



Canada Revenue  
Agency

Agence du revenu  
du Canada

# **GST/HST Information for Suppliers of Publications**

## Is this guide for you?

This guide explains how the Canadian goods and services tax/harmonized sales tax (GST/HST) applies to publishers and other suppliers of books, newspapers, magazines, periodicals, and similar printed publications that are sent to a recipient in Canada by mail or courier.

### Note

All references to dollar amounts in this guide are in Canadian dollars.

## 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** (from within Canada and the United States) or **418-659-4692** (from outside Canada and the United States). 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](http://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](http://www.cra.gc.ca/alternate) or call **1-800-959-2221**. If you are outside Canada and the United States, call the International Tax Services Office collect at **613-952-3741**.

La version française de cette publication est intitulée *Renseignements sur la TPS/TVH pour les fournisseurs de publications*.

## 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.

### **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](http://www.cra.gc.ca/gsthst).

### **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](http://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](http://www.cra.gc.ca/mybusinessaccount).

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## Definitions

**Courier** – means a commercial carrier that is engaged in scheduled international transportation of shipments of goods other than goods imported by mail.

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

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

**Permanent establishment** – of a person generally means:

- a person's fixed place of business, including a place of management, a branch, an office, a factory, or a workshop through which the person supplies goods or services; or
- a fixed place of business of someone else (other than a broker, general commission agent, or other independent agent acting in the ordinary course of business) who is acting in Canada for the person and through whom the person supplies goods and services in the ordinary course of business.

If you are a non-resident person, but have a permanent establishment in Canada, you are considered to be a resident in Canada for your activities carried on through that establishment.

If you are a Canadian resident, but have a permanent establishment located outside Canada, you are considered to be a non-resident of Canada for your activities carried on through that establishment.

**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 publications** – include the following:

- books, newspapers, periodicals, magazines, and any similar printed publications, **other than** those described in section 1 of Schedule VII to the *Excise Tax Act* (see "Section 1 of Schedule VII to the *Excise Tax Act*" on page 12); and
- audio recordings that relate to such publications and accompany those publications when submitted to Canada Post or a customs officer.

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

**Small supplier** – refers to a person whose revenue from worldwide taxable supplies was equal to or less than \$30,000 (\$50,000 for public service bodies) in a calendar quarter and over the last four consecutive calendar quarters.

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

**Zero-rated supplies** – are supplies of goods and services that are taxable at the rate of 0%. Zero-rated goods and services include:

- most goods and services exported from Canada;
- most transportation services provided in Canada for merchandise destined to a location outside Canada; and
- most prescription drugs and medical devices.

## What is the GST/HST?

The goods and services tax (GST) is a tax that applies on most supplies of goods and services made in Canada. The GST also applies to supplies of real property (land and buildings) 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 on the next page). Registrants collect tax at the 5% GST rate on taxable supplies they make in the rest of Canada (other than zero-rated supplies). For more information, 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 beginning January 1, 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%

If the amount of tax you charged to your customers is **more** than the amount of your ITCs, send the difference to us with your GST/HST return. If the amount of tax you charged to your customers is **less** than the amount of your ITCs, you can claim a refund on your GST/HST return.

Even if you have not charged the GST/HST, or do not have any ITCs to claim, you still have to file GST/HST returns. For more information, see Guide RC4022, *General Information for GST/HST Registrants*.

