



Canada Revenue
Agency

Agence du revenu
du Canada

GST/HST Public Service Bodies' Rebate

Includes Forms GST66 and RC7066 SCH

Is this guide for you?

This guide gives general information about how to calculate your goods and services tax/harmonized sales tax (GST/HST) public service bodies' rebate or GST self-government refund and describes the different calculation methods you can use. It also explains how to complete your rebate application.

GST/HST and Quebec

In Quebec, Revenu Québec administers the GST/HST. If the physical location of your business is in Quebec, contact Revenu Québec, at **1-800-567-4692**. Also, see the Revenu Québec publication IN-203-V, *General Information Concerning the QST and the GST/HST*, available at www.revenu.gouv.qc.ca.

If you have a visual impairment, you can get our publications in braille, large print, etext (CD or diskette), or MP3. For more information, go to www.cra.gc.ca/alternate or call **1-800-959-2221**.

What's new?

We list the major changes below, including changes that have been announced but were not law at the time of printing this guide. If they become law as proposed, they will be effective as of the dates indicated. For more information on these and other changes, see the areas outlined in colour in this guide.

New public service bodies' rebate schedule for the provincial part of the HST

As of July 1, 2010, public service bodies and certain non-profit organizations resident in a participating province (British Columbia, New Brunswick, Newfoundland and Labrador, Nova Scotia, or Ontario) that are claiming a rebate for the **provincial** part of the HST, have to complete the new provincial schedule, Form RC7066 SCH, *Provincial Schedule – GST/HST Public Service Bodies' Rebate* and attach it to their rebate application in order to claim the rebate. For information on completing the rebate application and the provincial schedule, see "Completing the public service bodies' rebate application" on page 10 and "Completing the provincial schedule" on page 11.

If you are a resident in one or more participating provinces, you have to calculate the public service bodies' 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 participating province in which you are resident. For more information, see "How do I calculate the public service bodies' rebate?" on page 18.

Harmonized sales tax for Ontario

As of July 1, 2010, Ontario harmonized its retail sales tax with the GST to implement the harmonized sales tax in Ontario at the rate of 13% (5% federal part and 8% provincial part).

Harmonized sales tax for British Columbia

As of July 1, 2010, British Columbia (BC) harmonized its provincial sales tax with the GST to implement the harmonized sales tax in BC at the rate of 12% (5% federal part and 7% provincial part).

Harmonized sales tax rate change for Nova Scotia

As of July 1, 2010, Nova Scotia increased its harmonized sales tax rate to 15% (5% federal part and 10% provincial part).

Mandatory electronic filing

Under proposed changes, for reporting periods that end after June 2010, you may have to file your GST/HST returns electronically. For more information, see Guide RC4022, *General Information for GST/HST Registrants*, or go to www.cra.gc.ca/gsthst.

If you file your GST/HST return using GST/HST NETFILE, you have to send your rebate application to us no later than the day you file your return.

GST/HST electronic filing changes

For reporting periods that end after June 2010, all restrictions have been removed so that all registrants, other than selected listed financial institutions, can file their GST/HST returns electronically. For more information, go to www.cra.gc.ca/gsthst-filing.

Place of supply rules

The place of supply rules have changed. For more information, see GST/HST Technical Information Bulletin B-103, *Harmonized Sales Tax – Place of supply rules for determining whether a supply is made in a province*, or go to www.cra.gc.ca/placeofsupply.

My Business Account

You can now use the Instalment payment calculator service to calculate your instalment payments and view their related due dates.

To learn more about the growing list of services available in My Business Account, go to www.cra.gc.ca/mybusinessaccount.

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Definitions

Charity – means a registered charity or registered Canadian amateur athletic association for income tax purposes, but does not include a public institution.

Commercial activity – means any business or adventure or concern in the nature of trade carried on by a person, but **does not include:**

- the making of exempt supplies; or
- any business or adventure or concern in the nature of trade carried on without a reasonable expectation of profit by an individual, a personal trust, or a partnership where all the members are individuals.

Commercial activity also includes a supply of real property, other than an exempt supply, made by any person, whether or not there is a reasonable expectation of profit, and anything done in the course of making the supply or in connection with the making of the supply.

Eligible activities – for the purposes of the public service bodies' rebate, refers to the making of facility supplies, ancillary supplies, or home medical supplies, or operating a qualifying facility to make facility supplies.

Exempt supplies – are supplies of property and services that are not subject to the GST/HST. GST/HST registrants cannot claim input tax credits to recover the GST/HST paid or payable on expenses related to making such supplies. However, as a public service body, you may be eligible to claim a GST/HST rebate for the tax paid or payable on expenses related to making exempt supplies.

Input tax credit (ITC) – means a credit GST/HST registrants can claim to recover the GST/HST paid or payable for property and services they acquired, imported into Canada, or brought into a participating province for use, consumption, or supply in the course of their commercial activities.

Non-selected public service body activities – are activities other than:

- those activities for which a person was designated as a municipality; or
- activities engaged in by the person in the course of:
 - fulfilling responsibilities as a local authority;
 - operating a public hospital, an elementary or a secondary school, a post-secondary college or technical institute, a recognized degree-granting institution or a college affiliated with or research body of such a degree-granting institution; or
 - making facility supplies, ancillary supplies or home medical supplies or operating a qualifying facility to make facility supplies.

Participating province – means the province of British Columbia, New Brunswick, Newfoundland and Labrador, Nova Scotia, or Ontario.

Person – means an individual, a partnership, a corporation, the estate of a deceased individual, a trust, or any organization such as a society, a union, a club, an association, or a commission.

Prescribed government organization – generally refers to a Crown corporation that is organized and operated for non-profit purposes and is not entitled to claim relief of the GST/HST on its purchases. For more information, call 1-800-959-8287.

Property – includes goods, real property and intangible personal property such as trademarks, rights to use a patent, and admissions to a place of amusement, but does not include money.

Public institution – means a registered charity for income tax purposes that is also a school authority, a public college, a university, a hospital authority, or a local authority determined to be a municipality.

Public service body – means a charity, a non-profit organization, a municipality, a university, a public college, a school authority, or a hospital authority.

Qualifying non-profit organization (qualifying NPO) – means an NPO or prescribed government organization whose percentage of government funding is at least 40% of its total revenue.

Registrant – means a person that is registered or has to be registered for the GST/HST.

Selected public service body – means:

- a school authority, a university, or a public college that is established and operated other than for profit;
- a hospital authority;
- a municipality;
- a facility operator; or
- an external supplier.

Specified person – for the purposes of the rebate for printed books means a municipality, a university, a public college, a school authority, or a charity, public institution or qualifying NPO that operates a public lending library, or a prescribed charity or a prescribed qualifying NPO whose primary purpose is the promotion of literacy.

Taxable supplies – are supplies of property and services that are supplied in the course of a commercial activity and are subject to the GST/HST (including zero-rated supplies).

Zero-rated supplies – are supplies of property and services that are taxable at the rate of 0%. This means there is no GST/HST charged on the supply of these goods and services, but GST/HST registrants can claim ITCs for the GST/HST paid or payable on purchases and expenses made to provide them.

What is the GST/HST?

The goods and services tax (GST) is a tax that applies to most supplies of goods and services made in Canada. The GST also applies to supplies of real property (for example, land, buildings and interests in such property) and intangible property such as trademarks, rights to use a patent, and digitized products downloaded from the Internet and paid for individually.

The participating provinces harmonized their provincial sales tax with the GST to implement the harmonized sales tax (HST) in those provinces. Generally, the HST applies to the same base of goods and services as the GST. In some participating provinces, there are point-of-sale rebates equivalent to the **provincial** part of the HST on certain designated items.

GST/HST registrants who make taxable supplies (other than zero-rated supplies) in the participating provinces collect tax at the applicable HST rate (see the chart below). GST/HST registrants collect tax at the 5% GST rate on taxable supplies they make in the rest of Canada (other than zero-rated supplies). Special rules apply for determining the place of supply. For more information on the GST/HST, see Guide RC4022, *General Information for GST/HST Registrants*.

As of July 1, 2010, Ontario harmonized its retail sales tax with the GST to implement the HST in Ontario at the rate of 13% (5% federal part and 8% provincial part).

As of July 1, 2010, British Columbia (BC) harmonized its provincial sales tax with the GST to implement the HST in BC at the rate of 12% (5% federal part and 7% provincial part).

Also, as of July 1, 2010, Nova Scotia increased its HST rate to 15% (5% federal part and 10% provincial part).

As a result of these recent changes, the HST rate varies depending on the province. The chart below shows the applicable rates that apply following the rate reduction in 2008.

GST/HST Rates		
	Before July 1, 2010	On or after July 1, 2010
Ontario	GST at 5%	HST at 13%
British Columbia	GST at 5%	HST at 12%
Nova Scotia	HST at 13%	HST at 15%
New Brunswick	HST at 13%	HST at 13%
Newfoundland and Labrador	HST at 13%	HST at 13%
Territories and other provinces in Canada	GST at 5%	GST at 5%

Exception for certain sales of new housing

Special transitional rules apply for determining the rate of the GST/HST that applies to the sale of new housing. For more information, see Guide RC4022.

The Business Number

The Business Number (BN) identifies an organization and simplifies the way it deals with the Canadian government. Under a BN, an organization can have any accounts it may need, such as the following:

- registered charity;
- corporate income tax;
- payroll deductions;
- GST/HST; and
- import/export.

An organization's GST/HST account number is its nine-digit BN with the account identifier RT at the end. It will use this number when it claims its GST/HST rebates and files any GST/HST returns, if returns are required.

If an organization does not already have a GST/HST account number when it claims a rebate, we will assign a BN with an RT account identifier to process any GST/HST rebates it may be entitled to.

Branches and divisions that are authorized to file separate GST/HST returns and rebates will have the same BN as the head office; however, the account identifier at the end will be different. For example, the head office may have the account identifier RT0001 at the end of its BN and a branch could have RT0002.

Can I claim the public service bodies' rebate?

You may be able to claim the public service bodies' rebate for the GST or the **federal** part of the HST paid or payable on **eligible** purchases and expenses if you are any of the following:

- a charity;
- a qualifying non-profit organization (qualifying NPO); or
- a selected public service body.

Note

In some cases, you may also be able to claim a rebate for the **provincial** part of the HST. For more information, see "Rebate for the provincial part of the HST" on page 8.

Any GST/HST paid or payable on eligible purchases made during your fiscal year qualifies for the rebate as long as you meet all the requirements for doing so (for example, becoming a registered charity under the *Income Tax Act* or meeting the 40% government funding requirement for a qualifying NPO) on the **last** day of the fiscal year.

There may be situations where you have to calculate your public service bodies' rebate using more than one rebate factor. See "Special rules for claimants with multiple activity types" on page 26 and "Special rules for claimants resident in more than one province" on page 28.

Are you a public service body that uses the Special Quick Method of Accounting?

The Special Quick Method is a simplified accounting method available to certain public service bodies that are registered for the GST/HST. Using the Special Quick Method does not affect your public service bodies' rebate entitlements and you still claim your rebate in the usual way. That is, you claim a rebate for the GST or the **federal** part of the HST paid or payable on all the eligible purchases you made during the claim period for which you cannot claim input tax credits.

If you qualify for a rebate for the **provincial** part of the HST, claim it in the usual way (see "Rebate for the provincial part of the HST" on page 8).

For more information, see Guide RC4247, *The Special Quick Method of Accounting for Public Service Bodies*.

