note that entering information about group events into an SRM could lead to discrepancies between the sales and taxes recorded by the SRM and those compiled by the restaurant establishment’s accounting system because sales and taxes from group events are recorded as zero by the SRM.

**FAQ**

If, during the course of the group event, a person orders a beverage at his or her own expense, am I required to remit to that person an SRM-generated bill?

If the beverage is served alone, you do not need to remit to the client a bill produced by an SRM. If, however, the beverage is accompanied by food that is not included under the written agreement, you must produce an SRM-generated bill.

If a hotel is receiving a group of people under a written agreement and orders meals from a caterer, who is responsible for fulfilling the obligations relative to the group event: the hotel or the caterer?

The hotel is responsible for:

- producing a document marked “Événement de groupe” (group event) with an SRM before the event takes place;
- attaching the document to the payment request that will be sent to the client;
- keeping a copy of the document and the written agreement.

The caterer is not required to remit an SRM-generated bill to the hotel. Under Québec law, the term “meal” does not include food or beverages sold for resale by a third party.

APPENDIX 3 – STEPS TO COMPLETE BEFORE SELLING THE FIRST MEAL

STEP	Question to ask yourself	Action
<p>1 Make sure you have the required equipment and all the information you need to activate the SRM.</p>	<p>Is my SRS compatible with the SRM?</p>	<p>Consult our website to see if your SRS is on our lists of products that are certified.</p> <p>You can also contact an installer to help you choose a product from the various products on the market.</p>
	<p>Is my receipt printer compatible with the SRM?</p>	<p>Consult our website to see if your receipt printer is on our list of SRM-compatible printers.</p>
	<p>Do I have all the information I need to activate my SRM?</p>	<p>Before you activate your SRM, be sure to have the following information on hand:</p> <ul style="list-style-type: none"> • the 10-digit identification number on your QST registration certificate; • the 4-digit file number on your QST registration certificate; • the identification number of your restaurant establishment that you received from us further to the registration of your establishment; • the access code that you received from us further to the registration of your establishment (be sure to keep this confidential number in a safe place).
<p>2 Acquire an SRM.</p>	<p>How do I acquire a new SRM?</p>	<p>Contact an SRM installer registered as such with Revenu Québec.</p>
	<p>How do I acquire a used SRM?</p>	<p>Follow the instructions in the section entitled “Procedure to Stop Using An SRM and How to Transfer Ownership.”</p>
<p>3 Have your SRM installed and activated.</p>	<p>Who can install and activate my SRM?</p>	<p>Contact an SRM installer registered as such with Revenu Québec.</p>

TO CONTACT US

Online

We invite you to visit our website at www.revenuquebec.ca, and, more specifically, the section dealing with mandatory billing in the restaurant sector, at www.revenuquebec.ca/resto.

Useful information and several publications are available on our website to help you fulfill your tax obligations in the restaurant sector.

By telephone

Québec City: 418 652-6014

Montréal: 514 287-2014

Elsewhere: 1 855 271-0519

For calls about any of the following:

- interpretation or application of the tax measures in the restaurant sector
- obtaining an identification number or an access code for a restaurant establishment
- the *Sommaire périodique des ventes* (periodic sales summary)
- a defective, lost or stolen SRM

Business hours

Monday, Tuesday, Thursday and Friday: 8:30 a.m. to 4:30 p.m.

Wednesday: 10 a.m. to 4:30 p.m.

For calls about any of the following:

- our online services
- how to use the SRM
- deactivating or re-activating an SRM

Business hours

Monday, Tuesday, Thursday and Friday: 8 a.m. to 6 p.m.

Wednesday: 10 a.m. to 6 p.m.

By mail

Montréal, Laval, Laurentides, Lanaudière, Montérégie, Estrie and Outaouais

Direction principale des relations
avec la clientèle des entreprises
Revenu Québec
C. P. 3000, succursale Place-Desjardins
Montréal (Québec) H5B 1A4

Québec City and other regions

Direction principale des relations
avec la clientèle des entreprises
Revenu Québec
3800, rue de Marly
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Vous pouvez vous procurer la version française de cette publication intitulée *Renseignements pour les restaurateurs* (IN-575).