## Do I have to register for the GST/HST?

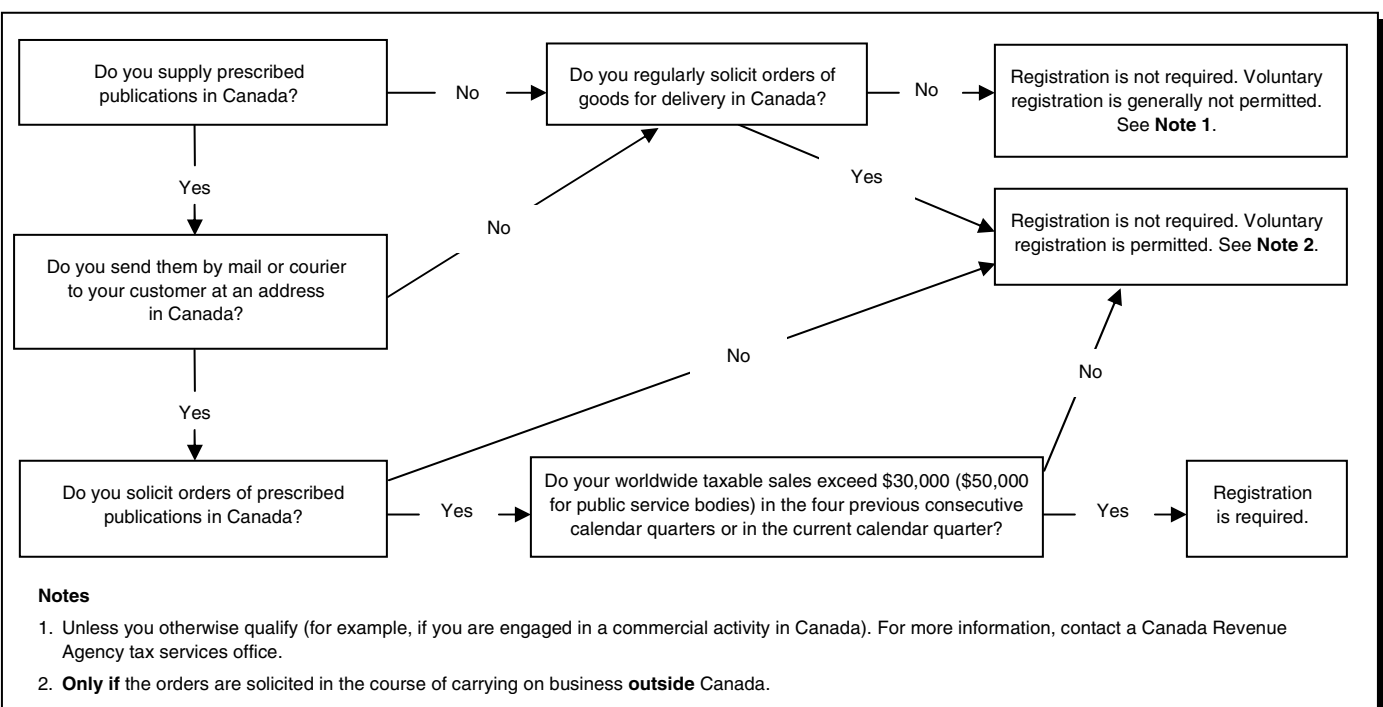
You are considered to be carrying on business in Canada and have to register for the GST/HST if:

- in Canada, you solicit orders for or offer to sell prescribed publications, whether through an employee or agent or by means of advertising directed at the Canadian market;
- the prescribed publications will be sent by mail or courier to the recipient at an address in Canada; and
- you are not a small supplier (defined on the previous page).

Use the following chart to help you determine whether you have to register for the GST/HST, or if you qualify to register voluntarily.

## What happens when I register for the GST/HST?

When you are registered for the GST/HST, you charge the GST/HST on the goods and services you supply in Canada that are taxable (other than zero-rated supplies). You have to prepare and file GST/HST returns at regular intervals, showing the amount of tax you collected (or charged) and paid (or owe). You can deduct input tax credits (ITCs) from the tax you collected or charged on your taxable supplies.



## Voluntary registration

You can register voluntarily if you are engaged in a commercial activity in Canada or you are a non-resident person who, in the ordinary course of carrying on business outside Canada, regularly solicits orders for the supply of publications for export to, or delivery in, Canada.

If you do not have to register for the GST/HST, it may be to your benefit to register voluntarily. If you register, you may be able to recover the GST/HST you pay on any goods or services you use to supply the publications in Canada by claiming an ITC. For more information, see “Input tax credits” on the next page.

## Soliciting orders

### Activities considered to be soliciting orders

Generally, we consider you to be soliciting orders in Canada if you are seeking any orders for prescribed publications to be sent by mail or courier to the recipient at an address in Canada. We consider you to solicit orders in Canada or to offer prescribed publications for sale in Canada in the following situations, even if the activities are performed in Canada through an employee or agent:

- You advertise the sale of your prescribed publications using Canadian print or broadcast media or Web sites that are directed at the Canadian market.
- You advertise in non-Canadian print or broadcast media or Web sites, but direct the advertisement at the Canadian market (for example, you quote the sale price in Canadian dollars or include in the advertisement a special toll-free number, mailing address, or email address for Canadian customers).
- You include subscription offer notices, such as card inserts, in your publications or in another company’s publications that are targeted specifically at the Canadian market (for example, you might include a reference on the subscription offer insert indicating that the offer is directed at the Canadian market such as pre-paid Canadian postage or a specific sale price quoted in Canadian funds).
- You have flyers or leaflets advertising the publication hand-delivered or mailed to Canadian homes and businesses.
- You distribute addressed mail, electronically or otherwise, advertising a publication to Canadian homes and businesses.
- There is a mention of an additional charge in any currency for residents of Canada.