Other situations where another type of rebate may be available

You may also qualify for a rebate if you are:

- a specified person claiming a rebate of the GST or the **federal** part of the HST you paid on books (see "Printed books" on page 17);
- a charity or a public institution claiming a rebate for the GST/HST paid on property or services exported outside of Canada (see "Goods and services exported by a registered charity or a public institution" on page 18); or
- an entity that has a self-government agreement that allows you a refund of the GST or the **federal** part of the HST on property and services you acquire for self-government activities (see "Self-government refund" on page 18).

You may also be eligible to claim a rebate for the **provincial** part of the HST paid if you bought or acquired goods, services or intangible personal property in a participating province for use outside the province. For more information, see "Did you buy goods in a participating province and bring them into another province?" on page 21, and "Did you buy services or intangible personal property in a participating province for use in another province?" on page 21.

What can I claim?

You can claim a percentage of the amount of the GST/HST paid or payable on **eligible** purchases and expenses used in your organization's activities. The percentage you use depends on the type of organization you are, the activities you perform, and your province of residence.

Note

To find out when the public service bodies' rebate may be available for the **provincial** part of the HST, see "Rebate for the provincial part of the HST" on the next page.

Eligible purchases and expenses

The GST/HST paid or payable on the following purchases and expenses may be eligible for the public service bodies' rebate:

- general operating expenses, such as rent, utilities, and administration expenses, for which you **cannot** claim input tax credits;
- most allowances and reimbursements you pay to employees involved in your exempt activities;
- property and services used, consumed, or supplied in your exempt activities; and
- capital property. However, you cannot claim the rebate when you change the use of capital property from primarily commercial activities to primarily non-commercial activities. This is because you have to calculate the basic tax content (BTC) of the property with such a change in use and the BTC formula already takes the public service bodies' rebate into account.

Non-eligible purchases and expenses

The GST/HST paid or payable on certain purchases and expenses is **not eligible** for the public service bodies' rebate. These purchases and expenses include:

- memberships in a dining, recreational, or sporting club;
- tobacco products and alcoholic beverages you supply and for which you are not required to collect the GST/HST (except when the alcohol or tobacco is included in the price of a meal);
- property and services you acquire to provide long-term residential accommodation (one month or more), **unless** more than 10% of the accommodation is restricted to seniors, youths, students, or individuals with a disability or with limited financial resources who qualify for occupancy or reduced rents under a means or income test;
- property and services you acquire primarily (more than 50%) for the supply of a parking space made available to residential tenants **unless** more than 10% of the residential accommodation associated with the parking space is restricted to seniors, youths, students, or individuals with a disability or limited financial resources who qualify for occupancy or reduced rents under a means or income test;
- property and services acquired primarily for making a supply of real property to another person for use by that person in leasing residential property on an exempt basis (including incidental parking), **unless** that other person is a public service body and more than 10% of the residential property is restricted to seniors, youths, students, individuals with a disability, or individuals with limited financial resources who qualify for occupancy or reduced rents under a means or income test;

- property and services acquired to sell or give to an officer, employee, or to another person related to that individual, if the value of the benefit would be taxable for income tax purposes;
- property and services considered to be acquired by you acting as the operator of a joint venture (where an election has been filed) if any of the co-venturers would not be entitled to claim a public service bodies' rebate if they were acquired by the co-venturer; and
- property and services you acquire to supply to an officer, employee, or member, or to another person related to that person, for personal use unless:
 - you supply it in the same year you acquire it and for its fair market value; or
 - you supply the good or service free of charge to the person and it is not a taxable benefit.

Depending on your type of activity, the rules may be different. If you need clarification on whether or not a purchase or expense qualifies for the rebate, call **1-800-959-5525**.

Example

A qualifying NPO owns an apartment building and rents 5% of the apartments on a long-term basis to individuals with a disability. As less than 10% of the apartment building is used as housing that is restricted to individuals with a disability, the NPO **cannot** claim a public service bodies' rebate for a percentage of the GST/HST it pays or owes on its eligible expenses incurred to maintain the apartment building.

Rebate for the provincial part of the HST

You may be eligible for a public service bodies' rebate of some of the **provincial** part of the HST paid or payable on eligible purchases if you are:

- a charity that is not a selected public service body and you are resident in one or more participating provinces;
- a qualifying NPO that is not a selected public service body and you are resident in one or more participating provinces;
- a facility operator or an external supplier resident in British Columbia, New Brunswick, Nova Scotia, or Ontario;
- a hospital authority, school authority, university or public college resident in British Columbia, Nova Scotia, or Ontario;
- a municipality resident in British Columbia, New Brunswick, Nova Scotia, or Ontario; or
- a selected public service body resident in Newfoundland and Labrador that is also a charity, public institution, or qualifying NPO for non-selected public service body activities.

If you are resident in more than one province, one of which is a participating province, you have to calculate the public service bodies' 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 activity in each province in which you are resident.

If you have multiple activity types in more than one participating province you have to calculate your rebate for the **provincial** part of the HST for each activity type for each participating province in which you are resident to 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, see "Special rules for claimants with multiple activity types" on page 26 and "Special rules for claimants resident in more than one province" on page 28.

You are considered to be resident in each province in which you have a permanent establishment. This means that you may be considered resident in more than one province. For example, if you have a permanent establishment in a participating province and another permanent establishment in a non-participating province, you would be considered resident in both provinces. If you need help to determine your organization's place of residence, call **1-800-959-5525**.

Provincial point-of-sale rebates

The participating provinces offer point-of-sale rebates for the **provincial** part of the HST payable on printed books and some other limited items. As a result, vendors collect only the 5% **federal** part of the HST payable on sales of the following:

- children's clothing, footwear and diapers (in British Columbia, Nova Scotia and Ontario only);
- children's car seats and car booster seats (in British Columbia and Ontario only);
- printed books (including audio recordings of printed books, but not including newspapers, magazines, catalogues, colouring books, or agendas);
- feminine hygiene products (in British Columbia, Nova Scotia and Ontario only);
- newspapers (in Ontario only);
- qualifying prepared food and beverages sold for \$4 or less (in Ontario only); and
- motor fuels, such as gasoline, diesel, bio-diesel and aviation fuel (in British Columbia **only**).

If the vendor does not credit the point-of-sale rebate, the purchaser would be able to apply for a rebate of the **provincial** part of the HST using Form GST189, *General Application for Rebate of GST/HST*. For more information, go to **www.cra.gc.ca/gsthst**.

You can only claim a public service bodies' rebate for the **federal** part of the HST on these items. If HST taxable items and point-of-sale rebate items are included on the same purchase invoice, you will be required to separate the **federal** part of the HST and the **provincial** part of the HST paid on that invoice in order to calculate the amounts on which the federal and provincial (if applicable) rebates can be claimed.

Example

Marie's Daycare is a charity that runs a daycare centre. Marie's Daycare purchases books and pencils from Jackson's Bookstore in Ontario.

Jackson's Book Store	
Books	\$ 120.00
Pencils	<u>\$ 14.00</u>
Subtotal	\$ 134.00
HST	<u>\$ 7.82</u>
Total amount due	<u>\$ 141.82</u>

Marie's Daycare received a point-of-sale rebate for the **provincial** part of the HST on the books; therefore, only the **federal** part of the HST was paid:

$$\$120 \times 5\% = \$6.00$$

Marie's Daycare paid HST on the pencils:

$$\$14 \times 13\% = \$1.82$$

Marie's Daycare will have to track these amounts separately as the tax paid on each will have to be separated when making the public service bodies' rebate claim.

How to account for point-of-sale rebates

A registrant supplier that pays or credits the rebate amount at the point of sale would account for the rebate amount on its return in one of the following ways:

- show the total HST collected or collectible on **line 103** of the return and claim an adjustment for the rebate amount on **line 107**; or
- show the net amount as the HST collected or collectible by including only the **federal** part of the HST (5%) on **line 103** (in this case, you do not make an adjustment on **line 107**).

For more information, see Guide RC4022, *General Information for GST/HST Registrants*.

How do I claim the public service bodies' rebate?

To file your first rebate application, use Form GST66, *Application for GST/HST Public Service Bodies' Rebate* and *GST Self-government Refund*, and, if applicable, Form RC7066 SCH, *Provincial Schedule – GST/HST Public Service Bodies' Rebate*. After we process your first rebate application, we will send 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 versions of Form GST66 and Form RC7066 SCH, for your next application.

Note

You have to send us a paper copy of your rebate application form, even if you are required to file, or choose to file, your GST/HST return electronically. Include the rebate amount on **line 111**.

There may be situations where you have to calculate your public service bodies' rebate using more than one rebate factor. For more information, see "Special rules for claimants with multiple activity types" page 26 and "Special rules for claimants resident in more than one province" on page 28.

For more information, see "Completing the public service bodies' rebate application" on the next page and "Completing the provincial schedule" on page 11. Keep this guide to help you complete future rebate applications.

GST/HST registrants

If you are a GST/HST registrant, you can complete one rebate application for each reporting period.

If you are claiming the amount of your rebate on line 111 of your GST/HST return, send your rebate application with that GST/HST return. If you are required to, or choose to, file your return electronically, you still have to mail a paper copy of your rebate application to the address on the rebate form on or before the due date of the GST/HST return.

Do you have a branch or division that files separate GST/HST returns?

If you have a branch or division that files its own GST/HST returns, it also has to file separate rebate applications using the same filing frequency as the head office or parent.

If a branch or division is not authorized to file separate GST/HST returns and rebate applications, include its rebate claims on the head office or parent application.

To find out how to apply for authorization to file separate rebate applications and returns, see "Branches and divisions" below.

Non-registrants

If you are not a GST/HST registrant, you can complete up to two rebate applications each fiscal year, one for the first six months of your fiscal year and another for the last six months of your fiscal year.

Mail your completed rebate application to the address indicated on the form. File only one rebate application for your whole organization **unless** you have received authorization for a branch or division to file separate rebate applications. An authorized branch or division has to file its own rebate applications. For more information, see "Branches and divisions" below.

Branches and divisions

If your organization has a branch or division, the head office can apply for authorization to allow the branch or division to file its own rebate applications, separate from the head office.

To be eligible, the branch or division has to be identified separately from the head office by its location or the nature of its activities, and it must have its own separate books and records. To apply for authorization, the head office has to complete Form GST10, *Application or Revocation of the Authorization to File Separate GST/HST Returns and Rebate Applications for Branches or Divisions*, or call **1-800-959-5525**.

Note

If your organization receives this authorization and is a GST/HST registrant, the authorized branch or division also has to file its own GST/HST returns, separate from the head office.

Each branch or division that we authorize will use the head office's Business Number (BN) when it applies for its rebate; however, the account identifier at the end of the BN will be different to identify it as a branch. For example, the head office may have the account identifier RT0001 at the end of its BN and a branch or division may have the account identifier RT0002.

We will inform the head office or parent organization of these numbers and the date when the branches or divisions can begin filing their separate rebate applications. Branches or divisions have to use their BN on all their rebate applications and correspondence. If a branch or division is not authorized to file separate GST/HST rebate applications, include its rebate claims on the head office or parent application.

Filing deadlines

If you are a GST/HST registrant, you have up to four years from the due date of your GST/HST return for the claim period in which you incurred the expense to file a rebate application.

If you are not a GST/HST registrant, you have up to four years from the last day of the claim period in which you incurred the expense to file a rebate application.

Exception to the four-year limit

An exception to this four-year limitation occurs when the supplier is assessed for tax that was not collected from you during the period, and you then pay the tax after the four-year limitation. If this situation applies to you, you can complete a separate rebate application to cover that claim period. For more information, call **1-800-959-5525**.

How do I make changes to a rebate application I already filed?

If you need to make changes to a rebate claim you already filed, send us a letter indicating the change and the reason for the change, or call **1-800-565-9353**.

