



Use this form if you are a pension entity governed by a pension plan applying for a GST/HST rebate pursuant to section 261.01 of the *Excise Tax Act* (ETA). This form will also allow a pension entity and all qualifying employers to jointly elect to transfer some or all of the pension rebate amount to some or all of the qualifying employers of the pension plan.

The information in this form is based on the ETA and the proposed draft *Selected Listed Financial Institutions Attribution Method (GST/HST) Regulations* (the Regulations) issued on June 30, 2010.

Part A – Eligibility

1. Did listed financial institutions make 10% or more of the total pension contributions to the pension plan in the last preceding calendar year in which pension contributions were made? Yes No
 If you answered **no** to the question above, is it reasonable to expect that 10% or more of the total contributions to the pension plan, in the next calendar year in which contributions will be made, will be made by listed financial institutions? Yes No
 If you answered **yes** to any of the above questions, you are not eligible to claim the rebate. However, if you want to make the election, answer questions 3, 4, and 5 below to determine if you are eligible. If you are eligible, complete Part B – Identification, and Part F – Election (you will need to complete Part C – Rebate calculation to make the election).
 If you answered **no** to all the questions above, complete question 2 below.

2. Were all of your qualifying employers engaged exclusively in commercial activities throughout the claim period of the pension entity? Yes No
 If you answered **yes** to question 2, complete question 5 below, complete Part B – Identification, Part C – Rebate calculation, and Part E – Election (if you wish to make an election).
 If you answered **no** to question 2, complete questions 3, 4, and 5 below, complete Part B – Identification, Part C – Rebate calculation, and Part F – Election (if you wish to make an election).

3. Were pension contributions made to the pension plan in the calendar year that immediately precedes the calendar year that includes the last day of the claim period (the “preceding calendar year”)? Yes No

4. Were one or more qualifying employers of the pension plan an employer of one or more active members of the pension plan in the preceding calendar year? Yes No
 If you answered **no** to questions 3 and 4, do not complete Part F – Election, since the maximum elected shared portion will be zero.

5. Were you a selected listed financial institution (SLFI) throughout the entire claim period? Yes No
 If you answered **yes** to question 5, and you are making the election in either Part E or Part F, you have to complete Part G.
 If you answered **no** to question 5, do not complete Part G.

Part B – Identification

Is this pension entity registered for GST/HST?	<input type="checkbox"/> Yes <input type="checkbox"/> No	Business Number (if applicable)	Pension Plan Number
Name of the pension entity			
Mailing address (Street No., and suite No. or PO Box)			
City	Province	Postal code	Telephone number
Administrator name		Trustee name or CEO of pension corporation	
Language preference	<input type="checkbox"/> English <input type="checkbox"/> French	Claim period of pension entity	Year Month Day Year Month Day

Part C – Rebate calculation (enter the eligible amounts for property and services in the appropriate areas below)

A pension entity rebate is **not** available to non-qualifying pension entities. However, to make the election in Part F, non-qualifying pension entities must calculate the rebate amount.
 If you are an SLFI throughout the entire claim period, you can only enter the GST or the federal part of the HST to calculate the rebate.

Total GST/HST paid or payable by the pension entity (for more information, see page 6) \$ **A**

Note
 The total on line **A** does not include amounts of GST/HST that the pension entity is deemed to have paid (other than on certain supplies of real property). For deemed amounts that are not included, see the definition of eligible amount on page 7.