### Mailing lists

We may also consider you to be soliciting orders in Canada if you buy mailing lists and conduct a direct mail advertising campaign. These mailing lists may include physical or electronic mailing addresses and can be bought from a Canadian or non-resident club, association, or any other organization.

Such lists may consist primarily of non-resident members, but some of the members may be Canadian residents. If you undertake direct mail advertising or a solicitation program based on this type of mailing list and include Canadian residents, we consider this to be solicitation in Canada.

### Activities not considered to be soliciting orders

We **do not consider** you to be soliciting orders for prescribed publications in Canada in either of the following situations:

- You advertise in non-Canadian broadcast or print media available to Canadian residents, but you do not specifically direct the advertising at the Canadian market.
- You include, in your publications or in another company’s publications destined for the Canadian market, offer notices for prescribed publications, but the offers are not specifically directed at the Canadian market.

If you send a renewal notice to a Canadian resident for a subscription that was not originally received as a result of solicitation, you are not considered to have undertaken any activity to identify a market in Canada or to pursue that market. In these circumstances, you are continuing a business relationship that was previously established through the Canadian resident’s own initiative.

If you send a notice quoting a renewal price in Canadian dollars directly to the subscriber, we do not consider this activity to be solicitation. The fact that you are not seeking sales beyond a renewal of an existing subscription shows that you have not developed specific plans or advertising activities designed to make additional supplies of subscriptions in Canada, and you are not soliciting sales or offering publications in Canada.

## How to register

**B**efore you can register for a GST/HST account, you need a Business Number (BN). Your BN will be your business identification for all your dealings with us. The BN provides businesses with one number that applies to our four main business accounts:

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

After your BN is set up, you can register for any of the above accounts that you need. When you register for an account, your account number will be your BN with an account identifier at the end.

For more information, see Booklet RC2, *The Business Number and Your Canada Revenue Agency Program Accounts*.

To set up a BN or a GST/HST account:

- go to [www.businessregistration.gc.ca](http://www.businessregistration.gc.ca);
- call **1-800-959-5525** (from within Canada). If you are not in Canada, see “Tax services offices” on page 13 for the telephone number for your location; or
- send us a completed Form RC1, *Request for a Business Number (BN)*.

#### Note

It is the person or business entity that registers for the GST/HST. For example, it is the partnership that registers and not each partner.

If the physical location of your business is in Quebec, contact Revenu Québec at **1-800-567-4692**.

## Do I have to post security?

When you register for the GST/HST, you may have to provide us with security if:

- you do not have a permanent establishment in Canada; or
- you make supplies in Canada only through another person’s fixed place of business.

However, a security deposit is generally not required if:

- you estimate that your annual taxable sales in Canada will not be more than \$100,000; and
- your net tax will be between \$3,000 remittable and \$3,000 refundable annually.

For more information on current security deposit requirements, contact us. For the mailing address and telephone number for your location, see “Tax services offices” on page 13.

If you have to post security, the initial deposit amount is 50% of your estimated net tax to be remitted or refunded for the 12-month period after registration. For example, if your estimated net tax is \$10,000, the amount of security will be \$5,000, and if your estimated net tax is negative \$12,000, the amount of security will be \$6,000. After that, the amount of security required is 50% of your net tax for the previous 12-month period.

Your security deposit may be in the form of cash, certified cheque, money order, or qualifying bond. We do not accept non-transferable bonds such as Canada Savings Bonds.

#### Note

All security deposits are payable in Canadian dollars.

Generally, your security deposit requirements will be reviewed on an annual basis. If it is determined that the amount of security you have provided is inadequate, you may be required to provide an additional amount.

For more information, see GST/HST Memoranda 2.6, *Security Requirements for Non-Residents*.

## Input tax credits

If you are a GST/HST registrant, you can claim input tax credits (ITCs) to recover the GST/HST paid or payable on your operating expenses and on your purchases for use in your commercial activities. These may include:

- post office box rentals;
- postage costs in Canada;
- advertising services; and
- telephone rentals.