Required documents

Do not send any documents with your application (unless you are a non-profit organization (NPO) sending Form GST523-1, *Non-profit Organizations – Government Funding*, to update your eligibility as a qualifying NPO). However, you have to keep adequate books and records, including original invoices, for six years from the end of the year they relate to in case we ask to see them.

Completing the public service bodies' rebate application

All claimants have to complete Parts A, B, D, and E of the application.

Complete Part C only if you are a GST/HST registrant and you want to claim your rebate on line 111 of your GST/HST return as discussed under "Part C – Offset on GST/HST return" on the next page.

If you are claiming a rebate for the **provincial** part of the HST, you must also complete Form RC7066 SCH, *Provincial Schedule – GST/HST Public Service Bodies' Rebate*, and attach it to your application. For more information, see "Completing the provincial schedule" on the next page.

Incomplete or incorrect information may cause a delay in processing your application.

Part A – Identification

Business Number

Print your full Business Number (BN), including the complete "RT" account identifier at the end, in the space provided on all of your applications. Also print it on all of your correspondence with us.

If you do not have a BN, we will assign one to you with your first application. If you do not know whether you have a BN, call **1-800-959-5525**.

Name and address

Enter the complete name (and any operating or trade name) and the mailing address of your organization. Enter your physical location if it is different from the mailing address. We will send all correspondence and cheques to your mailing address.

Contact person

Enter the name, title, and telephone number of the person in your organization who we can contact if we need more information about your application. If you want us to deal with the contact person as your representative for your business account related information, we need your consent.

You can give this consent online at www.cra.gc.ca/mybusinessaccount or by completing Form RC59, *Business Consent form*.

Charity registration number

Enter the charity registration number assigned to you as a charity under the *Income Tax Act*, if applicable. This number is your BN plus an account identifier that starts with RR.

Fiscal year-end

Enter your fiscal year-end. If your organization is a non-registrant, its fiscal year-end determines its claim periods for filing rebate applications. For more information, see “Non-registrants” on this page.

Future applications

After we receive your first public service bodies’ 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.

The personalized form will have most of the Part A information pre-printed. You will only need to enter the charity registration number and your fiscal year-end, if applicable. However, you should review the pre-printed information to be sure it is accurate. To tell us about changes, use the notification of change area on the envelope that we send your application in.

Part B – Claim period

GST/HST registrants

Enter the claim period of your application. Your claim periods are the same as your reporting periods for your GST/HST returns. You file your applications with the same frequency as your GST/HST returns (monthly, quarterly, or annually).

Non-registrants

Enter the claim period of your application. Your claim period has to be a six-month period covering either the first six months or the last six months of your fiscal year. You cannot claim a rebate more than twice a year. For example, a non-registrant organization with a December 31 fiscal year end can file one rebate application for the period ending June 30 and another for the period ending December 31 in each fiscal year.

Part C – Offset on GST/HST return

This part applies only to GST/HST registrants.

Tick **yes** or **no** to show whether you want to include the total amount claimed from line 409 of this application on line 111 of your GST/HST return. When you transfer the line 409 amount from your application to line 111 of your GST/HST return, you use your rebate to reduce any amount you owe on your return, or to increase any refund.

Enter the period end date of that return in the space provided on the rebate application. Send your rebate application with your GST/HST return. If you file your returns electronically, send us a paper copy of your rebate application.

Note

If you have an amount owing on a GST/HST return, even after using your rebate to reduce the amount you owe, make sure we receive the return, rebate application, and remittance by the due date of the return to avoid being charged a penalty for late-filing and interest on the amount owing.

Part D – Certification

An authorized person from your organization has to sign and date every application and provide a telephone number.

Part E – Details of claim

Complete the table in Part E by entering the amount of the rebate you are claiming for each activity you perform on the applicable line(s). The lines that apply to you depend on your activity type. For information on the different activity types and the corresponding rebate factors, see “Rebate factors and explanation of activity types” on this page.

Completing the provincial schedule

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 or Form GST284).

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.

Rebate factors and explanation of activity types

To find out whether your organization is eligible to claim a public service bodies’ rebate and the rebate factor that applies, see the following information for your organization type. If your organization performs more than one type of activity or is resident in more than one province, one of which is a participating province, see “Special rules for claimants with multiple activity types” on page 26 and “Special rules for claimants resident in more than one province” on page 28 to determine how to calculate your rebate.

If you are a First Nation, see “Self-government refund” on page 18 to find out how to claim this refund.

Public Service Body Type	Rebate factor for the GST or the federal part of the HST	Rebate factor for the provincial part of the HST Province of residence					
		NS	NB	*NL	ON	BC	**NPP
Municipality	100%	57.14%	57.14%	0%	78%	75%	0%
University	67%	67%	0%	0%	78%	75%	0%
School Authority	68%	68%	0%	0%	93%	87%	0%
Public College	67%	67%	0%	0%	78%	75%	0%
Hospital Authority	83%	83%	0%	0%	87%	58%	0%
Facility Operator	83%	50%	50%	0%	87%	58%	0%
External Supplier	83%	50%	50%	0%	87%	58%	0%
Charity	50%	50%	50%	50%	82%	57%	0%
Qualifying NPO	50%	50%	50%	50%	82%	57%	0%

* Selected public service bodies resident in Newfoundland and Labrador are entitled to claim a 50% rebate for the provincial part of the HST paid or payable on purchases used in non-selected public service bodies' activities.

** NPP means non-participating provinces, which include all the other provinces and territories not listed above.

Note

A selected public service body means a municipality, hospital authority, facility operator, external supplier, or the following when established and operated on a non-profit basis: school authority, university, or public college. There is no specific public service body rebate for public institutions. A public institution can claim the public service bodies' rebate based on its type of activities.

Municipality

Municipality means 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.

Determined municipality

If a local authority is determined to be a municipality, it has the benefit of municipal status for all GST/HST purposes. For example, a paramunicipal organization can apply to be determined to be a municipality. For more information, see Guide RC4049, *GST/HST Information for Municipalities*.

Designated municipality

If a person is designated to be a municipality for particular exempt municipal services that it supplies, this means that the person is considered to be a municipality **only for the purpose of the public service bodies' rebate and only for those particular exempt municipal services**. The designation does not apply to the organization as a whole.

The designation allows the person to apply for a rebate of the GST/HST using the municipality rebate factor, but only for the tax paid or payable on purchases used in the course of supplying the exempt municipal services for which the organization was designated.

For example, an organization **that is not a municipality** may be designated by the Minister of National Revenue to be a municipality if it operates a water distribution, sewerage, or drainage system and it provides services of installing, repairing, maintaining, or interrupting that system. Once designated, the organization's supplies of those services are exempt from the GST/HST. It can also claim a public service bodies' rebate using the municipality rebate factor for the GST/HST paid or payable on purchases and expenses used to provide those services.

For more information, see Guide RC4049, *GST/HST Information for Municipalities*.

Rebate factors

The rebate factor for municipal activities is **100%** of the GST or the **federal** part of the HST paid or payable.

If you are eligible to claim a rebate as a municipality, claim the amount on **line 300** of Part E of the application.

Municipalities resident in a participating province

Municipalities resident in a participating province may also qualify for the following rebates:

- Municipalities resident in Ontario qualify for a 78% rebate of the **provincial** part of the HST to the extent that they intended to consume, use or supply property or services in the course of their municipal activities in Ontario. Claim this amount on **line 300-ON** of the provincial schedule.
- Municipalities resident in British Columbia qualify for a 75% rebate of the **provincial** part of the HST to the extent that they intended to consume, use or supply property or services in the course of their municipal activities in British Columbia. Claim this amount on **line 300-BC** of the provincial schedule.
- Municipalities resident in Nova Scotia qualify for a 57.14% rebate of the **provincial** part of the HST to the extent that they intended to consume, use or supply property or services in the course of their municipal activities in Nova Scotia. Claim this amount on **line 300-NS** of the provincial schedule.
- Municipalities resident in New Brunswick qualify for a 57.14% rebate of the **provincial** part of the HST to the extent that they intended to consume, use or supply property or services in the course of their municipal activities in New Brunswick. Claim this amount on **line 300-NB** of the provincial schedule.

To find out more about how the GST/HST applies to municipalities, see Guide RC4049, *GST/HST Information for Municipalities*.

University

A university means a recognized degree-granting institution, an organization that operates a college affiliated with, or a research body of, such an institution.

To qualify for the public service bodies' rebate, the university must be established and operated on a non-profit basis.

Rebate factors

The rebate factor for universities is 67% of the GST or the **federal** part of the HST paid or payable on property or services consumed, used or supplied in university activities.

If you are eligible to claim a rebate as a university, claim the amount on **line 301** of Part E of the application.

Universities resident in a participating province

Universities resident in a participating province may also qualify for the following rebates:

- Universities resident in Ontario qualify for a 78% rebate of the **provincial** part of the HST on university activities to the extent that they intended to consume, use or supply property or services in the course of their university activities in Ontario. Claim this amount on **line 301-ON** of the provincial schedule.

- Universities resident in British Columbia qualify for a 75% rebate of the **provincial** part of the HST on university activities to the extent that they intended to consume, use or supply property or services in the course of their university activities in British Columbia. Claim this amount on **line 301-BC** of the provincial schedule.

- Universities resident in Nova Scotia qualify for a 67% rebate of the **provincial** part of the HST on university activities to the extent that they intended to consume, use or supply property or services in the course of their university activities in Nova Scotia. Claim this amount on **line 301-NS** of the provincial schedule.

School authority

School authority means an organization that operates an elementary or secondary school in which it provides instruction that meets the standards of educational instruction of the province in which it is operated.

To qualify for the public service bodies' rebate, the school authority must be established and operated on a non-profit basis.

Rebate factors

The rebate factor for school authorities is 68% of the GST or the **federal** part of the HST paid or payable on property or services consumed, used or supplied in activities engaged in by the person in the course of operating an elementary or secondary school.

If you are eligible to claim a rebate as a school authority, claim the amount on **line 302** of Part E of the application.

School authorities resident in a participating province

School authorities resident in a participating province may also qualify for the following rebates:

- School authorities resident in Ontario qualify for a 93% rebate of the **provincial** part of the HST to the extent that they intended to consume, use or supply property or services in the course of their activities related to operating an elementary or secondary school in Ontario. Claim this amount on **line 302-ON** of the provincial schedule.
- School authorities resident in British Columbia qualify for an 87% rebate of the **provincial** part of the HST to the extent that they intended to consume, use or supply property or services in the course of their activities related to operating an elementary or secondary school in British Columbia. Claim this amount on **line 302-BC** of the provincial schedule.
- School authorities resident in Nova Scotia qualify for a 68% rebate of the **provincial** part of the HST to the extent that they intended to consume, use or supply property or services in the course of their activities related to operating an elementary or secondary school in Nova Scotia. Claim this amount on **line 302-NS** of the provincial schedule.

Public college

Public college means an organization that operates a post-secondary college or post-secondary technical institute that:

- receives funds from a government or a municipality to help the organization to continuously provide educational services to the general public; and
- is dedicated primarily to providing programs of instruction in one or more fields of vocational, technical, or general education.

To qualify for the public service bodies' rebate, the public college must be established and operated on a non-profit basis.

Rebate factors

The rebate factor for public colleges is **67%** of the GST or the **federal** part of the HST paid or payable on property or services consumed, used or supplied in activities engaged in by the person in the course of operating a post-secondary college or post-secondary technical institute.

If you are eligible to claim a rebate as a public college, claim the amount on **line 303** of Part E of the application.

