



Canada Revenue
Agency

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du Canada



GST/HST and QST Annual Information Return for Selected Listed Financial Institutions

Is this guide for you?

Use this guide to help you complete Form RC7291, *GST/HST and QST Annual Information Return for Selected Listed Financial Institutions*, if you are:

- a selected listed financial institution (SLFI) for GST/HST or QST purposes or both;
- a reporting institution for GST/HST or QST purposes or both; and
- a registrant for GST/HST and QST purposes.

Do not use this guide if you are an SLFI for GST/HST purposes but **not** a registrant for QST purposes. Instead, see Guide RC4419, *Financial Institution GST/HST Annual Information Return* and use Form GST111, *Financial Institution GST/HST Annual Information Return*.

If you are blind or partially sighted, you can get our publications in braille, large print, etext, or MP3 by going to **www.cra.gc.ca/alternate**. You can also get our publications and your personalized correspondence in these formats by calling **1-800-959-5525**.

This guide uses plain language to explain the most common tax situations. It is provided for information only and does not replace the law.

La version française de ce guide est intitulée *Déclaration annuelle de renseignements de la TPS/TVH et de la TVQ pour les institutions financières désignées particulières*.

What's new?

We list the major changes below. This guide contains information based on the *Excise Tax Act* (ETA) and *Regulations* and *An Act Respecting the Québec Sales Tax* (ARQST) and on proposed amendments to the ARQST. At the time of publication, these proposed amendments were not law. The publication of this guide should not be taken as a statement by the Canada Revenue Agency and Revenu Québec that such amendments will in fact become law as proposed. If they become law as proposed, they will be effective as of the dates indicated.

Quebec Sales Tax (QST) for selected listed financial institutions

As of January 1, 2013, the CRA administers the amended QST, on behalf of Revenu Québec, for persons that are SLFIs for GST/HST or QST purposes or both. For more information, go to www.cra.gc.ca/slfi.

Online services for businesses

You can now:

- file your combined GST/HST and QST return;
- file certain GST/HST and QST elections;
- adjust your combined GST/HST and QST return;
- view direct deposit transactions;
- view details of certain elections; and
- view answers to common enquiries using the “Enquiries service.”

To access our online services, go to:

- www.cra.gc.ca/mybusinessaccount, if you are a business owner; or
- www.cra.gc.ca/representatives, if you are an authorized representative or employee.

Representatives – Request or delete authorizations online

Representatives can now:

- submit authorization requests online; and
- delete authorizations online.

Our goal is to:

- authorize a representative within five business days from the date we receive the signed document; and
- cancel an authorization immediately.

Representatives can access these new services at www.cra.gc.ca/representatives. For more information, see “Representatives – Request or delete authorizations online” on page 30.

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An overview

Financial institutions often provide a wide range of services. In addition to tax-exempt financial services, a significant number also engage in taxable activities, both in Canada and internationally. A selected listed financial institution (SLFI) that is a registrant for GST/HST and QST purposes must file Form RC7294, *Goods and Services Tax/Harmonized Sales Tax (GST/HST) and Quebec Sales Tax (QST) Final Return for Selected Listed Financial Institutions*, and in some cases may file Form RC7200, *Goods and Services Tax/Harmonized Sales Tax (GST/HST) and Quebec Sales Tax (QST) Return for Selected Listed Financial Institutions*.

To provide the information summarized on Form RC7294 or Form RC7200, SLFIs have to do a variety of calculations. One of the purposes of Form RC7291, *GST/HST and QST Annual Information Return for Selected Listed Financial Institutions*, is to record the results of this analysis. This guide gives line-by-line instructions on how to complete Form RC7291.

On April 1, 2013, Prince Edward Island harmonized its provincial sales tax with the GST to implement the harmonized sales tax at the rate of 14% (5% federal part and 9% provincial part).

As of April 1, 2013, the HST at the rate of 12% (5% federal part and 7% provincial part) no longer applies in British Columbia. The HST at the rate of 12% has been replaced by the GST at the rate of 5% and a provincial sales tax.

The HST rate can vary from one participating province to another. The chart below shows the applicable GST/HST rates beginning July 1, 2010. For rates before July 2010, go to www.cra.gc.ca/gsthst.

GST/HST Rates		
	July 1, 2010 to March 31, 2013	On or after April 1, 2013
British Columbia	HST at 12%	GST at 5%
New Brunswick	HST at 13%	HST at 13%
Newfoundland and Labrador	HST at 13%	HST at 13%
Nova Scotia	HST at 15%	HST at 15%
Ontario	HST at 13%	HST at 13%
Prince Edward Island	GST at 5%	HST at 14%
Territories and other provinces in Canada	GST at 5%	GST at 5%

Participating province means a province that has harmonized its provincial sales tax with the GST to implement the harmonized sales tax (HST). Participating provinces include New Brunswick, Newfoundland and Labrador, Nova Scotia, Ontario, and Prince Edward Island, but do not include the Nova Scotia offshore area or the Newfoundland offshore area except to the extent that

offshore activities, as defined in subsection 123(1) of the *Excise Tax Act* (ETA), are carried on in that area.

Note

British Columbia was a participating province from July 1, 2010 until March 31, 2013.

In the province of Quebec, the GST at 5% and the QST at 9.975% apply.

Who has to file?

A reporting institution under subsection 273.2(2) of the ETA or under proposed section 350.0.2 of *An Act Respecting the Québec Sales Tax* (ARQST) or both has to complete Form RC7291, *GST/HST and QST Annual Information Return for Selected Listed Financial Institutions* if:

- it is an SLFI for GST/HST purposes or QST purposes or both; and
- it is a registrant for GST/HST and QST purposes.

Reporting institution means a person, other than a prescribed person or a person of a prescribed class, that:

- is a financial institution (under section 149 of the ETA or as defined in section 1 of the ARQST, as applicable) at any time in the fiscal year;
- is a registrant (for GST/HST or QST purposes, as applicable) at any time in the fiscal year; and
- the total of all amounts each of which is an amount included in computing, for the purposes of the *Income Tax Act*, the person's income, or, if the person is an individual, the person's income from a business, for the person's last taxation year that ends in the fiscal year, exceeds the amount determined by the following formula:

$$\$1 \text{ million} \times A / 365$$

(where A equals the number of days in the taxation year).

Note

It is proposed that the reference to the *Taxation Act* (chapter I-3) in section 350.0.2 of the ARQST be replaced with a reference to the *Income Tax Act* so that the provision is consistent with subsection 273.2(2) of the ETA. This change is proposed to apply in respect of a fiscal year that begins after December 31, 2012.

For purposes of determining whether a financial institution is a reporting institution, a person that is a selected listed financial institution (SLFI) would be a prescribed person and therefore not a reporting institution and not required to complete an annual information return for GST/HST purposes if the person is:

- a segregated fund of an insurer referred to in subparagraph 149(1)(a)(vi) of the ETA; and
- an investment plan referred to in subparagraph 149(1)(a)(ix) of the ETA other than a trust governed by a registered retirement savings plan (RRSP), a registered retirement income fund (RRIF), or a registered education savings plan (RESP).

Note

It is proposed that for QST purposes the same types of SLFIs will be prescribed persons and therefore would not be reporting institutions and would not be required to complete an annual information return for QST purposes.

At this time, there are no other prescribed persons or persons of a prescribed class.

Registrant, for GST/HST purposes, means a person who is registered or who is required to be registered for the GST/HST.

Registrant, for QST purposes, means a person who is registered or who is required to be registered for the QST.

Note

Where a financial institution is a reporting institution for a particular fiscal year but is **only a registrant** for part of the particular fiscal year, it is still required to file Form RC7291 and provide information related to that entire fiscal year and not just for the period where the financial institution is a registrant.

Selected listed financial institution

In general terms, you would be considered to be a selected listed financial institution (SLFI) for the purposes of the GST/HST under subsection 225.2(1) of the ETA throughout a reporting period in a fiscal year that ends in your taxation year if you satisfy the following two conditions:

- you are a listed financial institution described in any of subparagraphs 149(1)(a)(i) to (x) at any time in your taxation year; and
- you have a permanent establishment in a participating province and a permanent establishment in any other province at any time in your taxation year.

It is proposed that beginning January 1, 2013, you would generally be considered to be an SLFI for the purposes of the QST throughout a reporting period in a fiscal year that ends in your taxation year if you satisfy the following two conditions:

- you are a listed financial institution described in any of paragraphs 1 to 10 of the definition of listed financial institution in section 1 of the ARQST (which parallel subparagraphs 149(1)(a)(i) to (x) of the ETA) at any time in your taxation year; and
- you have a permanent establishment in Quebec and a permanent establishment in any other province at any time in your taxation year.

In general terms, you would be an SLFI for both GST/HST and QST purposes if you are a listed financial institution described in any of paragraphs 1 to 10 of the definition of listed financial institution in section 1 of the ARQST and have a permanent establishment in Quebec and a permanent establishment in at least one participating province. However, if you do not have a permanent establishment in at least one participating province, you would generally be an SLFI for QST purposes only if you have a permanent establishment in Quebec and a permanent establishment in at least one other non-participating province.

Note

For purposes of determining whether a person is an SLFI, the meaning of permanent establishment is expanded such that the existence of a permanent establishment would generally be determined based on the location of the financial institution's clients, operations, unit holders, and/or plan members in addition to where the financial institution has a fixed place of business.

For more information, see GST/HST Memorandum 17.6.1, *Definition of "Selected Listed Financial Institution"*.

Filing instructions

You must file Form RC7291 once per fiscal year, within six months of the end of your fiscal year.

Note

In certain situations, a person may have a shorter than normal fiscal year; provided the person is a reporting institution for that fiscal year, a RC7291 return would be filed for that fiscal year.

A person (other than a prescribed person) that is an SLFI for GST/HST or QST purposes or both would be a reporting institution for GST/HST and QST purposes if the person:

- is a registrant for GST/HST and QST purposes; and
- exceeds the \$1 million income threshold amount described on page 6.

A person who is a reporting institution for GST/HST and QST purposes must complete all of Form RC7291.

There are certain exceptional situations where a person may only be a reporting institution for either GST/HST purposes or QST purposes. For example, this occurs where the person is an investment plan or a segregated fund of an insurer that is an SLFI for GST/HST purposes only. As a prescribed person for purposes of subsection 273.2(2) of the ETA, the investment plan or the segregated fund of the insurer is not required to complete an annual information return for GST/HST purposes. However, the plan or the fund would be a reporting institution for QST purposes.

A person that is a reporting institution for QST purposes, but not for GST/HST purposes, is not required to report amounts in section 1 of Part B, Part C, Part D, Part F, Part G, Part H, Part I, and Part J of this form or on line 0500 of Part B or line 1500 of Part C.

It is proposed that for QST purposes, the same types of SLFIs (i.e., investment plans and segregated funds of an insurer) would be prescribed persons and therefore would not be required to complete an annual information return for QST purposes because they would not be reporting institutions for QST purposes.

A person that is a reporting institution for GST/HST purposes, but not for QST purposes, is not required to report amounts in section 2 of Part B, Part C, Part D, Part E, Part F, Part G, Part H, Part I, and Part J of this form or on line 0510 of Part B or line 1510 of Part C.

To file Form RC7291, send your completed form to:

Summerside Tax Centre
275 Pope Road
Summerside PE C1N 6A2

The following sections contain detailed explanations of the information that you have to enter on each line of Form RC7291.

Where applicable you should report worldwide amounts on this form. For example, a non-resident financial institution would report worldwide amounts and not just amounts related to its Canadian branch, when completing this form.