Total GST/HST deemed by section 172.1 of the ETA to have been paid by the pension entity \$ **B**

Total GST/HST paid, payable and/or deemed to be paid by the pension entity (add lines A and B) \$ **C**

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Part C – Rebate calculation – continued

Total GST/HST paid, payable and/or deemed to be paid by the pension entity (amount carried from the previous page). \$ **C**

Less amounts included in line C recovered or recoverable by the pension entity for:

Input tax credits (line 106 of your GST/HST return) less any amounts required to be recaptured \$ **1**

Any other rebate, refund, or remission recoverable under the ETA or any other act of Parliament \$ + **2**

Any adjustment on your GST/HST return as a result of a credit note received or a debit note issued \$ + **3**

Total amount recovered or recoverable (add lines 1, 2 and 3) \$ = **D**

Line **C** minus line **D** \$ = **E**

Pension rebate amount: Line E x 33% \$ = **F**

If you are making an election to transfer all or part of your pension rebate amount to all or some of the qualifying employers of the pension plan then indicate the total of all elected shared portions, as indicated in **Parts E or F**. \$ - **G**

Net pension rebate amount payable to the pension entity if eligible (line F minus line G) \$ = **H**

Is the amount on line **H** of this form being included on line 111 of your GST/HST return? Yes No

If the answer is **yes**, enter the reporting period of that GST/HST return. From Year Month Day to Year Month Day

Part D – Certification

I certify that the information given in this application, including any accompanying document(s), is, to the best of my knowledge, true, correct, and complete. The amounts claimed have not been previously rebated or refunded. I understand that this claim is subject to verification and, in addition to any document(s) submitted herewith, that books, records, and invoices are available for inspection.

Signature of the authorized person	Name (print)	Year	Month	Day
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

Part E – Election (all employers engaged exclusively in commercial activities)

If an election is made under Part E then all persons that are, for the calendar year that includes the last day of the claim period, qualifying employers of the pension plan, must complete and sign this election.

Complete Part E only if, in Part A, you answered **no** to all of question 1, and you answered **yes** to question 2. Otherwise, you may complete Part F. For more information, see page 6.

Note

You must complete the calculation for each qualifying employer in the boxes below. Once completed, take the elected shared portion (line C) from each qualifying employer, add them together and enter the total beside the line "Total of all elected shared portions" below and on line G of Part C of the rebate calculation.

Total number of qualifying employers

Total of all elected shared portions – not to exceed the pension rebate amount (this is the total of all amounts from line C from each qualifying employer listed in Part E of this form; also enter on line G of Part C). \$

Qualifying employer

Name	Business Number (if applicable)	Pension Plan Number
<input type="text"/>	<input type="text"/> R <input type="text"/> T <input type="text"/>	<input type="text"/>

Reporting period of your GST/HST return From Year Month Day to Year Month Day

Pension rebate amount of pension entity for claim period (from line F of Part C of this form) \$ **A**

Percentage of pension rebate amount % **B**

Elected shared portion in respect of the rebate the qualifying employer may deduct in computing its net tax; multiply line A by line B. \$ **C**

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. I am authorized to sign this form on behalf of the qualifying employer.

Signature of authorized person	Year	Month	Day
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

Qualifying employer		
Name	Business Number (if applicable)	Pension Plan Number
	R T	
Reporting period of your GST/HST return	From	to
	Year Month Day	Year Month Day
Pension rebate amount of pension entity for claim period (from line F of Part C of this form)	\$	A
Percentage of pension rebate amount	%	B
Elected shared portion in respect of the rebate the qualifying employer may deduct in computing its net tax. Multiply line A by line B.	\$	C
I, _____, certify that the information given on this form and on any attached document is, to the best (print name)		
of my knowledge, true, correct, and complete. I am authorized to sign this form on behalf of the qualifying employer.		
Signature of authorized person		Year Month Day
Qualifying employer		
Name	Business Number (if applicable)	Pension Plan Number
	R T	
Reporting period of your GST/HST return	From	to
	Year Month Day	Year Month Day
Pension rebate amount of pension entity for claim period (from line F of Part C of this form)	\$	A
Percentage of pension rebate amount	%	B
Elected shared portion in respect of the rebate the qualifying employer may deduct in computing its net tax. Multiply line A by line B.	\$	C
I, _____, certify that the information given on this form and on any attached document is, to the best (print name)		
of my knowledge, true, correct, and complete. I am authorized to sign this form on behalf of the qualifying employer.		
Signature of authorized person		Year Month Day
Qualifying employer		
Name	Business Number (if applicable)	Pension Plan Number
	R T	
Reporting period of your GST/HST return	From	to
	Year Month Day	Year Month Day
Pension rebate amount of pension entity for claim period (from line F of Part C of this form)	\$	A
Percentage of pension rebate amount	%	B
Elected shared portion in respect of the rebate the qualifying employer may deduct in computing its net tax. Multiply line A by line B.	\$	C
I, _____, certify that the information given on this form and on any attached document is, to the best (print name)		
of my knowledge, true, correct, and complete. I am authorized to sign this form on behalf of the qualifying employer.		
Signature of authorized person		Year Month Day

