



GST/HST REPORTING ENTITY AND TAX ADJUSTMENT TRANSFER ELECTIONS AND REVOCATIONS FOR A SELECTED LISTED FINANCIAL INSTITUTION

Use this form if an investment plan that is a selected listed financial institution (SLFI) and the investment plan manager wish to make a reporting entity election and a tax adjustment transfer election.

You can also use this form to revoke a previous election.

The elections must be filed with the Minister before the beginning of the fiscal year of the investment plan. The investment plan is required to have a calendar year as its fiscal year.

Complete Parts A, B, C, and E to make a reporting entity election. Complete Parts A, B, D, and E to revoke a reporting entity election.

Complete Parts F and H to make a tax adjustment transfer election where a reporting entity election has been made in Part C. Complete Parts A, B, G, and H to revoke a tax adjustment transfer election.

Complete Form RC4604, GST/HST Reporting Entity, Consolidated Filing and Tax Adjustment Transfer Elections and Revocations for a Selected Listed Financial Institution, if you want to make a consolidated filing election and a reporting entity election.

Complete Form RC4603, GST/HST Tax Adjustment Transfer Election and Revocation for a Selected Listed Financial Institution, if you want to make only a tax adjustment transfer election.

These elections and revocations are based on the proposed draft Selected Listed Financial Institutions Attribution Method (GST/HST) Regulations issued on June 30, 2010.

Form with sections: Part A - Identification of the investment plan, Part B - Identification of the investment plan manager, Part C - Reporting entity election, Part D - Notice of revocation of reporting entity election, Part E - Certification of reporting entity election or revocation. Includes fields for name, business number, address, contact person, and effective dates.

## Part F – Tax adjustment transfer election

Complete this part to jointly elect to transfer the investment plan's adjustments to net tax determined under subsection 225.2(2) of the ETA and the draft *Selected Listed Financial Institutions Attribution Method (GST/HST) Regulations* to the investment plan manager, where the investment plan manager and the investment plan have made a reporting entity election. Refer to the "General Information" section below for more information on this election.

We, the investment plan and the investment plan manager identified in Parts A and B, have made a reporting entity election under section 54 and jointly elect to make a tax adjustment transfer election under section 56 of the draft *Selected Listed Financial Institutions Attribution Method (GST/HST) Regulations*.

Effective date of election

Year	Month	Day

## Part G – Notice of revocation of tax adjustment transfer election

Complete this part to revoke a previously made tax adjustment transfer election, where the investment plan manager and the investment plan have made a reporting entity election.

The investment plan identified in Part A revokes the tax adjustment transfer election previously made under section 56 of the draft *Selected Listed Financial Institutions Attribution Method (GST/HST) Regulations*.

The investment plan manager identified in Part B revokes the tax adjustment transfer election previously made under section 56 of the draft *Selected Listed Financial Institutions Attribution Method (GST/HST) Regulations*.

Effective date of revocation

Year	Month	Day

## Part H – Certification of tax adjustment transfer election or revocation

### Certification by the investment plan

I, \_\_\_\_\_, (print name) certify that the information given on this form and on any attached document is, to the best of my knowledge, true, correct, and complete in every respect, and that I am authorized to sign on behalf of the investment plan.

Signature of authorized person that represents the investment plan	Title	Year	Month	Day

### Certification by the investment plan manager

I, \_\_\_\_\_, (print name) certify that the information given on this form and on any attached document is, to the best of my knowledge, true, correct, and complete in every respect, and that I am authorized to sign on behalf of the investment plan manager.

Signature of authorized person that represents the investment plan manager	Title	Year	Month	Day

Privacy Act, Personal Information Bank number CRA PPU 080

## General information

### Who should complete this form?

Use this form if an investment plan that is a selected listed financial institution (SLFI) and the investment plan manager wish to make a reporting entity election to have the investment plan manager file the GST/HST returns on behalf of the investment plan, and to make a tax adjustment transfer election to transfer the investment plan's adjustments to net tax determined under subsection 225.2(2) of the *Excise Tax Act* (ETA) and the draft *Selected Listed Financial Institutions Attribution Method (GST/HST) Regulations* to the investment plan manager. This form can also be used to revoke a previous election.