You can also recover the GST/HST paid or payable on goods imported into Canada or brought into a participating province for use in the course of your commercial activities.

Most registrants claim their ITCs when they file their GST/HST return for the reporting period in which they made their purchases. However, you can usually claim your ITCs on a return for a later period that is filed by the due date of the return for the last reporting period that ends four years from the end of the period in which the ITC could have first been claimed.

#### Example

You are a quarterly filer. You rent a post office box in Canada in the reporting period October 1, 2010, to December 31, 2010, for which you can claim an ITC. The due date of the return is January 31, 2011. You can claim the ITC on that return or on any later return filed before January 31, 2015.

The time limit for claiming ITCs for a reporting period is reduced from four to two years for the following:

- listed financial institutions (other than a corporation that is deemed to be a financial institution because it has elected to have certain supplies considered as financial services, and that election is in effect); and
- persons with annual taxable supplies of goods and services of more than \$6 million for each of the two preceding fiscal years.

However, the following registrants have four years to claim their ITCs even if they fall into the second category above:

- charities; and
- persons whose supplies of goods and services (other than financial services) during either of the two preceding fiscal years are at least 90% taxable supplies.

Under the two-year limit, you can claim your ITCs on any later return that is filed within two years of the end of the fiscal year that includes the return on which the ITC could have first been claimed.



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### Example

You are a monthly filer with a fiscal year-end of December 31. You buy advertising services in the reporting period September 1, 2010, to September 30, 2010, for which you can claim an ITC. Since the fiscal year that includes the September 2010 reporting period ends on December 31, 2010, you can claim the ITC on any later return until December 31, 2012.

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## Charging GST/HST on prescribed publications

Generally, if you are registered for the GST/HST (or if you have to register), you have to charge the GST/HST on all taxable supplies of goods that you make **in Canada** (other than supplies that are zero-rated). A supply of a good is considered to be made in Canada if it is delivered or made available to the customer in Canada.

This means that you do not usually have to charge the GST/HST on supplies of goods made outside Canada (that is, delivered or made available to the customer outside Canada). **However, there are special rules for charging the GST/HST when you supply prescribed publications** (defined on page 5). For more information, see “When do I charge the GST/HST to Canadian customers?” below.

For more information on whether a supply you are making is considered to be made inside or outside Canada, see GST/HST Memoranda 3.3, *Place of Supply*, or contact us.

## When do I charge the GST/HST to Canadian customers?

If you are registered for the GST/HST and you send a prescribed publication by mail or courier to a recipient at an address in Canada, the transaction is considered to have taken place in Canada, **even if you supply the order from a place outside Canada**. The publication is subject to the GST/HST when you sell it to your customer, and not when it is imported. As a result, foreign publications sold to Canadian residents are taxed in the same way as Canadian publications.

If you are a registered supplier, you have to collect the GST/HST on sales of **prescribed publications** you sell in the following situations:

- you send the publications to a recipient in Canada by mail or courier;
- the publications are individually addressed, you send them to Canada by any mode of transportation, and they are destined for the mail stream in Canada; and
- you send the publications to Canada by any mode of transportation, and they are forwarded to a labelling or wrapping operation in Canada for later delivery by mail.

For more information, see “Bulk shipments of publications” on the next page.

## When do I not charge the GST/HST to Canadian customers?

Some examples of goods on which you do not have to charge the GST/HST **when delivered or made available outside Canada** are as follows:

- audio recordings that do not relate to a prescribed publication;
- audio recordings that relate to a prescribed publication but do not accompany that publication when it is sent to Canada;
- videotapes, computer software, microfilm, or microfiche; and
- printed matter that is not included in the definition of prescribed publications (for example, catalogues, unbound sheet music, and directories).

When you send these goods to your Canadian customers, do not show proof of GST/HST registration on the package. Do not charge the GST/HST on these goods. The importer will have to pay the GST/HST at the time of importation.

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### Example

ABC Video Company sends a videotape to a Canadian customer in a situation where the videotape is considered to be delivered outside Canada. Since a videotape is not a prescribed publication and the videotape is considered to be delivered outside Canada, ABC Video Company does not collect the GST/HST from its Canadian customer and does not show its Business Number (BN) on the package. The Canadian customer pays the applicable duty and GST/HST at the time the videotape is imported into Canada.