Public colleges resident in a participating province

Public colleges resident in a participating province may also qualify for the following rebates:

- Public colleges resident in Ontario qualify for a **78%** rebate of the **provincial** part of the HST to the extent that they intended to consume, use or supply property or services in the course of their activities related to operating a post-secondary college or post-secondary technical institute in Ontario. Claim this amount on **line 303-ON** of the provincial schedule.
- Public colleges resident in British Columbia qualify for a **75%** rebate of the **provincial** part of the HST to the extent that they intended to consume, use or supply property or services in the course of their activities related to operating a post-secondary college or post-secondary technical institute in British Columbia. Claim this amount on **line 303-BC** of the provincial schedule.
- Public colleges resident in Nova Scotia qualify for a **67%** rebate of the **provincial** part of the HST to the extent that they intended to consume, use or supply property or services in the course of their activities related to operating a post-secondary college or post-secondary technical institute in Nova Scotia. Claim this amount on **line 303-NS** of the provincial schedule.

Hospital authority

Hospital authority means an organization that operates a public hospital and that we have designated to be a hospital authority for GST/HST purposes. The public service bodies' rebate applies to property or services consumed, used or supplied in activities engaged in by the person in the course of operating a public hospital, of operating a qualifying facility for use in making facility supplies, or of making facility supplies, ancillary supplies, or home medical supplies. For more information, see GST/HST Memoranda Series, Chapter 25.2, *Designation of Hospital Authorities* and Policy Statement P-245, *Determination of "activities engaged in by the person in the course of operating a public hospital."*

For hospital authorities in Nova Scotia, the **provincial** part of the HST is restricted to property or services consumed, used or supplied in activities engaged in by the person in the course of operating a public hospital.

Rebate factors

The rebate factor for hospital authority activities is **83%** of the GST or the **federal** part of the HST paid or payable.

If you are eligible to claim a rebate as a hospital authority, claim the amount on **line 304** of Part E of the application.

Note

If you are a hospital authority that is eligible to claim a rebate for certain health care services **other than** the operation of a public hospital, claim this rebate on **line 310** of Part E of the application. You still use **line 304** to claim a rebate for activities related to operating a public hospital.

Hospital authorities resident in a participating province

Hospital authorities resident in a participating province may also qualify for the following rebates:

- Hospital authorities in Ontario qualify for an **87%** rebate of the **provincial** part of the HST to the extent that they intended to consume, use or supply property or services in the course of their hospital activities in Ontario. Claim this amount on **line 304-ON** of the provincial schedule. If you also qualify for an **87%** rebate of the **provincial** part of the HST for eligible activities **other than** the operation of a public hospital, claim this amount on **line 310-ON** of the provincial schedule.
- Hospital authorities in British Columbia qualify for a **58%** rebate of the **provincial** part of the HST to the extent that they intended to consume, use or supply property or services in the course of their hospital activities in British Columbia. Claim this amount on **line 304-BC** of the provincial schedule. If you also qualify for a **58%** rebate of the **provincial** part of the HST for eligible activities **other than** the operation of a public hospital, claim this amount on **line 310-BC** of the provincial schedule.
- Hospital authorities in Nova Scotia qualify for an **83%** rebate of the **provincial** part of the HST paid or payable to the extent that they intended to consume, use or supply property or services in the course of their activities related to operating a public hospital in Nova Scotia. Claim this amount on **line 304-NS** of the provincial schedule.

- Hospital authorities in Nova Scotia qualify for a **50%** rebate of the **provincial** part of the HST paid or payable to the extent that they intended to consume, use or supply property or services in activities **not** related to the operation of a public hospital in Nova Scotia. Claim this amount on **line 305-NS** or **306-NS** of the provincial schedule, whichever applies.

For more information on eligible activities other than the operation of a public hospital, call **1-800-959-8287**.

Facility operator

Facility operator means a charity, a public institution, or a qualifying non-profit organization (other than a hospital authority) that operates a qualifying facility. The public service bodies' rebate applies to property or services consumed, used or supplied in activities engaged in by the person in the course of operating a qualifying facility for use in making facility supplies, or of making facility supplies, ancillary supplies, or home medical supplies.

Rebate factors

A facility operator that operates a qualifying facility is entitled to apply for the **83%** health care rebate for the GST or the **federal** part of the HST paid or payable on its purchases related to certain health care services it provides, or for its operation of a facility in which certain health care services are provided.

If you are eligible to claim this rebate, claim the amount on **line 311** of Part E of the application.

Facility operators resident in a participating province

Facility operators resident in a participating province may also qualify for the following rebates:

- Facility operators resident in Ontario qualify for an **87%** rebate of the **provincial** part of the HST to the extent that they intended to consume, use or supply property or services in the course of their activities in Ontario. Claim this amount on **line 311-ON** of the provincial schedule.
- Facility operators resident in British Columbia qualify for a **58%** rebate of the **provincial** part of the HST to the extent that they intended to consume, use or supply property or services in the course of their activities in British Columbia. Claim this amount on **line 311-BC** of the provincial schedule.
- Facility operators resident in Nova Scotia qualify for a **50%** rebate of the **provincial** part of the HST to the extent that they intended to consume, use or supply property or services in the course of their activities in Nova Scotia. Claim the amount on **line 305-NS** or **line 306-NS** of the provincial schedule, whichever applies.
- Facility operators resident in New Brunswick qualify for a **50%** rebate of the **provincial** part of the HST to the extent that they intended to consume, use or supply property or services in the course of their activities in New Brunswick. Claim this amount on **line 305-NB** or **line 306-NB** of the provincial schedule, whichever applies.

- Facility operators resident in Newfoundland and Labrador qualify for a **50%** public service bodies' rebate for the **provincial** part of the HST to the extent that they intended to consume, use or supply property or services in the course of their non-selected public service body activities in Newfoundland and Labrador. Claim this amount on **line 305-NL** or **line 306-NL** of the provincial schedule, whichever applies.

For more information, call **1-800-959-8287**.

External supplier

External supplier means a charity, a public institution, or a qualifying non-profit organization (other than a hospital authority or facility operator) that provides certain health care services. The public service bodies' rebate applies to property or services consumed, used or supplied in activities engaged in by the person in the course of making facility supplies, ancillary supplies, or home medical supplies.

Rebate factors

An external supplier that provides health care services may be eligible to apply for the **83%** health care rebate for the GST or the **federal** part of the HST paid or payable on its purchases related to these services.

If you are eligible to claim this rebate, claim the amount on **line 312** of Part E of the application.

External suppliers resident in a participating province

External suppliers resident in a participating province may also qualify for the following rebates:

- External suppliers resident in Ontario qualify for an **87%** rebate of the **provincial** part of the HST to the extent that they intended to consume, use or supply property or services in the course of their activities in Ontario. Claim this amount on **line 312-ON** of the provincial schedule.
- External suppliers resident in British Columbia qualify for a **58%** rebate of the **provincial** part of the HST to the extent that they intended to consume, use or supply property or services in the course of their activities in British Columbia. Claim this amount on **line 312-BC** of the provincial schedule.
- External suppliers resident in Nova Scotia qualify for a **50%** rebate of the **provincial** part of the HST to the extent that they intended to consume, use or supply property or services in the course of their activities in Nova Scotia. Claim the amount on **line 305-NS** or **line 306-NS** of the provincial schedule, whichever applies.
- External suppliers resident in New Brunswick qualify for a **50%** rebate of the **provincial** part of the HST to the extent that they intended to consume, use or supply property or services in the course of their activities in New Brunswick. Claim the amount on **line 305-NB** or **line 306-NB** of the provincial schedule, whichever applies.

- External suppliers resident in Newfoundland and Labrador qualify for a **50%** public service bodies' rebate for the **provincial** part of the HST to the extent that they intended to consume, use or supply property or services in the course of their non-selected public service body activities in Newfoundland and Labrador. Claim this amount on line **305-NL** or **line 306-NL** of the provincial schedule, whichever applies.

For more information on rebates for external suppliers, call **1-800-959-8287**.

Charity

Charity means a registered charity or registered Canadian amateur athletic association for income tax purposes, but does not include a public institution (defined on page 5).

For the public service bodies' rebate, a charity also includes a non-profit organization that operates, other than for profit, a health-care facility for the purpose of providing residents of the facility with nursing and personal care, assistance with the activities of daily living, and meals and accommodation. This is restricted to facilities where residents have limited physical or mental capacity for self-supervision and self-care.

Rebate factor

The rebate factor for a charity or public institution is **50%** of the GST or the **federal** part of the HST paid or payable.

If you are eligible to claim this rebate, claim the amount on **line 305** of Part E of the application.

Charities and public institutions resident in a participating province

Charities and public institutions resident in a participating province may also qualify for the following rebates:

- Charities and public institutions resident in Ontario qualify for an **82%** rebate of the **provincial** part of the HST on non-selected public service body activities to the extent that they intended to consume, use or supply property or services in the course of those activities in Ontario. Claim this amount on **line 305-ON** of the provincial schedule.
- Charities and public institutions resident in British Columbia qualify for a **57%** rebate of the **provincial** part of the HST on non-selected public service body activities to the extent that they intended to consume, use or supply property or services in the course of those activities in British Columbia. Claim this amount on **line 305-BC** of the provincial schedule.
- Charities and public institutions resident in Nova Scotia qualify for a **50%** rebate of the **provincial** part of the HST on non-selected public service body activities to the extent that they intended to consume, use or supply property or services in the course of those activities in Nova Scotia. Claim this amount on **line 305-NS** of the provincial schedule.

- Charities that are **not** selected public service bodies resident in New Brunswick qualify for a **50%** rebate of the **provincial** part of the HST on non-selected public service body activities to the extent that they intended to consume, use or supply property or services in the course of those activities in New Brunswick. Claim this amount on **line 305-NB** of the provincial schedule.
- Charities or public institutions resident in Newfoundland and Labrador qualify for a **50%** rebate of the **provincial** part of the HST only on **non-selected** public service body activities to the extent that they intended to consume, use or supply property or services in the course of those activities in Newfoundland and Labrador. Claim this amount on **line 305-NL** of the provincial schedule.

If you are a charity or public institution that is engaged in multiple activity types, see "Special rules for claimants with multiple activity types" on page 26. If you are a charity or public institution that is resident in more than one province, one of which is a participating province, see "Special rules for claimants resident in more than one province" on page 28.

Note

You cannot claim a rebate for the **provincial** part of the HST for a supply of goods on which you received a point-of-sale rebate when you purchased the goods.

Are you a charity that is a GST/HST registrant?

As a charity that is a GST/HST registrant, you have to use the net tax calculation for charities when you file your GST/HST return, unless you are eligible to elect not to use it and you file the appropriate application with us.

Using the net tax calculation method for charities does not affect your public service bodies' rebate entitlements and you still claim your rebate in the usual way. That is, you claim a rebate for the GST or the **federal** part of the HST paid or payable on all of the eligible purchases you made during the claim period for which you cannot claim input tax credits (ITCs).

Also, if you qualify for a rebate of the **provincial** part of the HST, claim it in the usual way. For more information, see "Rebate for the provincial part of the HST" on page 8.

Note

For more information on the net tax calculation method for charities, see Guide RC4082, *GST/HST Information for Charities*, and GST/HST Info Sheet GI-066, *How a Charity Calculates the Net Tax to be Reported on its GST/HST Return*.

Qualifying non-profit organization

A **non-profit organization** (NPO) or prescribed government organization will be eligible for a rebate if it is a qualifying NPO. An NPO cannot be an individual, estate, trust, charity, municipality, public institution, or government. An NPO must be organized and operated solely for non-profit purposes and a proprietor, member, or shareholder of the organization cannot receive or benefit from any of the income unless they are a club, society, or association that promotes amateur athletics in Canada.