Use a photocopy of this page if you have more qualifying employers.

Part F – Election (some employers not engaged exclusively in commercial activities, or non-qualifying pension entity)

All persons that are, for the calendar year that includes the last day of the claim period, qualifying employers of the pension plan, must complete and sign this election. Complete Part F only if, in Part A, you answered **yes** to any part of question 1, or **no** to question 2. Make sure that you answer questions 3 and 4 to help you complete the election in this section. For a detailed explanation see "Part F – Election" on page 6.

Note

You must complete the calculation for each qualifying employer in the boxes below. Once completed, take the amount of the elected shared portion (line E) for each qualifying employer, add them together and enter the total beside the line "Total of all elected shared portions" below and on line G of Part C of the rebate calculation.

Total number of qualifying employers _____

Total of all elected shared portions – not to exceed the pension rebate amount (this is the total of all amounts from line E for each qualifying employer listed in Part F of this form; also enter on line G of Part C) \$ _____

Qualifying employer

Name	Business Number (if applicable)	Pension Plan Number
	R T	

Reporting period of your GST/HST return. From

Year	Month	Day

 to

Year	Month	Day

Pension rebate amount of pension entity for claim period (from line F of Part C of this form). \$ _____ **A**

Employer's degree of participation in the pension plan – Choose only **one** of the following 3 options:

- If you answered **yes** to question 3 in Part A, enter the percentage of all pension contributions made in the previous calendar year (referred to in question 3) that were made by the qualifying employer. _____ % **B**
- If you answered **no** to question 3 in Part A, but the answer to question 4 in Part A was **yes**, enter the percentage determined by dividing the number of employees of the qualifying employer who were active members of the pension plan in the preceding calendar year by the total number of employees of all qualifying employers who were active members in that year. _____ % **B**
- If you answered **no** to both question 3 and question 4 in Part A, enter zero percent. _____ % **B**

Maximum shared portion (multiply line A by line B) \$ _____ **C**

Specified percentage of maximum shared portion (0 – 100%) (non-qualifying pension entities use 100% for this line) _____ % **D**

Elected shared portion of the employer (multiply line D by line C) \$ _____ **E**

I, _____, certify that the information given on this form and on any attached document(s) is, to the best

(print name)

of my knowledge, true, correct, and complete. I am authorized to sign this form on behalf of the qualifying employer.

Signature of authorized person _____ Year _____ Month _____ Day _____

Qualifying employer

Name	Business Number (if applicable)	Pension Plan Number
	R T	

Reporting period of your GST/HST return. From

Year	Month	Day

 to

Year	Month	Day

Pension rebate amount of pension entity for claim period (from line F of Part C of this form). \$ _____ **A**

Employer's degree of participation in the pension plan – Choose only **one** of the following 3 options:

- If you answered **yes** to question 3 in Part A, enter the percentage of all pension contributions made in the previous calendar year (referred to in question 3) that were made by the qualifying employer. _____ % **B**
- If you answered **no** to question 3 in Part A, but the answer to question 4 in Part A was **yes**, enter the percentage determined by dividing the number of employees of the qualifying employer who were active members of the pension plan in the preceding calendar year by the total number of employees of all qualifying employers who were active members in that year. _____ % **B**
- If you answered **no** to both question 3 and question 4 in Part A, enter zero percent. _____ % **B**

Maximum shared portion (multiply line A by line B) \$ _____ **C**

Specified percentage of maximum shared portion (0 – 100%) (non-qualifying pension entities use 100% for this line) _____ % **D**

Elected shared portion of the employer (multiply line D by line C) \$ _____ **E**

I, _____, certify that the information given on this form and on any attached document(s) is, to the best

(print name)

of my knowledge, true, correct, and complete. I am authorized to sign this form on behalf of the qualifying employer.