Enter a zero if the amount for a line on Form RC7291 is nil or the line does not apply to you for the fiscal year identified on page 1 of the form. Do not leave any lines blank, unless:

- you are a reporting institution for QST purposes only and you are not required to report the amounts for GST/HST purposes; or
- you are a reporting institution for GST/HST purposes only and you are not required to report the amounts for QST purposes.

Estimated amounts

You may enter a reasonable estimate of an amount for certain lines, where indicated, where the amount is not reasonably ascertainable. This guide contains information about the lines you may be able to complete using estimates.

If the amount you enter on a line is an estimated amount, you have to tick the grey box beside the line number.

Penalties

In addition to any other penalty that may apply, every reporting institution that fails to report an amount when and as required, or that misstates such an amount in Form RC7291, will be liable for penalties. Penalties may also apply if a reporting institution fails to provide reasonable estimates of certain amounts for which estimates can be provided. Penalties for non-compliance will accumulate and can be as much as \$1,000 for each failure (in other words, for each line mentioned below under the first and second penalty) unless due diligence was exercised in attempting to report that amount.

The first penalty, which is under subsection 284.1(1) of the ETA and the first paragraph of section 59.2.3 of Quebec's *Tax Administration Act*, may apply to amounts required to be reported on the following lines:

For GST/HST purposes:

0500 (Part B); 2400-2483, 2841-2843, 2845-2847, 2853, 2858, and 2859 (Part D); 4500 and 4600 (Part F); 5500-5540 and 5600-5630 (Part G); 6200-6230, 6340, 6350, 6400-6450, 6540, 6610-6630, 6650, and 6700-6750 (Part H); 7500-7540 and 7600-7640 (Part I).

For QST purposes:

0510 (Part B); 2950-2954, 3001-3003, 3005-3007, 3013, 3018, and 3019 (Part D); 4800 and 4900 (Part F); 5700-5740 and 5800-5830 (Part G); 6900-6903, 6910, 6911, 6912-6917, 6922, 6925-6927, 6929, and 6930-6935 (Part H); 7700-7740 and 7800-7840 (Part I).

The penalty is equal to the **lesser** of \$1,000 and 1% of the absolute value of the difference between the amount and:

- if the reporting institution failed to report the amount when and as required, zero; or
- if the reporting institution misstated the amount, the amount reported by the reporting institution on the information return.

The second penalty, which is under subsection 284.1(2) of the ETA and the second paragraph of section 59.2.3 of Quebec's *Tax Administration Act*, may apply to amounts required to be reported on the following lines:

For GST/HST purposes:

0600, 0610, 0700-0730, 0750, and 0800 (Part B); 1500, 1600, 1700, 1710, 1730, and 1800 (Part C); 2500-2520, 2600-2620, 2700-2720, and 2800-2820 (Part D); 3500-3520, 3600-3620, and 3700-3720 (Part E); 8500, 8510, 8600, and 8610 (Part J).

For QST purposes:

1000, 1010, 1100-1150, and 1200 (Part B); 1510, 2000, 2100, 2130, and 2200 (Part C); 2960-2962, 2970-2972, 2980-2982, and 2990-2992 (Part D); 3900-3902, 4000-4002, and 4100-4102 (Part E); 8700, 8710, 8800, and 8810 (Part J).

The penalty is equal to the **lesser** of \$1,000 and 1% of the total of:

- all amounts that became collectible or was collected by the reporting institution, as or on account of the GST/HST or QST, as applicable, in a reporting period in the fiscal year; and
- all amounts that the reporting institution claimed as an input tax credit or input tax refund, as applicable, in a GST/HST and QST return filed by the reporting institution for a reporting period in the fiscal year.

Part A – Information on the selected listed financial institution

Enter the identification information requested, such as the name of the SLFI and the Business Number. You also have to include your fiscal year and information about the contact person.

Each year that you complete Form RC7291, you have to indicate whether you are an SLFI for both GST/HST and QST purposes or for QST purposes only or for GST/HST purposes only. You also have to indicate your business type (for example, bank, insurance company, credit union, or trust governed by a registered pension plan).

In addition, you have to provide a description of your major business activities. This information is useful to determine which industry classification the SLFI belongs to. For example, this information is used to clarify which industry group an SLFI belongs to under the *North American Industry Classification System* (NAICS).

Note

If you are providing a NAICS code, you still have to include a detailed description of your major business activities.

If this is the second or subsequent filing of Form RC7291 for the SLFI and your major business activity has not changed since your last filing, you can write “no change since last filing” in the space provided.

Part B – Supplies and other revenues

Enter an amount on each of lines 0500 through 1300. Enter a zero if the amount for a line is nil or the line does not apply to you. Do not leave lines blank unless you are a reporting institution for QST purposes only or for GST/HST purposes only. For more information, see Filing instructions on page 7. If an amount is not reasonably ascertainable, you may use a reasonable estimate of the amount on lines 0600, 0610, 0700-0730, 0750, and 0800 of “Section 1 – GST/HST”, and lines 1000, 1010, 1100-1150, and 1200 of “Section 2 – QST”, by ticking the grey box beside each line number (for example, you may use amounts you reported in the General Index of Financial Information [GIFI]).

GST/HST and/or QST collected and collectible

Line 0500

Enter the total amount of the GST/HST collected or collectible during the fiscal year. For example, this amount would include the GST/HST that you are deemed to have collected and the GST/HST you are required to collect on any taxable sale of real property or capital assets.

This amount should equal the total of all amounts you have entered on line 103 of your return(s) for the fiscal year.

Line 0510

Enter the total amount of the QST collected or collectible during the fiscal year. For example, this amount would include the QST that you are deemed to have collected and the QST you are required to collect on any taxable sale of an immovable or capital assets.

This amount should equal the total of all amounts you have entered on line 203 of your return(s) for the fiscal year.

Section 1 – GST/HST

Supplies of financial services

The term financial service is defined in subsection 123(1) of the *Excise Tax Act* (ETA) and includes a broad range of transactions related to financial instruments and money.

Line 0600

Enter the total amount of exempt supplies of financial services made during the fiscal year.

You should base this amount on revenues reported for income tax purposes that are attributable to your exempt supplies of financial services.

A supply deemed under subsection 150(1) of the ETA to be a supply of a financial service is exempt and should be included on line 0600.

Note

Supplies of financial services are exempt under Part VII of Schedule V to the ETA **unless** zero-rated (GST/HST taxable at the rate of 0%) under Part IX of Schedule VI to the ETA. See the explanation for line 0610 for information on supplies of financial services that are zero-rated.

Election under subsection 150(1) of the ETA

Subject to certain exceptions, subsection 150(1) of the ETA entitles two corporations that are members of a closely related group that includes a listed financial institution to make an election to treat every taxable supply between them of property by way of lease, licence, or similar arrangement, or of a service that is made while the election is in effect, as a supply of a financial service.

A corporation that has this election in effect would have filed either Form GST27, *Election or Revocation of an Election to Deem Certain Supplies to be Financial Services for GST/HST Purposes*, or Form RC7227, *Elections or Revocation of the Elections to Deem Certain Supplies to be Financial Services for GST/HST and QST Purposes for Selected Listed Financial Institutions*.

For more information, see GST/HST Memorandum 17.14, *Election for Exempt Supplies*.

Line 0610

Enter the total amount of zero-rated supplies of financial services made during the fiscal year.

You should base this amount on revenues reported for income tax purposes that are attributable to your zero-rated supplies of financial services. Supplies of financial services may be zero-rated under sections 1, 2, or 3 of Part IX of Schedule VI to the ETA.

Supplies of financial services that may be zero-rated include:

- certain financial services when supplied by a financial institution to a non-resident person;
- financial services related to certain insurance policies provided by the insurer that issued the insurance policy for non-resident individuals or real property outside Canada, or that relate to risks ordinarily situated outside Canada; and
- a sale of precious metals by a refiner or a person on whose behalf the precious metals were refined.

Example

You are an SLFI and you supply a financial service of granting a mortgage loan to a non-resident person to buy a house in Seattle, Washington. Your supply of this financial service is zero-rated.

For more information, see GST/HST Memorandum 17.2, *Products and Services of a Deposit-Taking Financial Institution*.

Line 0620

Add lines 0600 and 0610, and enter the total on line 0620. It is recognized that this total may include estimated amounts.

Supplies other than financial services

Line 0700

Enter the total amount of zero-rated supplies, **other than** financial services, made during the fiscal year. Do not include provincial sales tax.

Supplies other than financial services may be zero-rated under any Part of Schedule VI to the ETA, other than Part IX of Schedule VI which applies only to financial services. For example, exports of certain property or services may be zero-rated under Part V of Schedule VI.

Example

An insurance agent supplies an estate planning service to a non-resident individual that is not in respect of real property that is situated in Canada, or tangible personal property that is situated in Canada when the service is performed. The non-resident is not in Canada at any time for this supply. The supply of this service is zero-rated as an export under Part V of Schedule VI to the ETA.

For more information, see GST/HST Memorandum 4.5.2, *Exports – Tangible Personal Property*, and GST/HST Memorandum 4.5.3, *Exports – Services and Intellectual Property*.

Line 0710

Enter the total amount of exempt supplies, **other than** financial services, made during the fiscal year. Do not include provincial sales tax.

Supplies other than financial services may be exempt under any Part of Schedule V to the ETA, other than Part VII of Schedule V which applies only to financial services.

Lines 0720 to 0740

Enter on line 0740 the total amount of taxable supplies subject to the GST/HST (other than zero-rated supplies) made during the fiscal year. Do not include the GST/HST, QST, or other provincial sales tax.

Provide a breakdown of your total amount of taxable supplies on line 0740 as explained below:

On line 0720, enter the total amount of taxable supplies (other than zero-rated supplies) subject to the GST made during the fiscal year. Do not include the GST or provincial sales tax.

On line 0730, enter the total amount of taxable supplies (other than zero-rated supplies) subject to the HST made during the fiscal year. Do not include the HST.

You may enter estimates on lines 0720 or 0730 if these amounts are not reasonably ascertainable. However, the total of these two lines must equal the amount entered on line 0740.

Line 0750

Enter the total amount of supplies, **other than** financial services, made during the fiscal year, which have not been entered on lines 0700 to 0730. Do not include provincial sales tax.

For example, line 0750 would include the amount you received from a supply made outside Canada and from the disposition of property that, before the disposition, was used exclusively in non-commercial activities.

Line 0760

Add lines 0700, 0710, 0740, and 0750, and enter the total on line 0760. It is recognized that this total may include estimated amounts.

Other revenues

Line 0800

Enter the total amount of other revenues that were not consideration for a supply (including amounts of other revenues from outside Canada), specify their sources, and provide a description.

Include revenue you received from grants, subsidies, or damage payments where those payments were not consideration for a supply. Also, include natural resource royalties you received that are deemed not to be consideration for a supply. If you are a co-venturer in a joint venture, revenues received from the operator of the joint venture (where an election under section 273 of the ETA is in effect) would also generally be included.

Total supplies and other revenues made during the fiscal year

Line 0900

Add lines 0620, 0760, and 0800, and enter the total on line 0900. It is recognized that this total may include estimated amounts.

Section 2 – QST

Supplies of financial services

The term financial service is defined in section 1 of *An Act Respecting the Québec Sales Tax (ARQST)* and includes a broad range of transactions related to financial instruments and money.

Line 1000

Enter the total amount of exempt supplies of financial services made in Quebec during the fiscal year.

You should base this amount on revenues reported for income tax purposes that are attributable to your exempt supplies of financial services.

A supply deemed under section 297.0.2.1 of the ARQST to be a supply of a financial service is exempt and should be included on line 1000.