An organization will be eligible for a rebate if it is a **qualifying NPO**. To be considered a qualifying NPO, at any time in a fiscal year, the NPO's percentage of government funding for the fiscal year must be at least **40%** of its total revenue. To find out how to calculate the percentage of government funding and what form to send us to show that you qualify, see "Claiming a rebate as a qualifying non-profit organization" on page 25.

Rebate factors

The rebate factor for qualifying NPO activities is **50%** of the GST or the **federal** part of the HST paid or payable.

If you are eligible to claim a rebate as a qualifying NPO, claim the amount on **line 306** of Part E of the application.

Qualifying NPOs resident in a participating province

Qualifying NPOs that are resident in a participating province may also qualify for the following rebates:

- Qualifying NPOs resident in Ontario qualify for an **82%** rebate of the **provincial** part of the HST on non-selected public service body activities to the extent that they intended to consume, use or supply property or services in the course of those activities in Ontario. Claim this amount on **line 306-ON** of the provincial schedule.
- Qualifying NPOs resident in British Columbia qualify for a **57%** rebate of the **provincial** part of the HST on non-selected public service body activities to the extent that they intended to consume, use or supply property or services in the course of those activities in British Columbia. Claim this amount on **line 306-BC** of the provincial schedule.
- Qualifying NPOs resident in Nova Scotia qualify for a **50%** rebate of the **provincial** part of the HST on non-selected public service body activities to the extent that they intended to consume, use or supply property or services in the course of those activities in Nova Scotia. Claim this amount on **line 306-NS** of the provincial schedule.
- Qualifying NPOs that are **not** selected public service bodies resident in New Brunswick qualify for a **50%** rebate of the **provincial** part of the HST on non-selected public service body activities to the extent that they intended to consume, use or supply property or services in the course of those activities in New Brunswick. Claim this amount on **line 306-NB** of the provincial schedule.
- Qualifying NPOs resident in Newfoundland and Labrador qualify for a **50%** rebate of the **provincial** part of the HST only on non-selected public service body activities to the extent that they intended to consume, use or supply property or services in the course of those activities in Newfoundland and Labrador. Claim this amount on **line 306-NL** of the provincial schedule.

If you are a qualifying NPO that is also a hospital authority, school authority, university, public college, municipality, external supplier, or facility operator, see "Special rules for claimants with multiple activity types" on page 26. If you are a qualifying NPO resident in more than one province, see "Special rules for claimants resident in more than one province" on page 28.

Note

You cannot claim a rebate for the **provincial** part of the HST for a supply of goods on which you received a point-of-sale rebate when you purchased the goods.

Printed books

Specified persons (defined below) can claim a rebate for the GST or the **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** (which would also include books purchased for the purpose of giving them away).

Specified person means a municipality, a university, a public college, a school authority, or a charity, a public institution or a qualifying NPO that operates a public lending library, or a prescribed charity or a prescribed qualifying NPO whose primary purpose is the promotion of literacy.

For this rebate, **printed books** do not include certain items such as the following:

- newspapers;
- magazines and periodicals that are not purchased by subscription or that have more than 5% of their printed space devoted to advertising;
- books designed primarily for writing or drawing on;
- brochures or pamphlets;
- agendas and calendars;
- directories; and
- rate books (for example, insurance rate books).

In addition, charities and qualifying NPOs whose primary purpose is to promote literacy will qualify as specified persons if they are prescribed by the Minister of Finance. To become prescribed, send your request, including the name of the organization, its governing documents, and a statement of its purposes and activities, to the following address:

**Director
Public Service Bodies and Governments Division
Excise and GST/HST Rulings Directorate
320 Queen Street, Tower A, 15th floor
Ottawa ON K1A 0L5**

We will pass our recommendation on to the Department of Finance Canada, which will make the final determination. For more information, see GST/HST Memoranda 13.4, *Rebates for Printed Books, Audio Recordings of Printed Books, and Printed Versions of Religious Scriptures*.

Rebate factors

The rebate factor for a specified person is **100%** of the GST or the **federal** part of the HST paid or payable on printed books, audio recordings of printed books, and printed versions of religious scriptures that you bought or imported, other than those you intend to resell.

If you are eligible to claim a rebate for books, claim the amount on **line 307** of Part E of the application.

Note

A point-of-sale rebate is already available in the participating provinces for the **provincial** part of the HST on printed books. Therefore, you can only apply for a rebate of the **federal** part of the HST on this application.

Goods and services exported by a registered charity or a public institution

If you are a registered charity or a public institution, you can claim a rebate for the GST/HST that you paid on goods or services that you exported outside Canada. To be eligible for the rebate, you must have paid the GST/HST and have exported the goods or services.

Note

You cannot claim a rebate for tax you paid to export goods. The rebate is only for tax paid to buy the goods.

Rebate factors

The rebate factor for exported goods and services is **100%** of the GST or the **federal** part of the HST paid.

If you are eligible to claim a rebate for exported goods and services, claim the amount on **line 308** of Part E of the application.

Goods and services exported by registered charities and public institutions resident in a participating province

The rebate factor for the **provincial** part of the HST is also **100%**. Claim this rebate as follows:

- If you are resident in Ontario, claim this amount on **line 308-ON** of the provincial schedule.
- If you are resident in British Columbia, claim this amount on **line 308-BC** of the provincial schedule.
- If you are resident in Nova Scotia, claim this amount on **line 308-NS** of the provincial schedule.
- If you are resident in New Brunswick, claim this amount on **line 308-NB** of the provincial schedule.
- If you are resident in Newfoundland and Labrador, claim this amount on **line 308-NL** of the provincial schedule.

If you export goods or services for which you previously claimed a public service bodies' rebate on another line, you may still be eligible for a rebate on the amount that did not qualify. After the goods or services have been exported, the difference between the total GST/HST paid and the amount previously claimed as a public service bodies' rebate should be claimed on line 308. The four-year time limit to claim a rebate, as explained under "Filing deadlines" on page 10 still applies in this situation.

Self-government refund

Self-government refund, in this guide, refers to a refund available to a First Nation or Inuit government that has entered into an agreement with the Government of Canada that provides for a refund of the GST or the **federal** part of the HST for property and services that are acquired for self-government activities. The terms and conditions that apply to the refund of the GST or the **federal** part of the HST are included in each agreement. First Nations and Inuit governments that have entered into such agreements include those Yukon First Nations with final agreements, the Nisga'a Nation, the Tlicho First Nation, Tsawwassen First Nation and the Labrador Inuit (Nunatsiavut Government).

If you are a First Nation that has an agreement that provides for a refund of the GST or the **federal** part of the HST for property and services acquired for self-government activities, you may be eligible to claim a refund of 100% of the GST or the **federal** part of the HST paid or payable on property and services. See your agreement to identify the conditions under which you may claim the refund.

Claim the refund on **line 309** of Part E of the application. The time limit for claiming the self-government refund is stated in your agreement.

How do I calculate the public service bodies' rebate?

There are two possible methods to calculate your rebate:

- the regular method based on non-creditable tax charged (see "Using the regular method to calculate your public service bodies' rebate" on the next page); and
- the simplified method (see page 22).

Note

The rebate is available only on the GST/HST paid or payable, not on the full cost of the property or services. You do not pay the GST/HST on zero-rated or exempt property and services, such as hearing aids, meals provided to hospital patients, or admissions to certain fund-raising events of charities. Also, you cannot claim a rebate for the **provincial** part of the HST for which you received a point-of-sale rebate.

Certain purchases are not eligible for the public service bodies' rebate. For examples of eligible and ineligible purchases and expenses, see "What can I claim?" on page 7.

What is non-creditable tax charged?

Generally, non-creditable tax charged is the GST/HST paid or payable on eligible expenses that you cannot recover in any way, other than by claiming the public service bodies' rebate. You need to know this amount if you are using the regular method to calculate your rebate.

How do I calculate non-creditable tax charged?

Use the following instructions to find out the amount of your non-creditable **GST** charged. To find out the non-creditable **HST** charged, use the HST amounts instead of the GST amounts.

Note

If you paid the HST at different rates on your purchases (for example, if you paid 12% or 13% HST on some purchases and 14% or 15% on others), follow these instructions separately for the purchases taxed at 12%, 13%, 14%, or 15%.

Non-creditable **GST** charged for a claim period is equal to the total GST paid or payable in the period on eligible purchases and expenses, **minus** the following amounts:

- any ITCs you claimed or are entitled to claim for any of that GST. (This does not apply to non-registrants, as non-registrants cannot claim ITCs.);
- any rebate, refund, or remission of any of that GST that it is reasonable to expect you received or are entitled to receive; and
- any amount of that GST that is refunded, credited, or adjusted in your favour and for which you have either received a credit note from the supplier or you have issued a debit note to the supplier.

The result is your non-creditable GST charged. Use this amount to calculate your rebate for the GST using the regular method.

If you use HST amounts, the result is your non-creditable HST charged, which includes both the federal and provincial parts of the HST. When calculating your non-creditable HST charged, you also have to take into account any point-of-sale rebate for the **provincial** part of the HST on specified items and **exclude** these items from your calculation (the **federal** part of the HST paid on these items may be included when calculating your GST rebate as explained on this page). To find out how to calculate your rebate for the **federal** part and the **provincial** part of the HST, see "Step 2" below.

Note

If you paid a GST/HST-included amount and need to know the amount of tax that was included, see "How do I calculate the amount of GST/HST included in a purchase price?" on page 22.

Using the regular method to calculate your public service bodies' rebate

Follow the steps below to calculate your public service bodies' rebate using the regular method.

Step 1

Calculate your rebate for the GST

Do the following calculation to determine your public service bodies' rebate for the GST for each activity you are engaged in.

$$\text{Non-creditable GST charged for the claim period} \times \text{your rebate factor for the GST} = \text{Public service bodies' rebate for the GST}$$

To find out your rebate factor for the GST, see "Rebate factors and explanation of activity types" on page 11.

If you are engaged in more than one activity type you have to calculate your public service bodies' rebate for the GST using more than one rebate factor. For more information, see "Special rules for claimants with multiple activity types" on page 26.

Step 2

Calculate your rebate for the federal part of the HST

To calculate your rebate for the **federal** part of the HST, first calculate your non-creditable HST charged for the claim period. To find out how to calculate this amount, see "How do I calculate non-creditable tax charged?" on this page.

Complete the following calculation(s) that apply to you. If you have some purchases that were taxed at 12% or 13% and others that were taxed at 14% or 15%, make sure to keep these purchases separate.

Multiply your non-creditable HST charged by:

- 5/12 for those purchases taxed at 12%;
- 5/13 for those purchases taxed at 13%;
- 6/14 for those purchases taxed at 14%;
- 5/15 for those purchases taxed at 15% after the 2010 Nova Scotia rate change; or
- 7/15 for those purchases taxed at 15% before the 2006 rate change.

Add up the results and multiply this amount by your rebate factor for the **federal** part of the HST to determine your rebate for the **federal** part of the HST. To find out your rebate factor, see "Rebate factors and explanation of activity types" on page 11.

If you are engaged in more than one activity type, you have to calculate your public service bodies' rebate using more than one rebate factor. For more information, see "Special rules for claimants with multiple activity types" on page 26.

Step 3

Add up the results from steps 1 and 2 (by activity type if you are engaged in multiple activity types) and enter the total on the appropriate line(s) (**lines 300 to 312**) of Part E of the application. Add up the amounts on lines 300 to 312 and enter the total on **line A** of the application.

Step 4

Calculate your rebate for the provincial part of the HST

Only certain organizations can claim a rebate for the **provincial** part of the HST. To find out if you are eligible to claim a rebate for the **provincial** part, see “Rebate for the provincial part of the HST” on page 8.