Signature of authorized person _____ Year _____ Month _____ Day _____

Part G – Provincial part of the election: For SLFI pension entities

Complete the chart below for each employer of a pension entity that is an SLFI to determine their provincial elected shared portion of the election. For more information on Part G, see page 7.

If you answered **yes** to question 5 of Part A on page 1, complete this Part.

If the answer was **no**, do not complete this Part.

Employer

Name		Business Number (if applicable)				Pension Plan Number	
		R T					
Province	Elected shared portion – from line C of Part E or line E of part F (\$)	Pension entity's provincial attribution percentage for its claim period	British Columbia/ Nova Scotia/Ontario transitional factor (%)	Tax rate for the provincial part of the HST (%)	Tax rate for the GST or federal part of the HST (%)	Total (\$)	
	A	x B	x C	x D	÷ E	F	
British Columbia				7%	5%		
New Brunswick			N/A	8%	5%		
Newfoundland and Labrador			N/A	8%	5%		
Nova Scotia – 8% rate				8%	5%		
Nova Scotia – 10% rate				10%	5%		
Ontario				8%	5%		
Provincial elected shared portion							

Employer

Name		Business Number (if applicable)				Pension Plan Number	
		R T					
Province	Elected shared portion – from line C of Part E or line E of part F (\$)	Pension entity's provincial attribution percentage for its claim period	British Columbia/ Nova Scotia/Ontario transitional factor (%)	Tax rate for the provincial part of the HST (%)	Tax rate for the GST or federal part of the HST (%)	Total (\$)	
	A	x B	x C	x D	÷ E	F	
British Columbia				7%	5%		
New Brunswick			N/A	8%	5%		
Newfoundland and Labrador			N/A	8%	5%		
Nova Scotia – 8% rate				8%	5%		
Nova Scotia – 10% rate				10%	5%		
Ontario				8%	5%		
Provincial elected shared portion							

Employer

Name		Business Number (if applicable)				Pension Plan Number	
		R T					
Province	Elected shared portion – from line C of Part E or line E of part F (\$)	Pension entity's provincial attribution percentage for its claim period	British Columbia/ Nova Scotia/Ontario transitional factor (%)	Tax rate for the provincial part of the HST (%)	Tax rate for the GST or federal part of the HST (%)	Total (\$)	
	A	x B	x C	x D	÷ E	F	
British Columbia				7%	5%		
New Brunswick			N/A	8%	5%		
Newfoundland and Labrador			N/A	8%	5%		
Nova Scotia – 8% rate				8%	5%		
Nova Scotia – 10% rate				10%	5%		
Ontario				8%	5%		
Provincial elected shared portion							

General information and instructions

Use this form to apply for the pension entity rebate for claim periods of a pension entity that begin on or after September 23, 2009.

Trusts governed by a multi-employer pension plan (MEPP) may continue to apply for the MEPP rebate under section 261.01 of the *Excise Tax Act* (ETA) for claim periods of the trust that begin before September 23, 2009, using Form GST521, *GST/HST Multi-Employer Pension Plan*. The pension entity rebate will be available to MEPPs for claim periods that begin on or after September 23, 2009.

Part A – Eligibility

Rebate:

A qualifying pension entity may claim a pension rebate amount equal to 33% of all eligible amounts. The pension rebate amount cannot include any amounts of GST/HST otherwise recovered or recoverable, and must be reduced by any amounts that the pension entity elects to transfer to some or all of its qualifying employers. This is explained further below.

Election:

To help in determining the type of election available to your pension entity, answer the questions in Part A – Eligibility on page 1 of this form.