Note

Supplies of financial services are exempt under section 169.3 or 169.4 of the ARQST **unless** zero-rated (QST taxable at the rate of 0%) under section 197.3, 197.4, or 197.5 under Division VII.2 of Chapter IV of the ARQST. See the explanation for line 1010 for information on supplies of financial services that are zero-rated.

Election under section 297.0.2.1 of the ARQST

Subject to certain exceptions, section 297.0.2.1 of the ARQST entitles two corporations that are members of a closely related group that includes a listed financial institution to make an election to treat every taxable supply between them of property by way of lease, licence, or similar arrangement, or of a service that is made while the election is in effect and that would otherwise be a taxable supply, as a supply of a financial service.

A corporation that has this election in effect would have filed either Form GST27, *Election or Revocation of an Election to Deem Certain Supplies to be Financial Services for GST/HST Purposes*, or Form RC7227, *Elections or Revocation of the Elections to Deem Certain Supplies to be Financial Services for GST/HST and QST Purposes for Selected Listed Financial Institutions*.

Note

Where a particular corporation has made a joint election with another corporation under subsection 150(1) of the ETA for GST/HST purposes, the particular corporation and the other corporation are required to make an election under section 297.0.2.1 of the ARQST for QST purposes. Where a particular corporation has, before January 1, 2013, made a joint election with another corporation under subsection 150(1) of the ETA and that election was in effect for GST/HST purposes on January 1, 2013, the particular corporation is deemed to have made the election under section 297.0.2.1 of the ARQST effective January 1, 2013, for QST purposes.

Line 1010

Enter the total amount of zero-rated supplies of financial services made in Quebec during the fiscal year.

You should base this amount on revenues reported for income tax purposes that are attributable to your zero-rated supplies of financial services. Supplies of financial services may be zero-rated under section 197.3, 197.4, or 197.5 under Division VII.2 of Chapter IV of the ARQST.

Supplies of financial services that may be zero-rated include:

- certain financial services when supplied by a financial institution to a non-resident person;
- financial services related to certain insurance policies provided by the insurer that issued the insurance policy for non-resident individuals or real property outside Canada, or that relate to risks ordinarily situated outside Canada; and
- a sale of precious metals by a refiner or a person on whose behalf the precious metals were refined.

Example

You are an SLFI and you supply a financial service of granting a mortgage loan to a non-resident person to buy a house in Seattle, Washington. Your supply of this financial service is zero-rated.

For more information, see GST/HST Memorandum 17.2, *Products and Services of a Deposit-Taking Financial Institution*.

Line 1020

Add lines 1000 and 1010, and enter the total on line 1020. It is recognized that this total may include estimated amounts.

Supplies other than financial services

Line 1100

Enter the total amount of zero-rated supplies, **other than** financial services, made in Quebec during the fiscal year. Do not include provincial sales tax.

Supplies other than financial services may be zero-rated under any section of Chapter IV of Title I of the ARQST, other than Division VII.2 which applies only to financial services. For example, supplies of certain property or services may be zero-rated under Division V of Chapter IV of Title I of the ARQST.

Example

An insurance agent supplies an estate planning service made to a person not resident in Quebec that is in respect of an immovable not situated in Quebec or corporeal movable property that is not situated in Quebec at the time the service is performed. The supply of this service is zero-rated under Division V of Chapter IV of Title I of the ARQST.

For more information, see GST/HST Memorandum 4.5.2, *Exports – Tangible Personal Property*, and GST/HST Memorandum 4.5.3, *Exports – Services and Intellectual Property*.

Line 1110

Enter the total amount of exempt supplies, **other than** financial services, made in Quebec during the fiscal year. Do not include provincial sales tax.

Supplies other than financial services may be exempt under Chapter III of Title I of the ARQST, other than Division VI.I which applies only to financial services.

Lines 1135

Enter on line 1135 the total amount of taxable supplies subject to the QST (other than zero-rated supplies) made during the fiscal year. Do not include the GST/HST, QST or other provincial sales tax.

Line 1150

Enter the total amount of supplies, **other than** financial services, made during the fiscal year, which have not been entered on lines 1100 to 1135. Do not include the GST/HST or provincial sales tax.

For example, line 1150 would include the amount you received from a supply made outside Quebec and from the disposition of property that, before the disposition, was used exclusively in non-commercial activities.

Line 1160

Add lines 1100, 1110, 1135, and 1150, and enter the total on line 1160. It is recognized that this total may include estimated amounts.

Other revenues**Line 1200**

Enter the total amount of other revenues that were not consideration for a supply (including amounts of other revenues from outside Quebec), specify their sources, and provide a description.

Include revenue you received from grants, subsidies, or damage payments where those payments were not consideration for a supply. Also, include natural resource royalties you received that are deemed not to be consideration for a supply. If you are a co-venturer in a joint venture, revenues received from the operator of the joint venture (where an election under section 346 of the ARQST is in effect) would also generally be included.

Total supplies and other revenues made during the fiscal year**Line 1300**

Add lines 1020, 1160, and 1200, and enter the total on line 1300. It is recognized that this total may include estimated amounts.

Part C – Purchases and other expenditures

Enter an amount on each of lines 1500 through 2300. Enter a zero if the amount for a line is nil or the line does not apply to you. Do not leave lines blank unless you are a reporting institution for QST purposes only or for GST/HST purposes only. For more information, see Filing instructions on page 7. If an amount is not reasonably ascertainable, you may use a reasonable estimate of the amount on lines 1500 and 1510; lines 1600-1710, 1730, and 1800 of “Section 1 – GST/HST”, and lines 2000-2130, and 2200 of “Section 2 – QST”, by ticking the grey box beside each line number (for example, you may use amounts you reported in the General Index of Financial Information [GIFI]).

GST, federal part of HST, and/or QST paid or payable**Line 1500**

Enter the total amount of the GST and federal part of the HST that became payable or was paid without becoming payable by you during the fiscal year including amounts of deemed tax or self-assessed tax. This amount includes all GST paid or payable under Divisions II, III, and IV of Part IX of the *Excise Tax Act* (ETA).

Line 1510

Enter the total amount of the QST that became payable or was paid without becoming payable by you during the fiscal year including amounts of deemed tax or self-assessed tax. This amount includes all QST paid or payable under Division I of Chapter II of Title I of *An Act Respecting the Québec Sales Tax* (ARQST).

Section 1 – GST/HST**Purchases of financial services****Line 1600**

Enter the total amount of exempt and zero-rated financial services you bought during the fiscal year. You should base this amount on costs reported for income tax purposes that are attributable to your purchases of exempt and zero-rated supplies of financial services.

A purchase of a supply deemed under subsection 150(1) to be a supply of a financial service should be included on line 1600. See “Line 0600” on page 9 for more information on an election under subsection 150(1) of the ETA.

Purchases other than financial services

Lines 1700 to 1720

Enter the total amount of taxable purchases, including property acquired by way of lease, you made during the fiscal year, **other than** financial services, that were subject to GST/HST (exclude purchases of zero-rated supplies). For example, enter your purchases of capital property and office supplies. If you are an insurer, this amount would also include taxable purchases of property or services acquired, imported, or brought into a participating province exclusively and directly for consumption, use, or supply in the course of investigating, settling, or defending a claim arising under an insurance policy. Do not include GST/HST, QST, or other provincial sales tax.

On line 1700, enter the total amount of taxable purchases subject to GST. Do not include the GST or provincial sales tax.

On line 1710, enter the total amount of taxable purchases subject to the HST. Do not include the HST.

Add lines 1700 and 1710, and enter the total on line 1720. It is recognized that this total may include estimated amounts.

Line 1730

Enter the total amount of all purchases of supplies that you made during the fiscal year that are not financial services, and that were exempt, zero-rated, or non-taxable.

For example, include purchases of exempt supplies of building permits from a municipality, zero-rated supplies of international flights, non-taxable imported supplies and supplies outside Canada.

Do not include expenses you incurred during the fiscal year that were not consideration for a supply, such as amounts you paid as salaries or wages, grants, subsidies, or damage payments, or amounts you paid as natural resource royalties that were deemed not to be consideration for a supply. Include these other expenditures on line 1800.

Line 1740

Add lines 1720 and 1730, and enter the total on line 1740. It is recognized that this total may include estimated amounts.

Other expenditures

Line 1800

Enter the total amount of other expenditures and provide a description for each type or category of expense.

This amount includes expenses you incurred inside or outside Canada during the fiscal year that were not consideration for a supply, such as amounts you paid as salaries or wages, grants, subsidies, or damage payments. Also include on this line amounts paid as natural resource royalties that were deemed not to be consideration for a supply.

Total purchases and other expenditures for the fiscal year

Line 1900

Add lines 1600, 1740, and 1800, and enter the total on line 1900. It is recognized that this total may include estimated amounts.

Section 2 – QST

Purchases of financial services

Line 2000

Enter the total amount of exempt and zero-rated financial services you bought during the fiscal year. You should base this amount on costs reported for income tax purposes that are attributable to your purchases of exempt and zero-rated supplies of financial services provided in Quebec.

A purchase of a supply deemed under section 297.0.2.1 of the ARQST to be a supply of a financial service should be included on line 2000. See “Line 1000” on page 11 for more information on an election under section 297.0.2.1.

Purchases other than financial services

Line 2100

Enter the total amount of taxable purchases, including property acquired by way of lease you made during the fiscal year, **other than** financial services, that were subject to QST (exclude purchases of zero-rated supplies). For example, enter your purchases of capital property and office supplies. If you are an insurer, this amount would also include taxable purchases of property or services acquired, imported, or brought into Quebec exclusively and directly for consumption, use, or supply in the course of investigating, settling, or defending a claim arising under an insurance policy. Do not include GST/HST, QST, or other provincial sales tax.

Line 2130

Enter the total amount of all purchases of supplies that you made during the fiscal year that are not financial services, and that were exempt, zero-rated, or non-taxable.

For example, include purchases of exempt supplies of building permits from a municipality, zero-rated supplies of international flights, non-taxable imported supplies and supplies outside Quebec.

Do not include expenses you incurred during the fiscal year that were not consideration for a supply, such as amounts you paid as salaries or wages, grants, subsidies, or damage payments, or amounts you paid as natural resource royalties that were deemed not to be consideration for a supply. Include these other expenditures on line 2200.

Line 2140

Add lines 2100 and 2130, and enter the total on line 2140. It is recognized that this total may include estimated amounts.

Other expenditures

Line 2200

Enter the total amount of other expenditures and provide a description for each type or category of expense.

This amount includes expenses you incurred inside or outside Quebec during the fiscal year that were not consideration for a supply, such as amounts you paid as salaries or wages, grants, subsidies, or damage payments. Also include on this line amounts paid as natural resource royalties that were deemed not to be consideration for a supply.

Total purchases and other expenditures for the fiscal year

Line 2300

Add lines 2000, 2140, and 2200, and enter the total on line 2300. It is recognized that this total may include estimated amounts.

Part D – Imports and supplies brought into Quebec

The GST/HST and QST apply not only to domestic purchases but also to imports and supplies brought into Quebec. Imported goods and supplies brought into Quebec are generally subject to the GST/HST, or GST and QST, unless identified in Schedule VII to the *Excise Tax Act* (ETA) as non-taxable for GST/HST purposes or identified in the fourth paragraph of section 17 of *An Act Respecting the Québec Sales Tax* (ARQST) as non-taxable for QST purposes.

Certain recipients of imported services, services brought into Quebec, or and intangible personal property have to self-assess the tax.