If you are resident in more than one province, one of which is a participating province, determine 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.

Complete the following calculation(s) that apply to you. If you have some purchases that were taxed at 12% or 13% and others that were taxed at 14% or 15%, make sure to keep these purchases separate.

If you are eligible for a rebate of the **provincial** part of the HST, multiply your non-creditable HST charged by:

- 7/12 for those purchases taxed at 12%;
- 8/13 for those purchases taxed at 13%;
- 8/14 for those purchases taxed at 14%;
- 8/15 for those purchases taxed at 15% before the 2006 rate change; or
- 10/15 for those purchases taxed at 15% after the 2010 Nova Scotia rate change.

Add up the results and multiply this amount by your rebate factor for the **provincial** part of the HST for each activity type for each province in which you are resident and, if applicable, the extent of consumption, use or supply in each province, to determine your rebate for the **provincial** part of the HST.

If you are engaged in more than one activity type, see “Special rules for claimants with multiple activity types” on page 26. If you have activities in more than one province, one of which is a participating province, see “Special rules for claimants resident in more than one province” on page 28. Do not include in your calculation any amount for which a point-of-sale rebate of the **provincial** part of the HST was received.

To find out your rebate factor, see “Rebate factors and explanation of activity types” on page 11.

Enter the amount(s) on the appropriate line(s) of the provincial schedule. The total from your provincial schedule is reported on **line B** of Part E of the application.

Step 5

Add **lines A and B** on your rebate application and enter the total on **line 409** of your application. This is your public service bodies’ rebate of the GST/HST.

Example

A municipality in New Brunswick is registered for the GST/HST. It buys property and services for use in its taxable and exempt activities during the claim period of April 1, 2010, to June 30, 2010. The municipality paid 13% HST on all of its taxable purchases and claimed the following ITCs:

Total HST paid in claim period	\$5,000
ITCs claimed	<u>2,100</u>
Non-creditable HST charged	\$2,900

Rebate for the federal part of the HST

Calculate the **federal** part of the non-creditable HST charged as follows:

$$\$2,900 \times 5/13 = \$1,115.38$$

The federal rebate factor for municipalities is 100%. The rebate for the **federal** part of the HST is:

$$\$1,115.38 \times 100\% = \$1,115.38$$

The municipality enters \$1,115.38 on line 300 of Part E of the application.

Rebate for the provincial part of the HST

Calculate the **provincial** part of the non-creditable HST charged as follows:

$$\$2,900 \times 8/13 = \$1,784.62$$

The provincial rebate factor for municipalities in New Brunswick is 57.14%. Calculate the rebate for the **provincial** part of the HST as follows:

$$\$1,784.62 \times 57.14\% = \$1,019.73$$

The municipality enters \$1,019.73 on **line 300-NB** of the provincial schedule and on **line B** of Part E of the application.

The total rebate claim on line 409 of Part E will therefore be \$2,135.11 (\$1,115.38 + \$1,019.73).

Note

In this example, the rebate factors for the federal and provincial parts of the HST are different because it is a municipality resident in New Brunswick. The municipality does not have to factor in the extent of use in each participating province because it is only resident in one province.

If you are a public service body resident in a participating province and you receive a point-of-sale rebate of the **provincial** part of the HST on some of your purchases, you must first exclude the **federal** part of the HST from the non-creditable tax charged before making your calculations to separate the federal and provincial parts of the HST. You would then include the excluded amount with the **federal** part of the HST calculated before applying the federal rebate factor.

Example

A university in Ontario is registered for the GST/HST. It buys property and services for use in its taxable and exempt activities during the claim period of July 1, 2010, to September 30, 2010. The university paid 13% HST on all of its taxable purchases and claimed ITCs.

It also received a point-of-sale rebate of the **provincial** part of the HST for certain specified purchases:

Total HST paid in claim period	\$5,000
ITCs claimed	<u>2,100</u>
Less the federal part of the HST paid on goods on which a point-of-sale rebate was received	<u>\$ 100</u>
Non-creditable HST charged	\$2,800

Rebate for the federal part of the HST

Calculate the **federal** part of the non-creditable HST charged as follows:

$$\$2,800 \times 5/13 = \$1,076.92$$

Add (the federal part of the HST from above)	\$100.00
	= \$1,176.92

The federal rebate factor for universities is 67%. The rebate for the **federal** part of the HST is:

$$\$1,176.92 \times 67\% = \$788.54$$

The university enters \$788.54 on line 301 of Part E of the application.

Rebate for the provincial part of the HST

Calculate the **provincial** part of the non-creditable HST charged as follows:

$$\$2,800 \times 8/13 = \$1,723.08$$

The provincial rebate factor for universities in Ontario is 78%. Calculate the rebate for the **provincial** part of the HST as follows:

$$\$1,723.08 \times 78\% = \$1,344.00$$

The university enters \$1,344.00 on **line 301-ON** of the provincial schedule.

The total rebate claim entered on **line 409** of Part E will be \$2,132.54 (\$788.54 + \$1,344.00).

Note

The university does not have to factor in the extent of use in each participating province because it is only resident in one province.

Are you a resident of a non-participating province that buys property and services in a participating province?

As a resident of a non-participating province, you can claim a public service bodies' rebate for the **federal** part of the HST paid or payable on purchases made in a participating province and for the GST paid or payable on purchases made in a non-participating province.

Since you are **not** a resident of a participating province, you are **not** eligible for a public service bodies' rebate of the **provincial** part of the HST.

Did you buy goods in a participating province and bring them into another province?

If you bought goods in a participating province and removed them from that province for consumption, use, or supply exclusively outside the participating province, you may be entitled to a rebate of all or a portion of the HST paid. For example, you may be entitled to a rebate of a portion of the **provincial** part of the HST on goods if you moved the goods from a participating province with a higher rate to a participating province with a lower rate. You must have paid the appropriate provincial sales tax in the province of use before claiming a rebate for the **provincial** part of the HST.

For more information, see Form GST495, *Rebate Application for Provincial Part of Harmonized Sales Tax (HST)*.

Note

If you claim a rebate for the **provincial** part of the HST, that amount cannot also be claimed as a public service bodies' rebate.

Did you buy services or intangible personal property in a participating province for use in another province?

If you bought **services or intangible personal property** in a participating province that are for use significantly (10% or more) outside the participating province, you may be entitled to a rebate of some or all of the **provincial** part of the HST paid by completing Form GST189, *General Application for Rebate of GST/HST*.

Note

If you claim a rebate for the **provincial** part of the HST, that amount cannot also be claimed as a public service bodies' rebate.

For more information, see Technical Information Bulletin B-080, *Rebates of HST on Supplies Made from the Participating Provinces*.

Example

A qualifying NPO, resident in Prince Edward Island (PEI), is registered for the GST/HST. It buys property and services in Nova Scotia (a participating province) and in PEI (a non-participating province) to use in its taxable and exempt activities. All purchases in PEI were subject to 5% GST. All purchases in Nova Scotia were subject to 15% HST.

During the claim period, the qualifying NPO paid the GST and the HST, and claimed ITCs as follows:

GST/HST paid	\$3,000 GST + \$500 HST = \$3,500
Minus ITCs claimed	<u>725 GST + 275 HST = 1,000</u>
Non-creditable GST/HST charged	\$2,275 GST + \$225 HST = \$2,500

Rebate for the non-creditable GST charged

Multiply the non-creditable GST charged by the qualifying NPO rebate factor of 50%:

$$\$2,275 \times 50\% = \$1,137.50$$

Rebate for the federal part of the non-creditable HST charged

Federal part of the non-creditable HST charged:

$$\$225 \times 5/15 = \$75$$

Multiply this amount by the qualifying NPO rebate factor of 50%:

$$\$75 \times 50\% = \$37.50$$

Total rebate for the GST and the federal part of the HST

$$\$1,137.50 + \$37.50 = \$1,175$$

The qualifying NPO enters \$1,175 on line 306 of Part E of the application.

The total rebate claimed on line 409 of Part E is \$1,175.

Since the qualifying NPO is not a resident of a participating province, it cannot claim a public service bodies' rebate for the **provincial** part of the non-creditable HST charged. However, it may be eligible for a rebate of the **provincial** part using Form GST189 and Form GST495.

How do I calculate the amount of GST/HST included in a purchase price?

If the GST/HST was included in the purchase price (that is, it was not shown separately on the invoice), calculate the amount of GST/HST included by using one of the following calculations. The calculation you have to use depends on whether you were charged the GST or the HST and at what rate (5%, 6%, 7%, 12%, 13%, 14%, or 15%).

If you were charged the GST

When the GST is included in a purchase price, do one of the following calculations, whichever applies, to find out the amount of GST included.

If you were charged 5% GST:

$$\text{purchase price (GST included)} \times 5/105 = \text{GST charged}$$

If you were charged 6% GST:

$$\text{purchase price (GST included)} \times 6/106 = \text{GST charged}$$

If you were charged 7% GST:

$$\text{purchase price (GST included)} \times 7/107 = \text{GST charged}$$

Note

The amount on which vendors charge the GST should not include provincial sales tax (PST).

If you were charged the HST

When the HST is included in a purchase price, do one of the following calculations, whichever applies, to find out the amount of HST included.

If you were charged 12% HST:

$$\text{purchase price (HST included)} \times 12/112 = \text{HST charged}$$

If you were charged 13% HST:

$$\text{purchase price (HST included)} \times 13/113 = \text{HST charged}$$

If you were charged 14% HST:

$$\text{purchase price (HST included)} \times 14/114 = \text{HST charged}$$

If you were charged 15% HST:

$$\text{purchase price (HST included)} \times 15/115 = \text{HST charged}$$

Note

If you were charged the HST on some items on an invoice and received a point-of-sale rebate on others on the same invoice, you will have to separate the items on which you paid the HST from those on which you paid the **federal** part of the HST only.

Include the items on which you were charged the HST when calculating the HST amounts above. Include the items on which you were charged the **federal** part of the HST only when calculating the GST amounts above.

Using the simplified method to calculate your rebate

The simplified method to calculate rebates is an easier way to calculate your public service bodies' rebate, whether or not you are a GST/HST registrant. If you are eligible to use this method and choose to do so, you will not have to track the GST/HST you paid on each invoice.

However, you have to keep documents to support your application and, if you are a registrant, continue to charge, collect, and remit the GST/HST on your supplies as usual. You do not have to file any forms with us to start using this method, but you have to meet certain conditions.

Note

You cannot use the simplified method to calculate your rebate for real property. In such situations, the amount of tax paid on real property that qualifies for the rebate should be added **after** you have calculated your rebate using the simplified method.

The simplified method to calculate rebates cannot be used to calculate your rebate for exported goods and services (line 308) or for printed books (line 307) and other point-of-sale rebate purchases.

You can use the simplified method to calculate your rebates if:

- your annual taxable supplies of goods and services in Canada are not more than \$500,000 in your last fiscal year or in the previous fiscal quarters in the current fiscal year. This total includes the annual taxable supplies made by your associates, but does not include supplies of financial services or sales of capital real property; and
- your total taxable purchases were no more than \$2 million in your last fiscal year, and it must be reasonable to expect that your taxable purchases in the current fiscal year will not be more than \$2 million. This total does not include purchases on which you did not pay the GST/HST.

Use the following steps to calculate your rebate using the simplified method.

Step 1

Add up **separately** your eligible purchases and expenses for which you were charged the GST/HST at 5%, 6%, 7%, 12%, 13%, 14%, or 15%. For example, if you have purchases on which you paid the GST at 5%, add up all of those purchases. If you also have purchases on which you paid the GST at 6%, add up all of those purchases separately from those taxed at 5%. This could include purchases for which you received a point-of-sale rebate of the **provincial** part of the HST and only had to pay the **federal** part of the HST. For more information on point-of-sale rebates, see “Step 5” on this page.