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## Point-of-sale rebate of the provincial part of the harmonized sales tax

The governments of the participating provinces (defined on page 5) provide a point-of-sale rebate of the provincial part of the HST for all purchases of printed books, updates of a printed book, audio recordings (all or substantially all of which are spoken readings of a printed book), or bound or unbound printed versions of scripture of any religion. The Canada Revenue Agency administers this point-of-sale rebate. Certain other publications, such as newspapers, subscriptions of magazines or periodicals where more than 5% of the printed space is devoted to advertising, colouring books, calendars and atlases, are not eligible for the rebate.

## How do I charge tax when the point-of-sale rebate is available?

If the item being sold is eligible for the point-of-sale rebate, collect only the federal part of the HST. Charge tax at the full HST rate on books and other printed and electronic materials addressed to a participating province **that are not eligible for a point-of-sale rebate**.

For more information, call 1-800-959-5525 (from within Canada). If you are not in Canada, see “Tax services offices” on page 13 for the telephone number for your location.

## Disclosure of the GST/HST

If you are registered for the GST/HST, indicate on the subscription offer (and on your invoice, if you issue one) whether the GST/HST is included in the price or charged separately. Also indicate your BN.

## Proof of registration

If you are registered for the GST/HST, you have to show your BN on the publications you export to Canada in one of the following locations:

- on the mailing label affixed to the publication;
- on the back cover of the publication if the address of the subscriber appears on that cover;
- on the packaging of the publication or on a separate document that accompanies the publication at the time it is submitted to Canada Post or a customs officer; or
- in the masthead of the publication, or on one of the first five pages of the publication if the masthead is not contained in the first five pages of the publication.

If your BN is clearly indicated on the **outside** of the publications you send to Canada by courier or mail, they will be processed faster.

If you do not yet have a BN when you mail or send a publication by courier, include proof that you have applied for a BN on a separate document that accompanies the publication when it is submitted to Canada Post or a customs officer.

## Customs processing of publications imported by mail

The Canada Border Services Agency (CBSA) can examine all publications arriving by mail before releasing them to Canada Post for delivery. The way publications imported by mail are treated depends on the GST/HST registration status of the non-resident publisher and whether the value of the shipment is \$20 or less, or more than \$20. We give more information on these distinctions in the following sections.

## Customs postal declaration

Shipments to Canada by mail should have a fully completed customs postal declaration attached to the package. You can get this form from your post office. If you are registered for the GST/HST, you should clearly indicate your Business Number (BN) on the declaration attached to the outside of the package to help customs processing.

## Postal handling fee

Canada Post charges a \$5 handling fee (\$8 for international Express Mail Service) on any postal shipment for which we have charged an amount of customs duty or GST/HST. The recipient of the publication pays Canada Post both the fee and the amount of duty or GST/HST. If the recipient does not pay the amount we assess **plus** the handling fee, Canada Post will not deliver the item and will return it to the sender.

## If you are registered

If you are registered for the GST/HST and you provide proof of registration, the CBSA will release all shipments to Canada Post for immediate delivery to the recipient. Your BN should be on the declaration form attached to the outside of the publication.

## If you are not required to register

If you are not required to register for the GST/HST, shipments valued at \$20 or less are not taxable and will be released for delivery.

For shipments valued at more than \$20, the CBSA will assess the GST/HST on the publications and return them to Canada Post to deliver to the recipient and collect the amount of the GST/HST payable. Canada Post will also charge the appropriate postal handling fee.

## If you are required to register and do not do so

If you are required to register for the GST/HST but fail to do so, no relief is granted on shipments valued at \$20 or less. The CBSA will assess the appropriate amount of the GST/HST on **all** shipments of publications, regardless of value. The publications will be returned to Canada Post for delivery and collection of the GST/HST due. Canada Post will also charge the recipient the appropriate postal handling fee.

Whether or not you are registered, if the shipment is a commercial shipment valued at \$1,600 or more, you will have to submit the appropriate customs release documents before the shipment will be released for delivery to the recipient. In these circumstances, the postal handling fee does not apply.

### Note

A commercial shipment refers to the importation of goods into Canada for sale or for any commercial, industrial, occupational, institutional, or other like use.

## Bulk shipments of publications

If you are registered you have to collect the GST/HST in advance on certain types of bulk shipments of publications that will be sent to Canada. Bulk shipments include publications that:

- are individually addressed to a recipient at an address in Canada;
- arrive by any mode of transportation; and
- are destined for the mail stream in Canada.