In this context, the term "investment plan" means a listed financial institution described in subparagraph 149(1)(a)(vi) (i.e., a segregated fund of an insurer) or (ix) (i.e., an investment plan) of the ETA, other than a trust governed by a registered retirement savings plan, a registered retirement income fund or a registered education savings plan.

In addition, the term "investment plan manager" means:

- in the case of a pension entity of a pension plan, the administrator (as defined in subsection 147.1(1) of the *Income Tax Act*) of the pension plan; and
- in any other case, the person that has ultimate responsibility for the management and administration of the assets and liabilities of the investment plan.

The elections are joint elections made by the investment plan manager and the investment plan.

### Who is eligible to make the elections and what is the effect of the elections?

An investment plan that is an SLFI and the investment plan manager, as defined previously, may jointly make the reporting entity election and the tax adjustment transfer election.

The reporting entity election allows the investment manager to file GST/HST returns for the investment plan under Division V of Part IX of the ETA.

The tax adjustment transfer election allows the transfer of the investment plan's adjustment to net tax determined under subsection 225.2(2) of the ETA and the draft *Selected Listed Financial Institutions Attribution Method (GST/HST) Regulations* to the investment plan manager. If there is a positive net tax adjustment (i.e., an amount owed by the investment plan), the investment plan manager would be required to remit the liability with respect to the provincial part of the HST of the investment plan upon filing its GST/HST return, and this liability would be reflected as an adjustment to be added when determining the net tax of the investment plan manager.

If there is a negative net tax adjustment (i.e., the investment plan would be eligible for a refund), the investment plan manager would be permitted to credit/refund that amount of the provincial part of the HST to the investment plan, and this credit/refund would be reflected as an adjustment to be deducted when determining the net tax of the investment plan manager. The tax adjustment transfers would also be reflected on Form GST494, *Goods and Services Tax Harmonized Sales Tax Final Return for Selected Listed Financial Institutions*.

The reporting periods of the investment plan manager and the investment plan would not have to coincide for purposes of the tax adjustment transfer election in these circumstances.

Both parties are jointly and severally liable for the net tax for a reporting period and any interest or penalties in respect of the net tax for a reporting period, or a GST/HST return for a reporting period when a reporting entity election is in effect.

#### Note

An investment plan must be registered for GST/HST purposes to make either a reporting entity election or a tax adjustment transfer election.

An investment plan that is an SLFI is required to have a calendar year as its fiscal year. However, investment plans that are already GST/HST registrants and do not have the calendar year as their fiscal year are required to file two separate Form GST494 returns during the transitional year (i.e., the fiscal year that ends December 31, 2010). For the transitional year, an investment plan that is an SLFI and is already a GST/HST registrant and has a fiscal year ending after June 2010 but before December 2010 would be required to file one Form GST494 return for the fiscal year that includes July 1, 2010 and one for the rest of the transitional year up to and including December 31, 2010. (The requirement discussed above for an investment plan to be registered and to have a calendar year as its fiscal year is based on proposed changes announced by the Department of Finance on May 19 and June 30, 2010.)

#### How are the elections made?

The investment plan and the investment plan manager can make the reporting entity election by completing Parts A, B, C, and E of this form.

The investment plan and investment plan manager can make the tax adjustment transfer election by completing Parts A, B, F, and H of this form.

The elections must be filed with the Minister before the first day of the fiscal year of the investment plan during which the election is to be in effect.

The elections cease to have effect on the earliest of:

- a) the first day of the fiscal year of the investment plan in which the investment plan manager with whom an election has been made, ceases to be the manager of the investment plan;
- b) the first day of the fiscal year of the investment plan in which the investment plan ceases to be an investment plan or an SLFI; and
- c) in any case, the day on which a revocation of the election becomes effective.