Generally, qualifying pension entities may elect to allow the qualifying employers of the pension plan to benefit from the pension rebate amount by making the appropriate election. An election may be available to:

- qualifying pension entities whose qualifying employers are engaged exclusively in commercial activities (Part E of this form);
- qualifying pension entities, any of whose employers are not engaged exclusively in commercial activities (Part F of this form); or
- non-qualifying pension entities (also Part F of this form).

Note

While a non-qualifying pension entity is not entitled to claim a pension entity rebate, it may nevertheless elect to allow the qualifying employers of the pension plan to benefit from the rebate that it could have claimed had it been a qualifying pension entity. Non-qualifying pension entities making an election must also complete Part C of this form.

Part B – Identification

A pension entity claiming a pension entity rebate and/or making an election must provide all required information so that the request can be processed.

Part C – Rebate calculation

Pension entities that are selected listed financial institutions (SLFIs) may only enter amounts in respect of the GST or federal part of HST when completing Part C. If the pension entity is not an SLFI, the federal and the provincial part of GST/HST should be entered.

Line A – enter the total tax paid or payable by the pension entity for the claim period specified in Part B (referred to in these instructions as the "specified claim period"). Refer to the definition of "eligible amount" on page 7 for a detailed explanation of the amounts that may be included on line A.

Line B – enter the tax deemed to have been paid by the pension entity on a deemed taxable supply by an employer of the pension plan under any of subsections 172.1(5) to (7) of the ETA for the specified claim period. The figures used to determine the deemed tax paid should be obtained from the employer. For more information on the calculation of the deemed tax paid, see Technical Information Bulletin B-105, *GST/HST Rebate For Pension Entities*.

Line C – add lines A and B, and enter the total on line C. This is the total tax paid, payable, and/or deemed paid by the pension entity for the specified claim period.

The amount on line C must be reduced by any recoverable amount of tax for the specified claim period. These are amounts that:

- 1) are included in determining an input tax credit of the pension entity for the claim period (line 106 of your GST/HST return);
- 2) the pension entity was entitled to recover through a rebate, refund or remission recoverable under the ETA or any other Act of Parliament; and
- 3) could reasonably be regarded as having been included in an amount adjusted, refunded or credited in favor of the pension entity for credit notes received or debit notes issued.

Line D – enter the total of lines 1, 2, and 3.

Line E – enter the total of line C minus line D.

Line F – multiply the amount on line E by 33% and enter the result on line F. This is the pension rebate amount of the pension entity.

If the pension entity and its qualifying employers make one of the elections described previously, the amount on line F will be used to calculate the amount of the rebate that the pension entity elects to transfer to the qualifying employers of the pension plan.

Line G – enter the total of all elected shared portions (calculated using Parts E or F). If you are **not** making an election, this amount will be zero.

Line H – subtract line G from line F and enter the difference on line H. This is the net amount of the pension entity rebate that is payable to the pension entity after deducting the total of all elected shared portions. If the pension entity is a registrant, this amount may be reported on line 111 of its GST/HST return.

Part D – Certification

Complete this section. If this area is not complete, the claim could be rejected or the processing of the application and any elections could be delayed.

Part E – Election

Part E may be used where all qualifying employers of a pension plan are engaged exclusively in commercial activities. A qualifying employer of a pension plan is engaged exclusively in commercial activities throughout the claim period of a pension entity of the pension plan if:

- in the case of a qualifying employer that is a financial institution at any time in the claim period, all of the activities of the qualifying employer for the claim period are commercial activities; and
- in any other case, all or substantially all of the activities of the qualifying employer for the claim period are commercial activities.

If you answered **no** to all of question 1 in Part A and **yes** to question 2 in Part A, you may complete Part E.

Each qualifying employer must be represented. If you have more than four qualifying employers, use a photocopy of Part E.

Total number of qualifying employers – enter the number of qualifying employers in the pension plan.

Total of all elected shared portions – enter the total of all shared portions entered on line C of Part E for each qualifying employer. Calculate each employer's portion before filling out this line. The total of all qualifying employers' portions cannot be greater than the "pension entity rebate amount" entered on line F in Part C.