They can also include publications that are not individually addressed but are destined for a labelling or wrapping operation in Canada, and that will eventually make their way into the Canadian mail stream.

If you provide proof of your GST/HST registration, the CBSA will not delay the release of these publications to assess and collect the GST/HST.

The CBSA will document the shipments on Form B3-3, *Canada Customs Coding Form*, and release them for delivery to Canada Post. If there is proof of GST/HST registration, importers should write **code 48** in field 35 of this form. If there is no proof of registration, the CBSA will collect the GST/HST from the importer of record at the time of importation.

## Customs processing of publications imported by courier

If you are a registered non-resident supplier and your Business Number (BN) is shown in one of the required locations, no tax is imposed on your publications at the time of importation.

Publications not showing a BN are released for delivery, provided that the value of the shipment does not exceed \$20 and you are not required to register for the GST/HST. If the value of the shipment is more than \$20, we will assess the tax at the time of importation.

If you are required to register for the GST/HST but have not done so, publications sent by courier are taxable at the time of importation, regardless of the value of the shipment.

## Special cases

### Controlled circulation publications

These are publications that are provided to a pre-determined group of Canadian residents free of charge. If you are a GST/HST registered supplier, and you provide proof of registration with the shipment, there will be no delay at Canadian customs, regardless of the value of the shipment.

However, if you are not registered for the GST/HST, the value of the shipment determines whether the GST/HST is charged. Even though the publications are provided free of charge, a value is required for customs purposes. Where possible, we will use an attached invoice to determine a publication's value. If this value is greater than \$20, the shipment is taxable upon importation. If the value is \$20 or less, GST/HST is not charged unless you are required to register but have not done so.

### Subscription agents

Subscription agents are usually independent businesses that solicit orders for individual publications, or for subscriptions from individuals, libraries, and other institutions. These agents market and process the orders, and then forward them to the individual publishers involved. Publishers are responsible for delivering the publication to the subscriber once an order is received.

As a subscription agent, you will be required to register if you solicit orders for, or offer for sale, prescribed publications to be sent by mail or courier to a recipient in Canada, **and** you are not a small supplier.

In cases where you are involved in this type of sale between a publisher and a customer, you, as the subscription agent, will be responsible for collecting and remitting the GST/HST. You should provide publishers with your Business Number (BN) and ask that it appear on the invoice or declaration accompanying the shipment at the time of importation.

### Example

SA Company is a registered non-resident subscription agent, and Pub Company is a registered non-resident publisher. A university in Canada contracts SA Company to order books published by Pub Company. SA Company contracts with Pub Company for the price of the books and commission, which are paid on settlement of the contract. The university pays SA Company for the price of the books, the service of contracting the publisher to arrange for payment and shipment of the books, and the amount of GST/HST payable on the books and service. SA Company collects the GST/HST from the university and remits it to the Canada Revenue Agency. The BN for SA Company should appear on any invoice it issues to the university and on any documents, including the customs postal declaration accompanying the shipment.

### Publications supplied as part of a membership in a non-resident association

Canadian residents may apply for membership in your non-resident association. Benefits of this membership may include publications that are included in the cost of the membership. In such a case, your association may be considered to be supplying a publication or a subscription to a publication, rather than a membership. If you need help to determine whether your association is supplying a publication or a membership, contact the tax services office for your location (see "Tax services offices" on page 13).

If your association is a GST/HST registrant, and it is considered to be supplying a membership, it may be required to charge the GST/HST on the membership fee, whether or not a publication is a benefit of membership. If this situation applies to your association, contact us for information.

If your association is not carrying on business in Canada, and does not otherwise supply prescribed publications by mail or courier to persons in Canada, it does not have to register for the GST/HST.

Any publication supplied as a benefit of membership is treated on importation as follows:

- If you provide proof of your GST/HST registration as outlined on the previous page, the publications are not taxable on importation.
- If you are not registered and do not have to register, the publications are taxable at the time of importation if the shipment is valued at more than \$20.
- If you are required to register but have not registered, the publications are taxable at the time of importation, regardless of the value of the shipment.

## Unsolicited books sent to libraries and universities

If you are not registered for the GST/HST, and you send unsolicited books free of charge to universities, university faculty members, book reviewers, or other educational institutions located in Canada, these books are generally subject to the GST/HST at the time of importation.