Only include purchases on which the GST or the HST is **payable** or has been **paid** by you, or by an employee or volunteer for your organization, for use in your organization’s activities. Make sure to include:

- the purchase price;
- the GST or the HST;
- non-refundable provincial taxes (only for purchases taxed at 5%, 6% or 7% GST);
- reasonable tips;
- import duties; and
- interest and late penalties paid for supplies taxed at 5%, 6%, 7%, 12%, 13%, 14%, or 15%.

Do **not** include:

- the part of purchases for which you claimed or will claim input tax credits (ITCs);
- expenses on which you have not paid the GST/HST, such as salaries, insurance payments, interest paid, and other exempt or zero-rated purchases, as well as purchases from a non-registrant;
- purchases made outside Canada that are not subject to the GST/HST;
- the part of ITCs on meals and entertainment that is subject to recapture;
- refundable or rebatable provincial sales taxes; and
- purchases and rental of real property.

Note

If you are a registrant, you must separate your expenses between those for exempt activities and those for commercial activities. For more information, see Guide RC4022, *General Information for GST/HST Registrants*.

Step 2

Multiply your eligible purchases and expenses (determined in step 1) by:

- 5/105 for those purchases taxed at 5% GST;
- 6/106 for those purchases taxed at 6% GST;
- 7/107 for those purchases taxed at 7% GST;
- 5/112 for those purchases taxed at 12% HST;
- 5/113 for those purchases taxed at 13% HST;

- 5/115 for those purchases taxed at 15% HST after the 2010 Nova Scotia rate change;
- 6/114 for those purchases taxed at 14% HST; and
- 7/115 for those purchases taxed at 15% HST before the July 1, 2006 rate change.

Step 3

Add up all of the results from step 2. Then add any GST or the **federal** part of the HST that you paid on purchases of real property for which you cannot claim an ITC as well as any **federal** part of the HST paid on items for which a point-of-sale rebate was received for the **provincial** part of the HST if these sales were not already included in step 1.

Step 4

Multiply the amount you calculated in step 3 by your rebate factor for the GST or the **federal** part of HST. To find the rebate factor that applies to you, see “Rebate factors and explanation of activity types” on page 11.

If you are engaged in more than one activity type, you have to calculate your public service bodies’ rebate for the GST or the **federal** part of the HST using more than one rebate factor. For more information, see “Special rules for claimants with multiple activity types” on page 26.

Step 5

If you are resident in a participating province, you may also be entitled to a rebate for the **provincial** part of the HST. To find out if you are eligible to claim a rebate for the **provincial** part, see “Rebate for the provincial part of the HST” on page 8. If you are eligible, complete this step and step 6. If not, go to step 7.

Note

If you can claim a rebate for the **provincial** part of the HST, you must make sure that you do not include any items on an invoice for which you received a point-of-sale rebate for the **provincial** part of the HST (such as a point-of-sale rebate on books) in the calculation for step 5. You must separate and track all point-of-sale rebates for the **provincial** part of the HST. You may include these sales when calculating the items for which you paid the GST in step 2.

To calculate your rebate for the **provincial** part of the HST, multiply your total eligible purchases and expenses in step 1 by:

After December 31, 2007:

- 7/112 for those purchases taxed at 12% HST;
- 8/113 for those purchases taxed at 13% HST; and
- 10/115 for those purchases taxed at 15% HST (in Nova Scotia);

Before January 1, 2008:

- 8/114 for those purchases taxed at 14% HST; and
- 8/115 for those purchases taxed at 15% HST.

Step 6

Add up all the results from step 5 and multiply by your rebate factor for the **provincial** part of the HST. To find the rebate factor that applies to you, see "Rebate factors and explanation of activity types" on page 11.

Notes

If you are engaged in more than one activity type you have to calculate your public service bodies' rebate for the **provincial** part of the HST using more than one rebate factor. For more information, see "Special rules for claimants with multiple activity types" on page 26.

If you are resident in more than one province, one of which is a participating province, you have to determine the extent you intended to consume, use or supply the property or service in the course of each activity type in each province in which you are resident. For more information, see "Special rules for claimants resident in more than one province" on page 28.

Step 7

Enter the results of step 4 and step 6 on the appropriate lines of your application and provincial schedule.

Example 1

A charity located in Manitoba offers exempt arts and crafts programs to children. 5% GST was charged on all taxable purchases and the 7% provincial sales tax (PST) is not rebatable or refundable.

Item	Amount	GST	PST	Total
Rent	\$1,500	\$ 75	–	\$1,575
Employees' salaries	\$1,000	–	–	\$1,000
Advertising	\$ 100	\$ 5	–	\$ 105
Equipment	\$ 400	\$ 20	\$ 28	\$ 448
Supplies	<u>\$ 300</u>	<u>\$ 15</u>	<u>\$ 21</u>	<u>\$ 336</u>
Total	<u>\$3,300</u>	<u>\$ 115</u>	<u>\$ 49</u>	<u>\$3,464</u>

Step 1

Taxable expenses = total expenses minus employees' salaries and rent
 $= \$3,464 - \$1,000 - \$1,575$
 $= \$889$

Step 2

Multiply \$889 by 5/105:
 $= \$889 \times 5/105$
 $= \$42.33$

Step 3

To calculate the charity's rebate, add the GST paid on the rent to the amount determined in Step 2:

$$\$42.33 + \$75 = \$117.33$$

Step 4

Multiply the result by the rebate factor of 50%:

$$\$117.33 \times 50\% = \$58.67$$

The total rebate available is \$58.67. Step 5 does not apply as the charity is not resident in a participating province.

Example 2

A charity located in Ontario offers exempt arts and crafts programs to children. 13% HST was charged on all taxable purchases. A point-of-sale rebate was given on \$100 for the purchase of certain printed books included in supplies.

Item	Amount	HST	Total
Rent	\$1,500	\$195	\$1,695
Employees' salaries	\$1,000	–	\$1,000
Advertising	\$ 100	\$ 13	\$ 113
Equipment	\$ 400	\$ 52	\$ 452
Supplies	<u>\$ 300</u>	<u>\$ 39</u>	<u>\$ 339</u>
Point-of-sale rebate on books*	<u>(\$ 100)</u>	<u>(\$ 8)</u>	<u>(\$ 108)</u>
Totals: Price includes HST	<u>\$3,200</u>	<u>\$291</u>	<u>\$3,491</u>
* Price includes the federal part of the HST only	\$ 100	\$ 5	\$ 105

Step 1

Taxable expenses at the HST rate = total expenses minus employees' salaries and rent (this does not include the expense on which a point-of-sale rebate was received):

$$= \$3,491 - \$1,000 - \$1,695$$

$$= \$796$$

Step 2

Multiply \$796 by 5/113:

$$= \$796 \times 5/113$$

$$= \$35.22$$

Step 3

To calculate the charity's rebate, add the HST paid on the rent and on the books to the amount determined in step 2:

$$= \$35.22 + (\$195 \times 5/113) + \$5$$

$$= \$35.22 + \$75 + \$5$$

$$= \$115.22$$

Step 4

Multiply the result by the rebate factor of 50%:

$$\text{Federal rebate } \$115.22 \times 50\% = \mathbf{\$57.61}$$

Step 5

To calculate the charity's rebate for the **provincial** part of the HST, calculate the **provincial** part of the HST and then multiply it by the rebate factor for Ontario:

$$\text{Provincial part of the HST on total expenses calculated in step 1 plus the provincial part of the HST paid on the rent;} \\ = (\$796 \times 8/113) + (\$195 \times 8/113) \\ = \$56.35 + 120$$

Provincial part of the HST

$$= \$176.35$$

$$= \$176.35 \times 82\% \text{ rebate}$$

factor

$$\text{Provincial rebate } = \mathbf{\$144.61}$$

The total rebate available is **\$202.22** (\$57.61 + \$144.61).

Note

Since a point-of-sale rebate for the specified items was received, this amount was not included in the calculation in step 5. Instead, it was included in the calculation in step 2.

Claiming a rebate as a qualifying non-profit organization

A qualifying non-profit organization (qualifying NPO) can claim a public service bodies' rebate of 50% of the GST or the **federal** part of the HST paid or payable on purchases and expenses for its activities as a qualifying NPO.

A qualifying NPO that is resident in a participating province may also qualify for a rebate of the **provincial** part of the HST paid or payable. For rebate factors for the various provinces and how to claim your rebate, see "Rebate factors and explanation of activity types" on page 11.

If a qualifying NPO is resident in more than one province, one of which is a participating province, it must determine the extent it intended to consume, use or supply the property or services in the course of each activity type in each province in which it is resident. For more information, see "Special rules for claimants resident in more than one province" on page 28.

Generally, an NPO is a qualifying NPO for a fiscal year if its percentage of government funding for that fiscal year is at least 40% of its total revenue. To calculate your percentage of government funding, you first need to know the amount of:

- your government funding for a fiscal year; and
- your total revenue for a fiscal year.

For more information, see "What qualifies as government funding?" on this page and "What amounts are included in total revenue?" on the next page.

If you are an NPO and you want to claim the public service bodies' rebate, you have to file Form GST523-1, *Non-profit Organizations – Government Funding*, each fiscal year. We use this form to establish that your NPO receives the required amount of government funding to be considered a qualifying NPO.

We will send you a personalized version of this form if your records indicate that you have claimed a rebate as a qualifying NPO in the past.

Note

Do not send us your annual reports or financial statements.

What qualifies as government funding?

Government funding refers to an amount of money (including a forgivable loan) that is easily identifiable and is paid by a grantor:

- to support or promote the NPO's objectives but not to pay for property or services supplied by the NPO to the grantor; or

- for an exempt sale of property or services made by the NPO, if the property and services are not for the use or consumption of the grantor or persons related to the grantor (for example, government funding of a local health unit to supply medical services to the public).

Government funding can be paid directly to the NPO by a grantor or through another organization called an **intermediary**. For example, a national organization that receives government funding from a grantor can allocate government funding to its provincial affiliates, and in turn, the provincial affiliates can redistribute the funds to their regional clubs. These amounts are government funding when:

- the amounts are initially paid by a grantor;
- the amounts do not pass through more than two intermediaries;
- the amounts are clearly identified as government funding in the NPO's financial statements;
- the intermediary that paid the amount to the NPO completes Form GST322, *Certificate of Government Funding*, to confirm that the amounts are government funding; and
- the amounts would be considered government funding if they were paid by a grantor directly to the NPO.

Government funding does **not** include:

- indirect or non-financial forms of assistance;
- low-interest loans and loan guarantees;
- property or services supplied at a subsidized price; and
- a refund or rebate of, or credit for, taxes, duties, or fees imposed under any statute.

Who is a grantor?

Grantor includes:

- the federal government, provincial governments, and municipalities;
- a corporation that is controlled by a government or by a municipality and one of its main purposes is to fund charitable or non-profit activities;
- a trust, board, commission, or other body that is established by a government, municipality, or corporation and one of its main purposes is to fund charitable or non-profit activities; and
- Indian bands.

A grantor does not include federal and provincial Crown corporations all or substantially all of whose activities are commercial activities, the supply of financial services, or any combination of the two. For example, a federal Crown corporation that sells oil and gasoline for profit would not be considered a grantor.

What amounts are included in total revenue?