Imported taxable supplies generally include taxable supplies (other than certain zero-rated supplies or prescribed supplies) of services and intangible personal property made outside Canada to a person who is resident in Canada, unless certain exclusions apply. One such exclusion is a supply of a service that is acquired for consumption, use, or supply, exclusively in the course of commercial activities of the person, or activities that are engaged in exclusively outside Canada by the person and that is not part of a business or an adventure or concern in the nature of trade engaged in by the person in Canada.

In addition to self-assessing on imported taxable supplies, a financial institution that is also a qualifying taxpayer is required to self-assess under section 218.01 and subsection 218.1(1.2) (if applicable) for a specified year on the total of all amounts of qualifying consideration, or where an election under subsection 217.2(1) is in effect the total of internal and external charges.

If you are an SLFI for GST/HST purposes you use the special attribution method in subsection 225.2 of the ETA to calculate your liability for the provincial part of the HST. As a result, you are not required to self-assess the provincial part of the HST on imported taxable supplies, import amounts and certain imported goods unless specific exceptions apply.

If you are an SLFI for QST purposes you use the special attribution method in section 433.16 of the ARQST to calculate your liability for the QST. As a result, you are not required to self-assess the QST on taxable supplies brought into Quebec, unless specific exceptions apply.

Specified year of a person for purpose of Division IV of the ETA means:

- in the case of a person that is a taxpayer, within the meaning of that term in the *Income Tax Act* (ITA);
 - the taxation year of the person for the purposes of the ITA (other than an unincorporated person exempt because of subsection 149(1) of the ITA from tax under Part I of the ITA on all or part of the person's taxable income) as referred to in paragraph (a) of the definition of taxation year in subsection 123(1) of the ETA; or
 - where the person is a partnership described in subparagraph 249.1(1)(b)(ii) of the ITA, the fiscal period of the person's business determined under subsection 249.1(1) of that ITA as referred to in paragraph (b) of the definition of taxation year in subsection 123(1) of the ETA.
- in the case of a person that is a registrant but is not described in paragraph (a) or (b) of the definition "taxation year" in subsection 123(1) as referred to above, the fiscal year of the person; and
- in any other case, the calendar year.

Note

The definition of "specified year" has the same meaning for the purposes of the QST as it does for the purposes of the GST/HST.

For more information, see GST/HST Technical Information Bulletin B-095, *The Self-assessment Provisions of Section 218.01 and Subsection 218.1(1.2) for Financial Institutions (Import Rules)*.

Section 1 – GST/HST

Tax on imports – GST/HST

Enter an amount on each of lines 2400 through 2483. Enter a zero if the amount for a line is nil or the line does not apply to you. Do not leave lines blank unless you are a reporting institution for QST purposes only. For more information, see Filing instructions on page 7. An estimated amount cannot be used for any of lines 2400 through 2483.

Note

All references in this section are to the ETA unless otherwise noted.

Line 2400

Enter the total amount of the GST, or the federal part of the HST, that became payable or that was paid without becoming payable for imported goods under section 212.

Section 212 requires every person who is liable under the *Customs Act* to pay duty on imported goods, or who would be so liable if the goods were subject to duty, to also pay tax at the rate of 5% on the value of the goods.

Exception

No tax is payable on imports of goods included in Schedule VII. For example, goods you import that are supplied by a non-resident for no consideration, other than shipping and handling charges, as replacement property under a warranty are not subject to tax.

Line 2410

Enter the total amount of the GST, or the federal part of the HST, that became payable or that was paid without becoming payable for imported taxable supplies under section 218.

Section 218 requires every recipient of an imported taxable supply to pay tax at the rate of 5% on the value of the consideration for the supply. As a GST/HST registrant, you should use your regular GST/HST and QST return to self-assess the tax.

Example

You are a financial institution that is a GST/HST registrant and you are resident in Canada. You hired a non-registered non-resident company to provide taxable services that relate to your tax-exempt activities in Canada. You have to self-assess tax on the value of the services by using line 405 of your GST/HST and QST return.

Line 2420

Enter the total amount of the GST that became payable on qualifying consideration under paragraph 218.01(b). This amount should be the amount of the GST that you self-assessed on all amounts of qualifying consideration for the specified year and included on line 405 of your GST/HST and QST return(s).

Line 2430

Enter the total provincial part of the HST that became payable or that was paid without becoming payable on certain imported goods under section 212.1.

Section 212.1 generally requires every person who is a resident in a participating province and is liable under the *Customs Act* to pay duty on imported goods, or who would be liable if the goods were subject to duty, to also pay the provincial part of the HST on the value of the goods. Certain taxable goods are not subject to the provincial part of the HST upon importation including goods that are accounted for as commercial goods. "Commercial goods" are goods that are imported for sale or for any commercial, industrial, occupational, institutional or other like use.

Example

You are a resident of Ontario and you import taxable non-commercial goods into Canada on which you have to pay duty. The duty value of the goods is \$12,000.

You have to pay \$1,560 HST. You enter \$600 (5% federal part of the HST) on line 2400 and \$960 (8% provincial part of the HST) on line 2430.

Line 2440

Enter the total provincial part of the HST that became payable or that was paid without becoming payable on certain taxable imported goods under section 220.07.

For example, you may have to self-assess the provincial part of the HST if you bring commercial goods from a place outside Canada into a participating province.

This payment is in addition to the tax imposed by section 212.

Example

You are a Canadian corporation that is a listed financial institution. You bring taxable commercial goods into New Brunswick from a place outside Canada. Since New Brunswick is a participating province, section 220.07 generally requires the corporation to pay, in addition to the tax imposed under section 212, the provincial part of the HST at the tax rate applicable to the particular participating province.

Note

The provincial part of the HST self-assessed under Division IV.1 would not be payable by you while you are an SLFI for GST/HST purposes unless it is a prescribed amount of tax for purposes of section 220.04.

Line 2450

Enter the total provincial part of the HST that became payable or that was paid without becoming payable for imported taxable supplies under subsection 218.1(1).

Note

The provincial part of the HST on imported taxable supplies under subsection 218.1(1) would not be payable by you while you are an SLFI for GST/HST purposes unless any of the exceptions referred to in subsection 218.1(2) apply.

Line 2460

Enter the total provincial part of the HST that became payable on qualifying consideration under paragraph 218.1(1.2)(b).

Note

The provincial part of the HST on qualifying consideration under paragraph 218.1(1.2)(b) would not be payable by you while you are an SLFI for GST/HST purposes unless any of the exceptions referred to in subsection 218.1(2) apply.

Line 2470

Enter the total of any other amounts of the provincial part of the HST you had to self-assess. This would include the provincial part of the HST self-assessed under Division IV.1 of the ETA other than under section 220.07, which is reported on line 2440.

Note

The provincial part of the HST self-assessed under Division IV.1 would not be payable by you while you are an SLFI for GST/HST purposes unless it is a prescribed amount of tax for purposes of section 220.04.

Line 2480

Enter the total amount of the GST, or the federal part of the HST, that became payable or was paid without becoming payable for all internal charges under paragraph 218.01(a).

Internal charge

Internal charge for a specified year is an outlay or an expense incurred, between a qualifying establishment of a qualifying taxpayer in Canada and another qualifying establishment of the same qualifying taxpayer in another country. To determine if your expenses are internal charges, refer to subsection 217.1(4).

Line 2481

Enter the total amount of the GST, or the federal part of the HST, that became payable or was paid without becoming payable for all external charges under paragraph 218.01(a).

External charge

External charge for a specified year of a qualifying taxpayer is in respect of an outlay or expense described in any of paragraphs 217.1(2)(a) to (c). Refer to section 217 for the definition of external charge.

Line 2482

Enter the total provincial part of the HST that became payable or was paid without becoming payable for all internal charges under paragraph 218.1(1.2)(a).

Note

The provincial part of the HST on internal charges under paragraph 218.1(1.2)(a) would not be payable by you while you are an SLFI for GST/HST purposes unless any of the exceptions referred to in subsection 218.1(2) apply.

Line 2483

Enter the total provincial part of the HST that became payable or was paid without becoming payable for all external charges under paragraph 218.1(1.2)(a).

Note

The provincial part of the HST on external charges under paragraph 218.1(1.2)(a) would not be payable by you while you are an SLFI for GST/HST purposes unless any of the exceptions referred to in subsection 218.1(2) apply.

Value of imports – GST/HST**Lines 2500 through 2860**

Enter an amount on each of lines 2500 through 2860. Enter a zero if the amount for a line is nil or the line does not apply to you. Do not leave lines blank. If an amount is not reasonably ascertainable, you may use a reasonable estimate of the amount on lines 2500-2520, 2600-2620, 2700-2720, and 2800-2820, by ticking the grey box beside each line number. Do not include the GST/HST, QST, or other provincial sales tax.

Enter the total value of property and services that you imported into Canada during the fiscal year in the following categories:

- financial services;
- taxable goods;
- taxable supplies other than goods; and
- other inputs.

Enter the total of all amounts on lines 2841 to 2860 subject to self-assessment under section 218.01 relating to the tax for the specified year reported on lines 2420, 2480, or 2481 as applicable in the following categories:

- Element A of qualifying consideration formula;
- Element B of qualifying consideration formula;
- total qualifying consideration A minus B;
- internal charges; and
- external charges.

The amounts entered on lines 2500 to 2520 should be based on your costs reported for income tax purposes and attributable to imports of financial services.

Report the amounts from lines 2500 to 2930 based on the source of the import. The source must be identified as one of the following:

- head office or branches;
- related persons; or
- third parties.

Related persons

Persons are related to each other for these purposes if, by reason of subsections 251(2) to (6) of the *Income Tax Act*, they are related for the purposes of that Act.

In addition, a member of a partnership is deemed to be related to the partnership.

Third parties

Enter the value of property and services you imported into Canada during the fiscal year that do not belong under the other two categories.

Totals

Lines 2530, 2630, 2730, 2830, 2844, 2848, 2852, 2856, and 2860

Enter on lines 2530, 2630, 2730, 2830, 2844, 2848, 2852, 2856, and 2860, the total of each row. It is recognized that these totals may include estimated amounts.

Lines 2841 to 2843 and 2845 to 2847

The amounts entered on lines 2841 to 2843 are the amounts for "Element A of the qualifying consideration formula." The amounts entered on lines 2845 to 2847 are the amounts for "Element B of the qualifying consideration formula." The amounts from Element B are subtracted from the amounts in Element A, and the results are entered on lines 2849 to 2851, "Total qualifying consideration A minus B." The amounts on lines 2849 to 2852 are added in the total of each column.

Lines 2900 to 2930

Enter on lines 2900 to 2930 the total of each column. It is recognized that these totals may include estimated amounts.

Do not include lines 2841, 2842, 2843, 2844, 2845, 2846, 2847, and 2848 in the calculation for any of the column totals. The amounts in the shaded area for Element A and Element B will not be used in the final total of the columns.

Section 2 – QST

QST on supplies brought into Quebec

Enter an amount on each of lines 2950 through 2954. Enter a zero if the amount for a line is nil or the line does not apply to you. Do not leave lines blank unless you are a reporting institution for GST/HST purposes only. For more information, see Filing instructions on page 7. An estimated amount cannot be used for any of lines 2950 through 2954.

Note

All references in this section are to the ARQST unless otherwise noted.

Line 2950

Enter the total amount of the QST that became payable, or that was paid without becoming payable, for goods brought into Quebec under section 17.

Where goods are brought into Quebec for consumption or use in Quebec, section 17 requires every person, in circumstances described in that section, to also pay tax at the rate of 9.975% on the value of the goods.

Note

The QST on goods brought into Quebec under section 17 would not be payable by you while you are an SLFI for QST purposes unless the exceptions referred to in section 17.4.1 apply.