A value for a publication will still be required for customs purposes. Where possible, we will use an attached invoice to determine the value. If the value of the shipment is \$20 or less, and you are not required to register for the GST/HST, no tax will be charged. Otherwise, the appropriate amount of tax will be assessed and, if the publications are shipped to Canada by mail, Canada Post will collect the appropriate postal handling fee.

However, if you are registered for the GST/HST, and you provide proof of registration at the time of importation, the shipment is not subject to the tax. In addition, you are not required to charge or collect the GST/HST on books sent free of charge to Canada by mail.

## Samples

Samples of publications sent to people in Canada by a non-resident do not qualify as gifts under tariff item No. 9816.00.00 or the *Commercial Samples Remission Order*. As a result, the value of the gift or sample publications shipped to Canada is considered to be the price for which they are usually sold to consumers on the retail market.

### Note

Tariff item No. 9816.00.00 applies to certain goods brought in by individuals as gifts for friends. The *Commercial Samples Remission Order* is designed to grant full remission of customs duties, GST/HST and other taxes imposed under the *Excise Tax Act* for any commercial samples imported into Canada temporarily.

If you are not registered for the GST/HST, we will assess the tax, unless the shipment is valued at \$20 or less and you are not required to register. If you are required to register but have not registered, the publications are taxable at the time of importation, regardless of the value of the shipment.

If you are registered for the GST/HST, and you provide proof of registration with the publications, GST/HST is not collected at the time of importation. In addition, you are not required to charge or collect the GST/HST on the sample publications if they are provided free of charge.

## Supplies sent from foreign lending libraries

No GST/HST is assessed at the time of importation on books of any value sent by a free lending library abroad to any person in Canada, including libraries or other institutions, when the books are to be returned within 60 days.

A library that sends a book to Canada by mail can avoid having to pay the GST/HST and the postal handling fee by ensuring that there is adequate information enclosed with the book so that we can identify the item as non-taxable. Processing will be expedited if this information is included on the postal declaration form attached to the parcel. If the book is sent by courier, the goods will be classified under tariff heading 98.12.20 (duty-free) and are non-taxable under section 1 of Schedule VII to the *Excise Tax Act*.

## International organization publications

All publications produced by the United Nations Association and the North Atlantic Treaty Organization, including any of their specialized agencies, are non-taxable when imported into Canada. This treatment applies regardless of the mode of transport used, the value of the publications, or the nature of the import transaction. If the publications arrive by mail, no postal handling fee will apply if no duty or GST/HST is payable on the shipment.

## Section 1 of Schedule VII to the Excise Tax Act

Certain publications may be imported into Canada free of GST/HST. These publications are classified under the following headings of Schedule I to the *Customs Tariff*, if the publications are not subject to duty under that Act, but not including publications classified under tariff item No. 9804.30.00. The GST/HST does not apply to these publications when they are imported into Canada, if there are no customs duties on them under the *Customs Tariff*.

**98.04:** Personal exemptions for returning residents. There are duty-free and tax-free exemption entitlements for Canadian residents who return from a trip outside the country. For more information, see Canada Border Services Agency (CBSA) Pamphlet BSF5056, *I Declare*.

**98.05:** Former residents' effects. This item allows a former resident of Canada who has lived abroad for at least one year to import personal and household effects free of duties and taxes. For more information, see CBSA Booklet RC4105, *Moving Back to Canada*.

**98.06:** Estates and bequests. Personal effects that are left as a bequest by a Canadian resident who died abroad can be imported free of duties and taxes.

**98.07:** Settler's effects. People immigrating into Canada can import their personal effects free of duties and taxes.

**98.10 and 98.11:** Military arms, stores, and other goods from certain countries may be imported into Canada free of duties and taxes.

**98.12:** Publications of the United Nations Association and the North Atlantic Treaty Organization, or any of their specialized agencies, can be imported free of duties and taxes.

**98.12.20:** Books borrowed from free foreign lending libraries can be imported for a specified period of time free of duties and taxes, if they are returned within 60 days.

**98.15:** Donations of clothing and books for charitable purposes can be imported free of duties and taxes.

**98.16:** Gifts sent by people living abroad to friends and relatives in Canada can be imported free of duty and taxes if their value is not more than \$60. Gifts do not include advertising matter, tobacco products, or alcoholic beverages.

**98.19:** Goods for display at a convention or public exhibition. Certain restrictions apply.

**9823.60:** Display or demonstration goods imported temporarily from a North American Free Trade Agreement (NAFTA) country. Certain restrictions apply.