Total revenue includes the following amounts:

- government funding that is identified as such in the organization's financial statements;
- income from investments (interest and dividends);
- non-capital distributions from a trust to the NPO;
- loans from people with whom the organization is not dealing at arm's length (for example, an NPO funds another related NPO through loans with unusually low interest rates). If the loans are later reimbursed, they will be deducted from revenue at that time;
- proceeds from the issuance of equity securities; and
- monetary capital contributions (for example, the raising of capital by an NPO that cannot issue shares).

Also include the following amounts from which you can deduct 25% to take into account the cost of fundraising:

- financial payments, such as private gifts and donations;
- the total of all amounts by which the fair market value of a financial instrument received by the NPO is more than the consideration paid or payable for the instrument;
- all receipts from sponsorships;
- all receipts from taxable (including zero-rated) and exempt sales of goods and services (do not include receipts from sales of real property or capital property, sales of financial instruments, benefits granted to employees or shareholders, or goods you are deemed to have sold when you stop being a registrant); and
- proceeds from gambling activities, minus prizes and winnings paid out.

Record ongoing revenue, such as sales, membership fees, or revenue items for activities extending over a number of years, when you receive them or when they become receivable, **whichever is earlier**.

Deduct from your total any amounts you repaid during the year. The result is the amount of total revenue you need to calculate your percentage of government funding.

The calculation(s) you will use to determine your percentage of government funding depends on which one of the following three scenarios applies to you. If the result is 40% or more, you are a qualifying NPO.

How do I calculate the percentage of government funding?

First, complete the **current-year calculation**, and then follow the instructions for the scenario that applies to you.

Current-year calculation

$$\begin{array}{r} \text{Government} \\ \text{funding for the} \\ \text{current fiscal} \\ \text{year} \end{array} \div \begin{array}{r} \text{Total revenue} \\ \text{for the current} \\ \text{fiscal year} \\ \text{including} \\ \text{government} \\ \text{funding} \end{array} \times 100$$

Scenario 1

If this is your **first** fiscal year, use only the current-year calculation.

Scenario 2

If this is your **second** fiscal year, use the **greater** of the result of the current-year calculation and the following calculation:

$$\begin{array}{r} \text{Government} \\ \text{funding for the} \\ \text{first fiscal year} \end{array} \div \begin{array}{r} \text{Total revenue} \\ \text{for the first fiscal} \\ \text{year including} \\ \text{government} \\ \text{funding} \end{array} \times 100$$

Scenario 3

If neither scenario 1 or 2 applies, use the **greater** of the result of the current-year calculation and the following calculation:

$$\begin{array}{r} \text{Government} \\ \text{funding for the} \\ \text{two preceding} \\ \text{fiscal years} \end{array} \div \begin{array}{r} \text{Total revenue} \\ \text{for the two} \\ \text{preceding fiscal} \\ \text{years including} \\ \text{government} \\ \text{funding} \end{array} \times 100$$

Special rules for claimants with multiple activity types

There may be situations where you have to calculate your public service bodies' rebate using more than one rebate factor.

You may be a charity, public institution, or qualifying NPO that is also a selected public service body that acquires 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.

Example

An organization resident in Alberta that is a charity has been designated as a hospital authority and it also operates a daycare centre. The operation of the daycare centre is related to its charitable activities and not to the operation of a public hospital. The hospital authority is entitled to an 83% rebate for the GST or the **federal** part of the HST paid or payable on purchases it will use in exempt activities relating to its operation of the public hospital.

It can claim a 50% rebate for the GST or the **federal** part of the HST paid or payable for the operation of the daycare centre.

The organization may also be eligible for a rebate of the **provincial** part of the HST paid, depending on the type of activities performed and its province of residence.

If you are a selected public service body that acquires property or services that will be used primarily (more than 50%) by another selected public service body, which is a separate legal entity, you will claim your rebate using the rebate factor of the other selected public service body.

Example

A university pays the HST on a computer it buys. The computer will be used primarily in the course of operating a public hospital.

The university can claim a rebate of the **federal** part of the HST it paid on the computer at the hospital authority rebate factor of 83%.

The university may also be eligible for a rebate of the **provincial** part of the HST paid, depending on the type of activities performed and its province of residence.

Also, if you are in more than one selected public service body category (for example, you are both a hospital authority and a school authority), and you acquire property or services to be used primarily (more than 50%) as one type of public service body, the rebate factor is based on the primary use of those items.

Example

An organization that is both a hospital authority and a school authority pays the GST on consulting services it acquires to use primarily in its school authority activities. The organization can claim a rebate for the GST it paid on those services at the school authority rebate factor of 68%.

You file only one rebate application for the claim period. You complete the application by determining the appropriate amounts to enter as follows:

- 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 **lines 300 to 312** of Part E of the application.
- Total all amounts recorded on **lines 300 to 312**, and enter the total on **line A** of Part E of the application.

If you qualify for a rebate of the **provincial** part of the HST, calculate the rebate for the **provincial** part separately. Use the rebate factor 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, see "Special rules for claimants resident in more than one province" on the next page.

Total all amounts on the provincial schedule and enter the result on **line B** of Part E of the application.

Example 1

A hospital authority in Saskatchewan operates an elementary school on a non-profit basis. The hospital authority can claim a rebate of 83% for the GST it paid on eligible purchases related to the operation of its public hospital and the 68% rebate available to school authorities for the GST paid on eligible purchases for the elementary school.

Category	Hospital	School
GST paid on purchases	\$2,000	\$1,000
Rebate factor	83%	68%
Multiply the GST paid by the rebate factor	\$1,660	\$680
Line 302		\$680
Line 304	\$1,660	

Enter **\$2,340** (\$1,660 + \$680) on **line 409** of Part E of the application.

Example 2

A hospital authority in Nova Scotia operates an elementary school on a non-profit basis. The hospital authority claims a rebate of 83% for the **federal** part of the HST it paid on eligible purchases related to the operation of the public hospital. It claims the 68% rebate available to school authorities for the **federal** part of the HST it paid on eligible purchases for the elementary school. It also claims an 83% rebate of the **provincial** part of the HST for eligible purchases related to the operation of the public hospital and a 68% rebate for the **provincial** part of the HST for eligible purchases related to operating the elementary school.

Category	Hospital	School
HST paid on purchases	\$6,000	\$3,000
Federal part of HST	\$2,000	\$1,000
Rebate factor	83%	68%
Federal rebate	\$1,660	\$680
Line 302		\$680
Line 304	\$1,660	
Provincial part of HST	\$4,000	\$2,000
Rebate factor	83%	68%
Provincial rebate	\$3,320	\$1,360
Line 302-NS		\$1,360
Line 304-NS	\$3,320	

Claim the amounts for **line 302** and **line 304** on the application. Claim the amounts for **line 302-NS** and **line 304-NS** on the provincial schedule.

Special rules for claimants resident in more than one province

If you are resident in more than one province, one of which is a participating province, you have to calculate the public service bodies' 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.

Example

A charity is resident in the participating provinces of New Brunswick and Ontario and in the non-participating province of Prince Edward Island. It paid \$600 in HST in New Brunswick and \$2000 in HST in Ontario for a total of \$2600 HST and \$800 in GST in Prince Edward Island. The extent that the charity intended to consume, use or supply the eligible property or services in each province is as follows:

- 10% in New Brunswick;
- 40% in Ontario; and
- 50% in Prince Edward Island.

The charity uses the regular method to calculate its public service bodies' rebate as follows.

Step 1

Calculate your rebate for the GST

The non-creditable GST charged is \$800. The GST rebate factor is 50%. Therefore, the public service bodies' rebate for the non-creditable GST charged is \$400 ($\$800 \times 50\%$).

Step 2

Calculate your rebate for the federal part of the HST

The non-creditable HST charged is \$2600. The **federal** part of the non-creditable HST charged is \$1000 [$\$2600 \times (5 \div 13)$]. The **federal** part of the HST rebate factor is 50%. Therefore, the public service bodies' rebate for the non-creditable HST charged is \$500 ($\$1000 \times 50\%$).

Step 3

The total from steps 1 and 2 is \$900 ($\$400 + \500)

The charity enters \$900 on **line 305** of the application and, since it is not engaged in any other activity types, it also enters this amount on **line A** of the application.

Step 4

Calculate your rebate for the provincial part of the HST

The non-creditable HST charged is \$2600. The **provincial** part of the non-creditable HST charged is \$1600 [$\$2600 \times (8 \div 13)$].

Multiply the non-creditable HST charged by the **provincial** rebate factor and the extent of use in each province as follows:

- New Brunswick: $\$1600 \times 50\% \times 10\% = \80.00
- Ontario: $\$1600 \times 82\% \times 40\% = \524.80
- Prince Edward Island : $\$1600 \times 0\% \times 50\% = \0.00

On the provincial schedule the charity enters \$524.80 on **line 305-ON**, \$80.00 on **line 305-NB**, and nothing for Prince Edward Island as it is not a participating province. The charity adds these amounts ($\$80.00 + \524.80) and enters \$604.80 on **line B** of Part E of the application.

Step 5

The charity adds lines A (\$900) and B (\$604.80) on the rebate application and enters the total (\$1504.80) on **line 409**. This is the total public service bodies' rebate claimed by the charity.

For more information

Contact us if, after reading this guide, you would like to get forms or publications, or you need more help.

The following publications have more information for public service bodies:

- Guide RC4082, *GST/HST Information for Charities*;
- Guide RC4081, *GST/HST Information for Non-Profit Organizations*;
- Guide RC4049, *GST/HST Information for Municipalities*; and
- Guide RC4247, *The Special Quick Method of Accounting for Public Service Bodies*.

To get forms or publications, go to www.cra.gc.ca/gsthstpub or call 1-800-959-2221.

For more information, go to www.cra.gc.ca/gsthst or call 1-800-959-5525.

Teletypewriter (TTY) users

TTY users can call 1-800-665-0354 for bilingual assistance during regular business hours.

Direct deposit



Direct deposit is a safe, convenient, dependable, and time-saving method of receiving your GST/HST refunds and rebates. If you are expecting refunds or rebates when you file your GST/HST returns or rebate applications, you can send us a completed Form GST469, *Direct Deposit Request*. To get Form GST469, go to www.cra.gc.ca/dd-bus or call 1-800-959-2221.

My Business Account

Access your business accounts online through My Business Account. With the wide range of services offered, you can:

- view your account balances and transactions;
- transfer payments;
- get additional remittance vouchers;
- calculate a future balance;
- calculate your instalment payments;
- make online requests for financial transactions;
- authorize your employees and representatives to have immediate online access;
- file a GST/HST return electronically;
- view the status of a return;
- view certain correspondence (for example, notices and letters); and
- view your banking information.

To use My Business Account, you need a user ID and password. To register for these secure online services or to check for new services, go to www.cra.gc.ca/mybusinessaccount.

My Payment

My Payment is a payment option that allows individuals and businesses to make payments online, using the Canada Revenue Agency's Web site, from an account at a participating Canadian financial institution. For more information on this self-service option, go to www.cra.gc.ca/mypayment.

Our service complaint process

If you are not satisfied with the service you have received, contact the Canada Revenue Agency (CRA) employee you have been dealing with (or call the phone number you have been given). If you still disagree with the way your concerns are being addressed, ask to discuss your matter with the employee's supervisor.

If the matter is still not resolved, you have the right to file a service complaint by completing Form RC193, *Service-Related Complaint*. If you are still not satisfied with the way the CRA has handled your complaint, you can contact the Taxpayers' Ombudsman.

For more information, go to www.cra.gc.ca/complaints or see Booklet RC4420, *Information on CRA-Service Complaints*.

Your opinion counts

If you have any comments or suggestions that could help us improve our publications, we would like to hear from you. Please send your comments to:



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Ottawa ON K1A 0L5