Line 2951

Enter the total amount of the QST that became payable, or that was paid without becoming payable, for taxable supplies brought into Quebec under section 18.

Section 18 requires every recipient of a taxable supply, in circumstances described in that section, to also pay tax at the rate of 9.975% on the value of the supply.

Note

The QST on taxable supplies brought into Quebec under section 18 would not be payable while you are an SLFI for QST purposes unless the exceptions referred to in section 18.0.3 apply.

Line 2952

Enter the total amount of the QST that became payable on the value of consideration under section 26.4. This amount should be the amount of the QST that you self-assessed on all amounts of the value of consideration for the specified year and included on line 203 of your GST/HST and QST return(s).

Note

The QST on the value of consideration under section 26.4 would not be payable under section 18 while you are an SLFI for QST purposes unless the exceptions referred to in section 18.0.3 apply.

Line 2953

Enter the total amount of the QST that became payable, or was paid without becoming payable, on the value of consideration for all internal charges under section 26.3. See page 16 for the definition of internal charge.

Note

The QST on internal charges under section 26.3 would not be payable under section 18 while you are an SLFI for QST purposes unless the exceptions referred to in section 18.0.3 apply.

Line 2954

Enter the total amount of the QST that became payable, or was paid without becoming payable, on the value of consideration for all external charges under section 26.3. See page 16 for the definition of external charge.

Note

The QST on external charges under section 26.3 would not be payable under section 18 while you are an SLFI for QST purposes unless the exceptions referred to in section 18.0.3 apply.

Value of supplies brought into Quebec – QST

Lines 2960 to 2993

Enter an amount on each of lines 2960 through 2993. Enter a zero if the amount for a line is nil or the line does not apply to you. Do not leave lines blank unless you are a reporting institution for GST/HST purposes only. For more information, see Filing instructions on page 7. If an amount is not reasonably ascertainable, you may use a reasonable estimate of the amount on lines 2960-2962, 2970-2972, 2980-2982, and 2990-2992 by ticking the grey box beside each line number. Do not include the GST/HST, QST, or other provincial sales tax.

Enter the total value of property and services that you brought into Quebec during the fiscal year in the following categories:

- financial services;
- taxable goods;
- taxable supplies other than goods; and
- other inputs.

The amounts entered on lines 2960 to 2962 should be based on your costs reported for income tax purposes and attributable to imports of financial services.

Lines 3001 to 3020

Only complete lines 3001 to 3020 if you are a reporting entity for QST purposes only. Enter a zero if the amount for the line is nil or the line does not apply to you.

Enter the total of all amounts from lines 3001 to 3020 subject to self-assessment under section 18 relating to the tax for the specified year reported on lines 2952, 2953, or 2954 as applicable in the following categories:

- Element A of qualifying consideration formula;
- Element B of qualifying consideration formula;
- total qualifying consideration A minus B;
- internal charges; and
- external charges.

Report the amounts from lines 2960 to 3020 based on the source, which must be identified as one of the following:

- head office or branches;
- related persons; or
- third parties.

Related persons

Persons are related to each other for these purposes if, by reason of sections 17 and 19 to 21 of Quebec's *Taxation Act*, they are related for the purposes of that Act.

In addition, a member of a partnership is deemed to be related to the partnership.

Third parties

Enter the value of property and services you brought into Quebec during the fiscal year that do not belong under the other two categories.

Totals

Lines 2963, 2973, 2983, and 2993

Enter on lines 2963, 2973, 2983, and 2993 the total of each row. It is recognized that these totals may include estimated amounts.

Lines 3001 to 3003 and 3005 to 3007

The amounts entered on lines 3001 to 3003 are the amounts for "Element A of the qualifying consideration formula." The amounts entered on lines 3005 to 3007 are the amounts for "Element B of the qualifying consideration formula." The amounts from Element B are subtracted from the amounts in Element A, and the results are entered on lines 3009 to 3011, "Total qualifying consideration A minus B." The amounts on lines 3009 to 3012 are added in the total of each column.

Lines 3100 to 3103

Enter on lines 3100 to 3103 the total of each column. It is recognized that these totals may include estimated amounts.

Do not include lines 3001 to 3008 in the calculation for any of the column totals. The amounts in the shaded area for Element A and Element B will not be used in the final total of each column.

Part E – Exported supplies

Supplies of property or services may be zero-rated for GST/HST purposes if exported from Canada or for QST purposes if shipped outside Quebec. These zero-rated supplies are described in Schedule VI to the *Excise Tax Act* (ETA) for GST/HST purposes and under Chapter IV of Title I of *An Act Respecting the Québec Sales Tax* (ARQST) for QST purposes.

Section 1 – Value of exports from Canada – GST/HST and QST

On lines 3500 to 3830, enter the total value of zero-rated exports of property and services during the fiscal year. The recipient of the export must be identified as one of the following:

- head office or branches;
- related persons; or
- third parties.

Enter an amount on each of lines 3500 through 3830. Enter a zero if the amount for a line is nil or the line does not apply to you. Do not leave lines blank. If an amount is not reasonably ascertainable, you may use a reasonable estimate of the amount on lines 3500-3520, 3600-3620, and 3700-3720, by ticking the grey box beside each line number.

Financial services

Lines 3500 to 3520

The amounts entered on lines 3500 to 3520 should be based on your revenues reported for income tax purposes and attributable to zero-rated exports of financial services.

Exported supplies of financial services made by a financial institution may be zero-rated under section 1 or 2 of Part IX of Schedule VI to the ETA for GST/HST purposes and under section 197.3 or 197.4 of Division VII.2 of Chapter IV of the ARQST for QST purposes.

Examples of exported supplies that may be zero-rated include:

- certain financial services when supplied to a non-resident person; and
- financial services for certain insurance policies provided by the insurer that issued the insurance policy for non-resident individuals or real property outside Canada, or that relate to risks ordinarily situated outside Canada.

Example

A credit union charges a processing fee to a non-resident for its mortgage loan related to real property that is situated outside Canada. This supply of a financial service is zero-rated. However, if the mortgage were held on real property situated in Canada, the financial service would not be zero-rated, but exempt.

For more information, see GST/HST Memorandum 4.5.1, *Exports – Determining Residence Status*.

Tangible personal property

Lines 3600 to 3620

Part V of Schedule VI to the ETA describes circumstances in which the supply of a good would be a zero-rated export for GST/HST purposes. Division V of Chapter IV of Title I of the ARQST describes circumstances in which the supply of a good could be a zero-rated export for QST purposes.

Example

You sell office equipment from your Quebec location. A Canadian customer purchases equipment from you with legal delivery of the equipment occurring at that location. As per the customer's request, you ship the equipment to a non-resident in New York City. The supply of the equipment is made in Quebec but is zero-rated as an export.

For more information, see GST/HST Memorandum 4.5.2, *Exports – Tangible Personal Property*.

Intangible personal property and services (other than financial services)

Lines 3700 to 3720

Part V of Schedule VI to the ETA describes circumstances in which supplies of intangible personal property and services would be zero-rated as exports for GST/HST purposes. Division V of Chapter IV of Title I of the ARQST describes circumstances in which supplies of intangible personal property and services could be zero-rated for QST purposes when supplied outside Quebec.

For more information, see GST/HST Memorandum 4.5.3, *Exports – Services and Intellectual Property*.

Totals

Lines 3530, 3630, and 3730

Enter on lines 3530, 3630, and 3730 the total of each row. It is recognized that these totals may include estimated amounts.

Lines 3800 to 3830

Enter on lines 3800 to 3830 the total of each column. It is recognized that these totals may include estimated amounts.

Section 2 – Values of goods and services provided outside Quebec but within Canada – QST

On lines 3900 to 4203, enter the total value goods and services provided outside Quebec but within Canada during the fiscal year. The recipient of the goods and services must be identified as one of the following:

- head office or branches;
- related persons; or
- third parties.

Enter an amount on each of lines 3900 through 4203. Enter a zero if the amount for a line is nil or the line does not apply to you. Do not leave lines blank unless you are a reporting institution for GST/HST purposes only. For more information, see Filing instructions on page 7. If an amount is not reasonably ascertainable, you may use a reasonable estimate of the amount on lines 3900-3902, 4000-4002, and 4100-4102 by ticking the grey box beside each line number.

Financial services

Lines 3900 to 3902

The amounts entered on lines 3900 to 3902 should be based on your revenues reported for income tax purposes and attributable to financial services provided outside Quebec but within Canada.

Tangible personal property

Lines 4000 to 4002

The amounts entered on lines 4000 to 4002 should be based on your revenues attributable to supplies of goods provided outside Quebec but within Canada.

Intangible personal property and services (other than financial services)

Lines 4100 to 4102

The amounts entered on lines 4100 to 4102 should be based on your revenues attributable to supplies of intangible personal property and services provided outside Quebec but within Canada.

Totals

Lines 3903, 4003, and 4103

Enter on lines 3903, 4003, and 4103 the total of each row. It is recognized that these totals may include estimated amounts.

Lines 4200 to 4203

Enter on lines 4200 to 4203 the total of each column. It is recognized that these totals may include estimated amounts.

Part F – Input tax credits (ITCs) and input tax refunds (ITRs)

As a registrant, you may be eligible to claim ITCs or ITRs to recover the GST/HST or QST payable, or paid without becoming payable, on inputs used to make taxable supplies for consideration. In general, you cannot claim ITCs or ITRs to recover the GST/HST or QST paid on inputs used to make exempt supplies. Also, in accordance with subsection 169(3) of the *Excise Tax Act*, an SLFI for GST/HST purposes is generally not eligible to claim an ITC related to the provincial part of the HST and in accordance with section 199.0.0.1 of *An Act Respecting the Québec Sales Tax*, an SLFI for QST purposes is generally not eligible to claim an ITR related to the QST.

Enter an amount on each line in Part F. Enter a zero if the amount for a line is nil or the line does not apply to you. Do not leave lines blank unless you are a reporting institution for GST/HST purposes only or for QST purposes only. For more information, see Filing instructions on page 7. Estimated amounts cannot be used in Part F.

Section 1 – GST/HST

Lines 4500 to 4700

The ITCs you claim for a fiscal year may include amounts of the GST/HST that became payable or that were paid without becoming payable in a previous year.

On line 4500, enter the amount of ITCs you claimed for the GST/HST that became payable during the fiscal year without being paid before the fiscal year, or that was paid during the fiscal year without it becoming payable during the fiscal year.

On line 4600, enter the amount of ITCs you claimed in the fiscal year that relate to previous fiscal years.

Add lines 4500 and 4600, and enter the total on line 4700. This amount should equal the total of all ITC amounts you reported on line 106 of your GST/HST and QST return(s) for the fiscal year.

Notes

You must complete “Section 1 – ITCs claimed” of “Part H – ITC and ITR allocation method(s) used during the fiscal year” to support the amounts reported on line 4700.

An amount on lines 4500 to 4700 should not be reduced by the amount of any recaptured input tax credits (RITCs) related to the provincial part of the HST for Ontario for periods beginning after June 30, 2010, for British Columbia for the period after June 30, 2010 and before April 1, 2013, and for Prince Edward Island for periods beginning after March 31, 2013.

Section 2 – QST

Lines 4800 to 5000

The ITRs you claim for a fiscal year may include amounts of the QST that became payable or that were paid without becoming payable in a previous year.

On line 4800, enter the amount of ITRs you claimed for the QST that became payable during the fiscal year without being paid before the fiscal year, or that was paid during the fiscal year without it becoming payable during the fiscal year.

On line 4900, enter the amount of ITRs you claimed in the fiscal year that relate to previous fiscal years.