**9823.70:** Commercial samples imported temporarily from Mexico, the United States, or Chile can be imported free of duty for a specified period of time. Certain restrictions apply.

**9823.80:** Advertising films imported temporarily from a NAFTA country.

**Note**

Some of the above headings have been removed from Schedule I to the *Customs Tariff*. Relief from the GST/HST will continue for imported publications that are classified under these headings, as if the headings still existed. The headings that have been removed are **98.12.20, 98.19, 9823.60, 9823.70, and 9823.80.**

## Tax services offices

If you are located in the United States:	If you are located outside the United States:	Contact the following tax services office:
Alaska, Arizona, California, Hawaii, Idaho, Nevada, Oregon, Utah, and Washington	Asia, Australia, and Russia	Vancouver Tax Services Office 1166 West Pender Street Vancouver BC V6E 3H8 Telephone: <b>604-691-4308</b> Fax: <b>604-691-4907</b>
Alabama, Connecticut, Delaware, District of Columbia, Florida, Georgia, Illinois, Indiana, Kentucky, Maryland, Massachusetts, Michigan, Mississippi, New Hampshire, New Jersey, New York, North Carolina, Ohio, Pennsylvania, Rhode Island, South Carolina, Tennessee, Vermont, Virginia, West Virginia, and Wisconsin	Africa, Central America, France, Luxembourg, Middle East and Gulf States, South America, Switzerland, West Indies, and all other countries	Windsor Tax Services Office 185 Ouellette Avenue PO Box 1655 Windsor ON N9A 7G7 Telephone: <b>519-252-4705</b> Fax: <b>519-971-2011</b>
Arkansas, Colorado, Iowa, Kansas, Louisiana, Maine, Minnesota, Missouri, Montana, Nebraska, New Mexico, North Dakota, Oklahoma, South Dakota, Texas, and Wyoming	Albania, Austria, Belgium, Bulgaria, Czech Republic, Denmark, Finland, Germany, Greece, Hungary, Ireland, Italy, the Netherlands, Norway, Poland, Portugal, Romania, Spain, Sweden, and United Kingdom	Nova Scotia Tax Services Office 1557 Hollis Street PO Box 638 Halifax NS B3J 2T5 Telephone: <b>902-426-5150</b> Fax: <b>902-426-4888</b>

## For more information

### Contacting us

If you need more help after reading this guide, go to [www.cra.gc.ca/gsthst](http://www.cra.gc.ca/gsthst) or call 1-800-959-5525 (from within Canada).

If you are not in Canada, visit our Web site at [www.cra.gc.ca](http://www.cra.gc.ca), or contact a tax services office in Canada. To ensure you receive prompt service for GST/HST registration and enquiries, each tax services office is responsible for specific geographical locations outside Canada. For the mailing address and telephone number for your location, see "Tax services offices" on the previous page.

For customs information, visit the Canada Border Services Agency (CBSA) Web site at [www.cbsa.gc.ca](http://www.cbsa.gc.ca) or call 1-800-461-9999 (from within Canada), or 204-983-3500 or 506-636-5064 (from outside Canada).

### Forms and publications

Go to [www.cra.gc.ca/gsthstpub](http://www.cra.gc.ca/gsthstpub) or call 1-800-959-2221 (from within Canada and the United States) or 613-952-3741 (from outside Canada and the United States), or contact a tax services office in Canada. For the mailing address and telephone number for your location, see "Tax services offices" on the previous page.

For CBSA forms and publications, visit the CBSA Web site at [www.cbsa.gc.ca](http://www.cbsa.gc.ca) or call 1-800-959-2221 (from within Canada and the United States), or 204-983-3500 or 506-636-5064 (from outside Canada and the United States).

### 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](http://www.cra.gc.ca/dd-bus) or call 1-800-959-2221.

### GST/HST rulings and interpretations

You may request a ruling or interpretation on how the GST/HST applies to a specific transaction for your operations. This service is provided free of charge. For more information, see GST/HST Memorandum 1.4, *Excise and GST/HST Rulings and Interpretations Service*, available at [www.cra.gc.ca/gsthstrulings](http://www.cra.gc.ca/gsthstrulings) or call 1-800-959-8287.

### 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](http://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](http://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](http://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:



**Taxpayer Services Directorate  
Canada Revenue Agency  
750 Heron Road  
Ottawa ON K1A 0L5**