#### How are revocations made?

An investment plan that has made a reporting entity election may revoke the election, effective on the first day of a fiscal year of the investment plan, by completing Parts A, B, D, and E of this form.

If an investment plan manager and an investment plan have made a tax adjustment transfer election, either the investment plan manager or the investment plan may revoke the election effective on the first day of a fiscal year of the investment plan, by completing Parts A, B, G, and H of this form.

A notice of revocation of any of these elections must be filed with the Minister no later than the day on which the revocation becomes effective.

A revocation will only be effective if the person making the revocation notifies, before the day on which the revocation is to come into effect, all the persons who are party to the election.

#### Note

Contact us for information about the tax adjustment transfer election if you have had, or plan to have the reporting entity's election revoked without revoking the tax adjustment transfer election. Call us at **1-800-959-8287**.

## Definitions

**Investment plan** – means, for purposes of section 149 of the ETA:

- (a) a trust governed by
  - (i) a registered pension plan,
  - (ii) an employees profit sharing plan,
  - (iii) a registered supplementary unemployment benefit plan,
  - (iv) a registered retirement savings plan,
  - (v) a deferred profit sharing plan,
  - (vi) a registered education savings plan,
  - (vii) a registered retirement income fund,
  - (viii) an employee benefit plan,
  - (ix) an employee trust,
  - (x) a mutual fund trust,
  - (xi) a pooled fund trust,
  - (xii) a unit trust, or
  - (xiii) a retirement compensation arrangement,as each of those terms is defined for the purposes of the *Income Tax Act* or the *Income Tax Regulations*;
- (b) an investment corporation, as that term is defined for the purposes of that Act;
- (c) a mortgage investment corporation, as that term is defined for the purposes of that Act;
- (d) a mutual fund corporation, as that term is defined for the purposes of that Act;
- (e) a non-resident owned investment corporation, as that term is defined for the purposes of that Act;
- (f) a corporation exempt from tax under that Act by reason of paragraph 149(1)(o.1) or (o.2) of that Act; and
- (g) a prescribed person, or a person of a prescribed class, but only where the person would be a selected listed financial institution for a reporting period in a fiscal year that ends in a tax year of the person if the person were a listed financial institution included in subparagraph 149(1)a)(ix) during the tax year and the preceding tax year of the person. An employee life and health trust is proposed to be a prescribed person.

**Manager of an investment plan** – means:

- (a) in the case of a pension entity of a pension plan, the administrator (as defined in subsection 147.1(1) of the *Income Tax Act*) of the pension plan; and
- (b) in any other case, the person that has ultimate responsibility for the management and administration of the assets and liabilities of the investment plan.

**Non-participating province** – means a province, territory, or any other area in Canada that is outside the participating provinces.

**Participating province** – means the province of British Columbia, New Brunswick, Newfoundland and Labrador, Nova Scotia, or Ontario, but does not include the Nova Scotia offshore area or the Newfoundland offshore area except to the extent that offshore activities are carried on in that area.

**Segregated fund of an insurer** – means a specified group of properties that is held in respect of insurance policies, all or part of the reserves for which vary in amount depending on the fair market value of the properties.

**Selected listed financial institution (SLFI)** – a financial institution would generally be considered to be an SLFI throughout a reporting period in a fiscal year that ends in a particular tax year of the financial institution if it is a listed financial institution described in any of subparagraphs 149(1)a)(i) to (x) of the ETA at any time during the particular tax year, and the financial institution has a permanent establishment in a participating province and a permanent establishment in any other province, at any time during the tax year.

#### Note

It is proposed that the definition of what constitutes a permanent establishment be expanded.

## Filing instructions

Send this completed form to the Minister at the address below.

Canada Revenue Agency  
Summerside Tax Centre  
275 Pope Road  
Summerside PE C1N 6A2

## What if you need help?

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