Add lines 4800 and 4900, and enter the total on line 5000. This amount should equal the total of all ITR amounts you reported on line 206 of your GST/HST and QST return(s) for the fiscal year.

Note

You must complete “Section 2 – ITRs claimed” of “Part H – ITC and ITR allocation method(s) used during the fiscal year” to support the amounts reported on line 5000.

Part G – Tax adjustments

Enter an amount on each line in Part G. Enter a zero if the amount for a line is nil or the line does not apply to you. Do not leave lines blank unless you are a reporting institution for QST purposes only or for GST/HST purposes only. For more information, see Filing instructions on page 7. Estimated amounts cannot be used in Part G.

Section 1 – GST/HST

GST/HST adjustments to be added to net tax

Enter the total amount of GST/HST adjustments to be added to the amount of your net tax for the fiscal year.

Line 5500

Enter the total of the GST/HST part of credit notes received and debit notes issued. Include adjustments for tax paid in error, price adjustments, and patronage dividends.

Line 5510

If you wrote off the GST/HST part of any bad debts in a previous return and then recovered all or some of those debts, enter the total amount of GST/HST you have recovered during the fiscal year based on the formula included in Guide RC4022, *General Information for GST/HST Registrants*.

Line 5520

If your lease payments for a passenger vehicle are more than the maximum lease costs that are deductible under the *Income Tax Act*, once a year you have to add back part of the ITCs you previously claimed for these payments. Enter the amount you have to add back on line 5520. For more information, see Guide RC4022, *General Information for GST/HST Registrants*.

Note

In accordance with subsection 169(3) of the *Excise Tax Act* (ETA), an SLFI for GST/HST purposes is generally not eligible to claim an ITC related to the provincial part of the HST.

Line 5530

If you have claimed 100% ITCs for food, beverage, and entertainment expenses during the year, once a year you generally have to add back 50% of those credits to the extent those expenses are not deductible under the *Income Tax Act*. Enter the amount you have to add back on line 5530. For more information, see Guide RC4022, *General Information for GST/HST Registrants*.

Note

In accordance with subsection 169(3) of the ETA, an SLFI for GST/HST purposes is generally not eligible to claim an ITC related to the provincial part of the HST.

Line 5540

Enter the total amount of other adjustments to be added to your net tax during the fiscal year.

Example

An SLFI has a positive amount on line 4600 on its Form RC7294 for the fiscal year indicated in Part A of its Form RC7291. The SLFI includes this amount on line 5540.

Line 5550

Add lines 5500 to 5540, and enter the total on line 5550.

This amount should equal the total amount of adjustments you reported on line 104 of your GST/HST and QST return(s) for the fiscal year.

GST/HST adjustments to be deducted from net tax

Enter the total amount of adjustments to be deducted from the amount of your net tax for the fiscal year.

Line 5600

Enter the total of the GST/HST part of credit notes issued and debit notes received, including adjustments for tax paid in error (other than a rebate claimed under section 261

of the *Excise Tax Act* [ETA]), price adjustments, and patronage dividends.

Line 5610

If you previously accounted for the full amount of GST/HST on supplies that you made that resulted in bad debts, enter the GST/HST part of bad debts written off during the fiscal year.

Line 5620

Enter the total amount of adjustments for rebates paid or credited to buyers.

Example

An insurer that is an SLFI for GST/HST and QST purposes supplies taxable services to a segregated fund of the insurer that is not an SLFI and the fund is entitled to a rebate of certain amounts of the provincial part of the HST paid on these services. Where the insurer and the segregated fund have elected to do so, the insurer can credit the fund with the amount of the rebate.

In this situation, the insurer files Form RC7289, *General Application for Rebate of Goods and Services Tax/Harmonized Sales Tax (GST/HST) and Quebec Sales Tax (QST) for Selected Listed Financial Institutions* using reason code 26 (election under subsection 261.31(3) of the ETA between the segregated fund and insurer), with its GST/HST and QST return (claiming the amount on line 107 of the return). The insurer also includes the amount it credited to the fund on line 5620 of Form RC7291.

Line 5630

Enter the total amount of other adjustments to be deducted from your net tax during the fiscal year.

Example

An SLFI has a negative amount on line 4600 on its Form RC7294 for the fiscal year indicated in Part A of its Form RC7291. The SLFI includes this amount on line 5630.

Line 5640

Add lines 5600 to 5630, and enter the total on line 5640.

This amount should equal the total amount of adjustments you reported on line 107 of your GST/HST and QST return(s) for the fiscal year.

Section 2 – QST**QST adjustments to be added to net tax**

Enter the total amount of QST adjustments to be added to the amount of your net tax for the fiscal year.

Line 5700

Enter the total of the QST part of credit notes received and debit notes issued. Include adjustments for tax paid in error, price adjustments, and patronage dividends.

Line 5710

If you wrote off the QST part of any bad debts in a previous return and then recovered all or some of those debts, enter the total amount of QST you have recovered during the fiscal year.

Line 5720

If your lease payments for a passenger vehicle are more than the maximum lease costs that are deductible under Quebec's *Taxation Act*, once a year you have to add back part of the ITRs you previously claimed for these payments. Enter the amount you have to add back on line 5720.

Note

In accordance with section 199.0.0.1 of *An Act Respecting the Québec Sales Tax (ARQST)*, an SLFI for QST purposes is generally not eligible to claim an ITR.

Line 5730

If you have claimed 100% ITRs for food, beverage, and entertainment expenses during the year, once a year you generally have to add back 50% of those credits to the extent those expenses are not deductible under Quebec's *Taxation Act*. Enter the amount you have to add back on line 5730.

Note

In accordance with section 199.0.0.1 of the ARQST, an SLFI for QST purposes is generally not eligible to claim an ITR.

Line 5740

Enter the total amount of other adjustments to be added to your net tax during the fiscal year.

Example

An SLFI has a positive amount on line 7600 on its Form RC7294 for the fiscal year indicated in Part A of its Form RC7291. The SLFI includes this amount on line 5740.

Line 5750

Add lines 5700 to 5740, and enter the total on line 5750.

This amount should equal the total amount of adjustments you reported on line 204 of your GST/HST and QST return(s) for the fiscal year.

QST adjustments to be deducted from net tax

Enter the total amount of adjustments to be deducted from the amount of your net tax for the fiscal year.

Line 5800

Enter the total of the QST part of credit notes issued and debit notes received, including adjustments for tax paid in error (other than a rebate claimed under section 400 of the ARQST), price adjustments, and patronage dividends.

Line 5810

If you previously accounted for the full amount of QST on supplies that you made that resulted in bad debts, enter the QST part of bad debts written off during the fiscal year.

Line 5820

Enter the total amount of adjustments for rebates paid or credited to buyers.

Example

An insurer supplies taxable services to a segregated fund of the insurer that is not an SLFI and the fund is entitled to a rebate of certain amounts of the provincial part of the QST paid on these services. Where the insurer and the segregated fund have elected to do so, the insurer can credit the fund with the amount of the rebate.

In this situation, the insurer files Form RC7289, *General Application for Rebate of Goods and Services Tax/Harmonized Sales Tax (GST/HST) and Quebec Sales Tax (QST) for Selected Listed Financial Institutions* using the reason code for the election between the segregated fund and insurer under section 402.25 of the ARQST, with its GST/HST and QST return (claiming the amount on line 207 of the return). The insurer also includes the amount it credited to the fund on line 5820 of Form RC7291.

Line 5830

Enter the total amount of other adjustments to be deducted from your net tax during the fiscal year.

Example

An SLFI has a negative amount on line 7600 on its Form RC7294 for the fiscal year indicated in Part A of its Form RC7291. The SLFI includes this amount on line 5830.

Line 5840

Add lines 5800 to 5830, and enter the total on line 5840.

This amount should equal the total amount of adjustments you reported on line 207 of your GST/HST and QST return(s) for the fiscal year.

Part H – ITC and ITR allocation method(s) used during the fiscal year

You must enter an amount on each line in Part H if you have claimed any ITCs or ITRs in the fiscal year. Enter a zero if the amount for a line is nil or the line does not apply to you. Do not leave lines blank unless you are a reporting institution for GST/HST purposes only or for QST purposes only. For more information, see Filing instructions on page 7. Estimated amounts cannot be used in Part H.

In general, when you use an input exclusively (100%) in the course of making taxable supplies for consideration, you can claim a full (100%) ITC for the GST/HST and/or a full (100%) ITR for the QST you paid to acquire the input. In determining an ITC for a financial institution, consideration does not include nominal consideration. However, if you use an input in the course of making both taxable and exempt supplies, you have to allocate its use between those taxable and exempt supplies to determine the percentage of the GST/HST or QST paid on the input that can be recovered as an ITC or an ITR.

There are detailed ITC and ITR allocation rules for financial institutions. These ITC rules are explained in the GST/HST Technical Information Bulletins B-098, *Application of Section 141.02 to Financial Institutions That Are Qualifying Institutions*, B-099, *Application of Section 141.02 to Financial Institutions That Are Not Qualifying Institutions*, and B-106, *Input Tax Credit Allocation Methods for Financial Institutions for Purposes of Section 141.02 of the Excise Tax Act*.

Note

In accordance with subsection 169(3) of the *Excise Tax Act*, an SLFI for GST/HST purposes is generally not eligible to claim an ITC related to the provincial part of the HST and in accordance with section 199.0.0.1 of *An Act Respecting the Québec Sales Tax*, an SLFI for QST purposes is generally not eligible to claim an ITR related to the QST.

Exclusive inputs

Exclusive input means property or a service (other than an excluded input) that you acquired, imported, or brought into a participating province for your consumption or use:

- directly and exclusively to make taxable supplies for consideration; or
- directly and exclusively other than to make taxable supplies for consideration.

Note

For QST purposes, “acquired, imported, or brought into a participating province” should be read as “acquired or brought into Quebec.”

Excluded inputs (capital property and improvements thereto)

Excluded input means:

- a property for use as capital property;
- a property or a service that is acquired, imported, or brought into a participating province for use as an improvement to property for use as capital property; or
- a prescribed property or service.

Note

For QST purposes, “acquired, imported, or brought into a participating province” should be read as “acquired or brought into Quebec.”

Residual inputs

Direct input

Direct input means property or a service, other than:

- an excluded input;
- an exclusive input; or
- a non-attributable input.

Non-attributable inputs

Non-attributable input means property or a service that is:

- not an excluded input;
- not an exclusive input;
- acquired, imported, or brought into a participating province; and
- not attributable to the making of a particular supply.

Note

For QST purposes, “acquired, imported, or brought into a participating province” should be read as “acquired or brought into Quebec.”

Qualifying institution

In general terms, a qualifying institution for a particular fiscal year, is a financial institution that meets the following requirements in the fiscal year:

- the financial institution is a bank, an insurer or a securities dealer at any time in the fiscal year;
- the financial institution has two fiscal years immediately preceding the particular fiscal year and in each of those two fiscal years:
 - the financial institution had an adjusted tax credit amount equal to or exceeding \$500,000; and
 - the financial institution had a tax credit rate equal to or exceeding 12% for banks, 10% for insurers or 15% for securities dealers.

For more information, see the GST/HST Technical Information Bulletin B-097, *Determining Whether a Financial Institution is a Qualifying Institution for Purposes of Section 141.02*.

Bank

Bank, in respect of a fiscal year, means a bank or an authorized foreign bank within the meaning of section 2 of the *Bank Act* but does not include an insurer (as that term is described below).

Insurer

Insurer, in respect of a fiscal year, means a person who is licensed or otherwise authorized under the laws of Canada or a province to carry on in Canada an insurance business or under the laws of another jurisdiction to carry on in that other jurisdiction an insurance business, and, at any time in the fiscal year, the person carries on an insurance business as its principal business in Canada.

Securities dealer

Securities dealer, in respect of a fiscal year, means a person who:

- is not a bank or an insurer (as those terms are previously described) at any time in the fiscal year;
- carries on, at any time in the fiscal year, a business as a trader or dealer in, or as a broker or salesperson of, securities as the person's principal business in Canada; and
- is registered under the laws of Canada or a province to carry on in Canada, at any time in the fiscal year, a business as a trader or dealer in, or as a broker or salesperson of, securities.

Operative extent of property or a service

The extent to which property or a service is consumed or used by a person:

- for the purpose of making taxable supplies for consideration; or
- for purposes other than making taxable supplies for consideration.

Procurative extent of property or a service The extent to which property or a service is acquired, imported, or brought into a participating province by a person:

- for the purpose of making taxable supplies for consideration; or
- for purposes other than making taxable supplies for consideration.

Note

For QST purposes, "acquired, imported, or brought into a participating province" should be read as "acquired or brought into Quebec."

Section 1 – ITCs claimed

An amount in Part H should not be reduced by the amount of any recaptured input tax credits (RITCs) related to the provincial part of the HST for Ontario for periods beginning after June 30, 2010, for British Columbia for the period after June 30, 2010 and before April 1, 2013, and for Prince Edward Island for periods beginning after March 31, 2013.

Full (100%) ITC recovery

Lines 6200 to 6230

Enter on lines 6200 to 6230 the total amount of eligible ITCs, if any, you claimed during the fiscal year for which you were entitled to a full recovery of the GST/HST that became payable or was paid without becoming payable. Categorize this information based on the type of input.

Notes

An amount entered on any of lines 6200 to 6230 should not be entered on any other line, even if it was calculated using a pre-approved method, specified method, or other method.

An amount should not be reported on line 6200 that is for exclusive inputs where the amount of the ITC is subject to any restriction or subsequent adjustment such as an ITC with respect to meals and entertainment expenses. This amount should be reported on line 6400 or 6700.

Prescribed percentage method

Lines 6340 and 6350

The extent to which a residual input of the financial institution is acquired, imported, or brought into a participating province or consumed or used for the purpose of making taxable supplies for consideration is deemed to be the prescribed percentage for the prescribed class of financial institution (i.e., 12% for banks, 10% for insurers, and 15% for securities dealers) where the person is either:

- a qualifying institution that is not using a method pre-approved by the CRA; or
- an SLFI of a prescribed class (i.e., a bank, an insurer or a securities dealer) that has an election in effect under subsection 141.02(9) of the ETA.

Enter on lines 6340 and 6350 the total amount of eligible ITCs, if any, you claimed during the fiscal year for which you determined your recovery of the GST/HST that became payable or was paid without becoming payable using the prescribed percentage method.

Categorize this information based on the type of your residual input(s). That is, you must enter separately the ITC amounts for direct inputs and the ITC amounts for non-attributable inputs.

Pre-approved method(s)

Lines 6400 to 6450

A person that is a qualifying institution for a fiscal year can apply to use its own ITC allocation method(s) for the fiscal year.

For more information, see the GST/HST Technical Information Bulletins B-098, *Application of Section 141.02 to Financial Institutions That Are Qualifying Institutions* and B-099, *Application of Section 141.02 to Financial Institutions That Are Not Qualifying Institutions*.

Line 6400

Enter the total amount of eligible ITCs, if any, you claimed during the fiscal year for exclusive inputs where you have used a pre-approved method and the amount of the ITC is subject to any restrictions or subsequent adjustments (for example, an ITC with respect to meals and entertainment expenses).

Lines 6410 to 6450

Enter on lines 6410 to 6450 the total amount of eligible ITCs, if any, you claimed during the fiscal year using pre-approved methods. Categorize this information based on the type of input.

Exception

Do not include any amount related to an ITC for an excluded input for which you were entitled to claim a full ITC, even if it was calculated using a pre-approved method. These amounts should be included on lines 6210 to 6230.

Direct attribution method(s)

A **direct attribution method** is a method that conforms to criteria, rules, terms, and conditions specified by the Minister of National Revenue, and that is the most direct manner of determining the operative extent and procurative extent of property or a service. For more information, see the GST/HST Technical Information Bulletin B-106, *Input Tax Credit Allocation Methods for Financial Institutions for Purposes of Section 141.02 of the Excise Tax Act*.

Line 6540

Enter on line 6540 the total amount of eligible ITCs, if any, you claimed during the fiscal year for which you determined your recovery of the GST/HST payable or paid without having become payable on direct inputs using a direct attribution method.

Specified method(s)

A **specified method** means a method that conforms to criteria, rules, terms, and conditions specified by the Minister and that is used to determine the operative extent and the procurative extent of property or a service. For more information, see the GST/HST Technical Information Bulletin B-106, *Input Tax Credit Allocation Methods for Financial Institutions for Purposes of Section 141.02 of the Excise Tax Act*.

Lines 6610 to 6650

Enter on lines 6610 to 6650 the total amount of eligible ITCs, if any, you claimed during the fiscal year for which you determined your recovery of the GST/HST payable or paid without having become payable using a specified method. Categorize this information based on the type of input.

Exception

Do not include any amount related to an ITC for an excluded input for which you were entitled to claim a full ITC, even if it was calculated using a specified method. These amounts should be included on lines 6210 to 6230.

Other method(s)

Line 6700

Enter the total amount of eligible ITCs, if any, you claimed during the fiscal year for exclusive inputs where the amount of the ITC is subject to any restrictions or subsequent adjustments (for example, an ITC with respect to meals and entertainment expenses), unless this amount has been reported on line 6400.

Lines 6710 to 6750

Enter on lines 6710 to 6750 the total amount of eligible ITCs, if any, you claimed during the fiscal year which has not already been included in lines 6210 to 6650 (other than 6400). Categorize this information based on the type of input.

Also provide a brief description of the other method(s) you used in the space directly below the chart.

Totals

Lines 6800 to 6850

Enter on lines 6800 to 6850 the total from each column. The totals from lines 6800 to 6850 in this part should equal the amounts reported on line 4700 of Part F.

Have any of the ITC allocation methods changed from the previous year?

Indicate whether any allocation methods have changed from a previous year by ticking the appropriate box under the chart in Part H. Where an allocation method(s) has changed, briefly explain why you changed the method(s).

Section 2 – ITRs claimed

Full (100%) ITR recovery

Lines 6900 to 6903

Enter on lines 6900 to 6903 the total amount of eligible ITRs, if any, you claimed during the fiscal year for which you were entitled to a full recovery of the QST that became payable or was paid without becoming payable. Categorize this information based on the type of input.

Notes

An amount entered on any of lines 6900 to 6903 should not be entered on any other line, even if it was calculated using a pre-approved method, specified method, or other method.

An amount should not be reported on line 6900 that is for exclusive inputs where the amount of the ITR is subject to any restriction or subsequent adjustment such as an ITR with respect to meals and entertainment expenses. This amount should be reported on line 6912 or 6930.

Prescribed percentage method

Lines 6910 and 6911

The extent to which a residual input of the financial institution is acquired or brought into Quebec or consumed or used for the purpose of making taxable supplies for consideration is deemed to be the prescribed percentage for the prescribed class of financial institution (i.e., 12% for banks, 10% for insurers, and 15% for securities dealers) where the person is either:

- a qualifying institution that is not using a method pre-approved by the CRA; or
- an SLFI of a prescribed class (i.e., a bank, an insurer or a securities dealer) as discussed in section 42.0.14 of the ARQST that has an election in effect under subsection 141.02(9) of the ETA.

Enter on lines 6910 and 6911 the total amount of eligible ITRs, if any, you claimed during the fiscal year for which you determined your recovery of the QST that became payable or was paid without becoming payable using the prescribed percentage method.

Categorize this information based on the type of your residual input(s). That is, you must enter separately the ITR amounts for direct inputs and the ITR amounts for non-attributable inputs.

Pre-approved method(s)

Lines 6912 to 6917

A person that is a qualifying institution for a fiscal year that has been authorized to use its own ITC allocation method(s) for the fiscal year for GST/HST purposes must also use those methods for QST purposes.

For more information, see the GST/HST Technical Information Bulletins B-098, *Application of Section 141.02 to Financial Institutions That Are Qualifying Institutions* and B-099, *Application of Section 141.02 to Financial Institutions That Are Not Qualifying Institutions*.

Line 6912

Enter the total amount of eligible ITRs, if any, you claimed during the fiscal year for exclusive inputs where you have used a pre-approved method and the amount of the ITR is subject to any restrictions or subsequent adjustments (for example, an ITR with respect to meals and entertainment expenses).

Lines 6913 to 6917

Enter on lines 6913 to 6917 the total amount of eligible ITRs, if any, you claimed during the fiscal year using pre-approved methods. Categorize this information based on the type of input.

Exception

Do not include any amount related to an ITR for an excluded input for which you were entitled to claim a full ITR, even if it was calculated using a pre-approved method. These amounts should be included on lines 6901 to 6903.

Direct attribution method(s)

A **direct attribution method** is a method that conforms to criteria, rules, terms, and conditions specified by the Minister of National Revenue, and that is the most direct manner of determining the operative extent and procurative extent of property or a service. For more information, see the GST/HST Technical Information Bulletin B-106, *Input Tax Credit Allocation Methods for Financial Institutions for Purposes of Section 141.02 of the Excise Tax Act*.

Line 6922

Enter on line 6922 the total amount of eligible ITRs, if any, you claimed during the fiscal year for which you determined your recovery of the QST payable or paid without having become payable on direct inputs using a direct attribution method.

Specified method(s)

A **specified method** means a method that conforms to criteria, rules, terms, and conditions specified by the Minister of National Revenue and that is used to determine the operative extent and the procurative extent of property or a service. For more information, see the GST/HST Technical Information Bulletin B-106, *Input Tax Credit Allocation Methods for Financial Institutions for Purposes of Section 141.02 of the Excise Tax Act*.

Lines 6925 to 6929

Enter on lines 6925 to 6929 the total amount of eligible ITRs, if any, you claimed during the fiscal year for which you determined your recovery of the QST payable or paid without having become payable using a specified method. Categorize this information based on the type of input.

Exception

Do not include any amount related to an ITR for an excluded input for which you were entitled to claim a full ITR, even if it was calculated using a specified method. These amounts should be included on lines 6901 to 6903.

Other method(s)

Line 6930

Enter the total amount of eligible ITRs, if any, you claimed during the fiscal year for exclusive inputs where the amount of the ITR is subject to any restrictions or subsequent adjustments (for example, an ITR with respect to meals and entertainment expenses), unless this amount has been reported on line 6912.

Lines 6931 to 6935

Enter on lines 6931 to 6935 the total amount of eligible ITRs, if any, you claimed during the fiscal year which has not already been included in lines 6901 to 6929 (other than 6912). Categorize this information based on the type of input.

Also provide a brief description of the other method(s) you used in the space directly below the chart.

Totals

Lines 6936 to 6941

Enter on lines 6936 to 6941 the total from each column. The totals from lines 6936 to 6941 in this part should equal the amounts reported on line 5000 of Part F.

Have any of the ITR allocation methods changed from the previous year?

Indicate whether any allocation methods have changed from a previous year by ticking the appropriate box under the chart in Part H. Where an allocation method(s) has changed, briefly explain why you changed the method(s).

Part I – Change in use of capital property

You must enter an amount on each line in Part I. Enter a zero if the amount for a line is nil or the line does not apply to you. Do not leave lines blank unless you are a reporting institution for QST purposes only or for GST/HST purposes only. For more information, see Filing instructions on page 7. Estimated amounts cannot be used in Part I.

Section 1 – ITCs claimed and GST/HST deemed to have been collected

Enter on lines 7500 to 7540 the total amount of ITCs you claimed during the fiscal year as a result of beginning to use or increasing the use of your capital property in commercial activities.

Note

In accordance with subsection 169(3) of the ETA, an SLFI for GST/HST purposes is generally not eligible to claim an ITC related to the provincial part of the HST.

Enter on lines 7600 to 7640 the total amount of the GST/HST you are deemed to have collected during the fiscal year as a result of ceasing to use or decreasing the use of your capital property in commercial activities.

Include amounts on the applicable line for the reason and nature of the change in use. For example, if you have ceased to use capital property in commercial activities as a result of making an election to deem certain supplies to be financial services include the amount of GST/HST that you are deemed to have collected on line 7630.

Totals

Lines 7550 and 7650

Enter on lines 7550 and 7650 the total of each column.

Section 2 – ITRs claimed and QST deemed to have been collected

Enter on lines 7700 to 7740 the total amount of ITRs you claimed during the fiscal year as a result of beginning to use or increasing the use of your capital property in commercial activities.

Note

In accordance with section 199.0.0.1 of *An Act Respecting the Québec Sales Tax*, an SLFI for QST purposes is generally not eligible to claim an ITR.

Enter on lines 7800 to 7840 the total amount of the QST you are deemed to have collected during the fiscal year as a result of ceasing to use or decreasing the use of your capital property in commercial activities.

Include amounts on the applicable line for the reason and nature of the change in use. For example, if you have ceased to use capital property in commercial activities as a result of making an election to deem certain supplies to be financial services include the amount of QST that you are deemed to have collected on line 7830.

Totals

Lines 7750 and 7850

Enter on lines 7750 and 7850 the total of each column.

Part J – Election to deem certain supplies to be financial services

Complete this part if you have made elections under section 150 of the ETA and section 297.0.2.1 of the ARQST, for example using Form RC7227, *Elections or Revocation of the Elections to Deem Certain Supplies to be Financial Services for GST/HST and QST Purposes for Selected Listed Financial Institutions*, and they are in effect at any time during the fiscal year.

See “Part B – Supplies and other revenues,” on page 9 for information about these elections. To get Form RC7227, go to www.cra.gc.ca/gsthstpub.

You must enter an amount on each line in Part J. Enter a zero if the amount for a line is nil or the line does not apply to you. Do not leave lines blank unless you are a reporting institution for QST purposes only or for GST/HST purposes only. For more information, see Filing instructions on page 7. If an amount is not reasonably ascertainable, you may use a reasonable estimate of the amount on lines 8500, 8510, 8600, and 8610 of “Section 1 – GST/HST”, and lines 8700, 8710, 8800, and 8810 of “Section 2 – QST”, by ticking the grey box beside the line number.

Section 1 – GST/HST

Lines 8500 to 8520

Enter the value of supplies you made during the fiscal year that are covered by the election under section 150 of the ETA for exempt supplies of financial services as follows:

- If the consideration equals or is more than the fair market value, enter on line 8500 the total of the value of the consideration for supplies made.
- If no consideration is charged or if the consideration is less than the fair market value, enter on line 8510 the total of the fair market value for supplies made.

Add lines 8500 and 8510, and enter the total on line 8520. It is recognized that this total may include estimated amounts.

Lines 8600 to 8620

Enter the value of supplies you received during the fiscal year that are covered by the election under section 150 of the ETA for exempt supplies of financial services as follows:

- If the consideration equals or is more than the fair market value, enter on line 8600 the total of the value of the consideration for supplies received.
- If no consideration is charged or if the consideration is less than the fair market value, enter on line 8610 the total of the fair market value for supplies received.

Add lines 8600 and 8610, and enter the total on line 8620. It is recognized that this total may include estimated amounts.

Section 2 – QST

Lines 8700 to 8720

Enter the value of supplies you made during the fiscal year that are covered by the election under section 297.0.2.1 of the ARQST for exempt supplies of financial services as follows:

- If the consideration equals or is more than the fair market value, enter on line 8700 the total of the value of the consideration for supplies made.
- If no consideration is charged or if the consideration is less than the fair market value, enter on line 8710 the total of the fair market value for supplies made.

Add lines 8700 and 8710, and enter the total on line 8720. It is recognized that this total may include estimated amounts.

Lines 8800 to 8820

Enter the value of supplies you received during the fiscal year that are covered by the election under section 297.0.2.1 of the ARQST for exempt supplies of financial services as follows:

- If the consideration equals or is more than the fair market value, enter on line 8800 the total of the value of the consideration for supplies received.
- If no consideration is charged or if the consideration is less than the fair market value, enter on line 8810 the total of the fair market value for supplies received.

Add lines 8800 and 8810, and enter the total on line 8820. It is recognized that this total may include estimated amounts.

Part K – Income allocation to various jurisdictions

Part K sets out your percentage of income allocated to a province, territory or sources outside Canada as provided for purposes of determining provincial income tax.

Lines 9500 to 9630

Complete lines 9500 to 9630 that apply to your income allocation to various jurisdictions. The total of lines 9500 to 9630 must add up to 100%. Place a tick mark for each province, territory, or source outside Canada under the heading "Indicate the jurisdiction(s) in which you carry on business." Put the percentages of the income allocated under the heading "Percentage of income allocated to the jurisdiction."

Part L – Certification

Every filer must complete this part. You have to sign and date the information return.

Note

There are serious consequences associated with the failure to properly report information on Form RC7291, *GST/HST and QST Annual Information Return for Selected Listed Financial Institutions*.

Keeping records

Usually, you have to keep all sales and purchase invoices and other records related to your business operations and GST/HST or QST for six years from the end of the year to which they relate. However, we may ask you to keep them longer than six years.

If you want to destroy your records before the time limit expires, you have to send us a written request and wait for our written approval to do so. Our auditors may ask to see your records.

How do you change a return?

If you need to make a change to a return you have sent in, you can send a letter to the Summerside Tax Centre, including your Business Number, the fiscal year of the Form RC7291 to be amended, and the corrected amounts per line number on your Form RC7291. Make sure an authorized representative signs the letter and includes the

name and telephone number of a person we can contact if needed. If you prefer, you can file a new Form RC7291, instead of sending a letter, and write the word "AMENDED" at the top of the return. The amended Form RC7291 should contain all the correct information that was reported on the original Form RC7291 as well as any amended/revised information and/or amounts, and be sent to the Summerside Tax Centre.

Online services

Handling business taxes online

Save time using the CRA's online services for businesses. You can do many things online, including:

■ Authorize

- a representative for online access to your business accounts; and
- the CRA to send you an email to let you know that your notice of assessment is available on line, instead of getting it in the mail.

■ Change

- mailing and physical addresses, as well as the address where you keep your books and records.

■ File

- a GST/HST return (Form RC7200) electronically without a web access code; it is usually processed in two weeks, whereas a paper return usually requires four weeks to be processed;
- a public service bodies' (PSB) rebate and get the rebate faster;
- a Form GST190, *GST/HST New Housing Rebate Application for Houses Purchased from a Builder*, for application type 1A or 1B; and
- elections, including Form RC7220, *Election for GST/HST and QST Reporting Period for a Selected Listed Financial Institution*.

■ Adjust

- a GST/HST return; and
- a PSB rebate.

■ View

- the status and due date of expected returns;
- direct deposit transactions;
- details of a processed return, public service bodies' rebate, and an election;
- the account balance and instalment balance, including the corresponding transactions (for example, payments);
- mail (for example, a notice of assessment); and
- answers to common enquiries using the "Enquiries service."

■ Transfer

- payments and immediately view updated balances, without having to calculate interest.

■ Calculate

- interest to a future date, provided there is a balance owing, using the "Account balance and activities" service; and
- instalment payments.

■ Request

- additional remittance vouchers; and
- that we stop or restart the mailing of the GST/HST return for registrants package or the GST/HST and QST return for selected listed financial institutions.

■ Submit

- account-related enquiries and get the responses online within 10 business days.

To register or log in to our online services, go to:

■ www.cra.gc.ca/mybusinessaccount, if you are a business owner; or

■ www.cra.gc.ca/representatives, if you are an authorized representative or employee.

For more information, go to www.cra.gc.ca/businessonline.

Authorizing online access for employees and representatives

You can authorize your employees and representatives to have online access to your business accounts. First, they have to register at www.cra.gc.ca/representatives and give you their representative identifier (RepID) or their business number.

Then, to give them online access to your business accounts, you can:

■ use the "Authorize or manage representatives" service at www.cra.gc.ca/mybusinessaccount, which may give instant access; or

■ fill out Form RC7259, *Business Consent for Selected Listed Financial Institutions*, and send it to us.

You can do **one authorization** for a group of employees. For more information, go to www.cra.gc.ca/representatives.

Representatives – Request or delete authorizations online

Representatives can use online services to:

- submit an authorization request on behalf of a business; and
- delete authorizations.

What are the benefits of using these services?

By using the online services, you can get access to your clients' business accounts sooner.

You can also easily delete authorizations for clients that you no longer represent.

Are there any situations when I cannot use these services?

Yes. You cannot cancel an authorization for a specific program account online when more than one program account has been authorized. In this situation, you need to fill out Form RC7259, *Business Consent for Selected Listed Financial Institutions*, and send it to us.

How do I access these services?

Log in at www.cra.gc.ca/representatives and select the following options:

- Review and update;
- Manage clients; and
- Authorization request or delete an authorization.

For an authorization request, use the "Submit documents" service to submit the certification page.

What if there has been a change of owners or directors?

We will not process an authorization request if the name of the authorized person of the business does not match our records. Ask your business client if there has been a change in owners, partners, directors, officers, or trustees; and, if so, if the official documentation of the change was sent to the tax centre.

How will I know when the authorization has been given?

You will see your clients' name when you view your client list.

Receive your CRA mail online

You can choose to receive some of your CRA mail online.

When you register for this service, we will no longer mail you some correspondence items. Instead, we will send you an email to notify you when there is new mail in your secure online account.

To register, select the "Manage online mail" service and the accounts for which you would like to receive online mail.

Using our online mail service is faster and easier than managing paper correspondence.

View direct deposit transactions

To help you reconcile your direct deposits with the information related to your CRA program accounts, you can now select the "View direct deposit transactions" service and a time period, and see the following information:

- the deposit date;
- the program account number;
- the filing period end date; and
- the CRA refund amount.

It can take up to 24 hours for refunds to display.

For more information, or to sign up for direct deposit, go to www.cra.gc.ca/dd-bus.

For more information

What if you need help?

If you need more information about Form RC7291 or other technical GST/HST or QST issues, go to www.cra.gc.ca/slfi or call 1-855-666-5166.

Forms and publications

To get our forms or publications, go to www.cra.gc.ca/gsthstpub or call 1-800-959-5525.

Teletypewriter (TTY) users

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

Our service complaint process

If you are not satisfied with the **service** you have received, contact the CRA employee you have been dealing with or call the telephone number that you were given. If you are not pleased with the way your concerns are addressed, you can ask to discuss the matter with the employee's supervisor.

If the matter is not settled, you can then file a service complaint by completing Form RC193, *Service-Related Complaint*. If you are still not satisfied, you can file a complaint with the Office of 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 comments or suggestions that could help us improve our publications, send them to:

Taxpayer Services Directorate
Canada Revenue Agency
395 Terminal Avenue
Ottawa ON K1A 0L5