Each qualifying employer will have to complete their individual section and sign it, even if their elected shared portion is zero.

Line A – is the pension rebate amount from line F in Part C of this form.

Line B – percentage of pension rebate amount, is the extent, expressed as a percentage, to which the qualifying employer will share in the pension rebate amount.

Line C – is line A multiplied by line B. This is the portion of the pension rebate amount that the pension entity will share with the qualifying employer. Lines C in Part E must be added together and the total entered on the line "Total of all elected shared portions" in Part E, and on line G of Part C.

Note

The total of all qualifying employers' portions cannot be greater than the pension rebate amount entered on line F in Part C.

Part F – Election

Part F may be used where:

- any employer of a pension plan is not engaged exclusively in commercial activities; or
- a pension entity of a pension plan is a non-qualifying pension entity.

If you answered **yes** to any part of question 1 of Part A, or if you answered **no** to question 2 of Part A, you may complete Part F.

Each qualifying employer must be represented. If you have more than two qualifying employers, use a photocopy of Part F.

Total number of qualifying employers – enter the number of qualifying employers that are in the pension plan.

Total of all elected shared portions – enter the total of all shared portions entered on line E for each qualifying employer. Calculate each employer's portion before filling out this line. The total of all qualifying employers' portions cannot be greater than the pension rebate amount entered on line F in Part C.

Note

Unlike elections made in Part E, a restriction applies to limit the maximum portion of the pension rebate amount that may be transferred to any particular employer. Specifically, amounts transferred under the election in Part F are limited to the employers' "degree of participation" in the pension plan. This is explained further below.

Each qualifying employer will have to complete their individual section and sign it, even if their elected shared portion is zero.

Line A – is the pension rebate amount from line F in Part C. (Although non-qualifying pension entities are not entitled to a rebate, they must still complete Part C in order to determine the amount for line A.)

Line B – is the employer's "degree of participation" in the pension plan, expressed as a percentage. Of the three choices described on lines B, the qualifying employer must choose the one that relates to their situation. Questions 3 and 4 from Part A will help to determine which one to use.

Line C – is the product of lines A and B, and represents the maximum allowable portion of the "pension rebate amount" that can be transferred to the particular employer.

Line D – is the percentage of line C that the parties agree to transfer to the employer. The parties may agree to transfer to the employer anywhere from 0% to 100% of the amount shown on line C. For employers of non-qualifying pension entities, this amount will always be 100% since a non-qualifying pension entity cannot claim a pension entity rebate.

Line E – is the elected shared portion of the employer, determined by multiplying the percentage on line D by line C.

Add together all of lines E in Part F for each employer and enter the total on the line "Total of all elected shared portions" in Part F, and on line G of Part C.

The total of all qualifying employers' portions cannot be greater than the pension rebate amount entered on line F in Part C.

Part G – Provincial part of the election

A pension entity that is an SLFI may only enter amounts in respect of GST or the federal part of the HST when determining its pension rebate amount in Part C. Therefore, when an SLFI calculates the elected shared portions under Parts E or F, the calculation is only in respect of the GST or federal part of the HST. To allow a qualifying employer of an SLFI pension entity to benefit from the corresponding provincial amounts, the parties must complete the election by calculating the provincial elected shared portions using Part G of the form.

Note

A pension entity that is not an SLFI must ignore Part G since the pension rebate amount determined in Part C (and used to calculate the elected shared portions in Part E or F) will include the federal and provincial parts of the GST/HST incurred by the non-SLFI pension entity.

Column A – enter the amount determined for the corresponding qualifying employer on line C of Part E or line E of Part F, as the case may be.

Column B – enter the pension entity's provincial attribution percentage for each province (see definitions on the next page). This is the same provincial attribution percentage that the pension entity would report on Form GST494, *Goods and Service Tax/Harmonized Sales Tax Final Return for Selected Listed Financial Institutions*, for each province.

Column C – the pension entity must calculate a transitional factor for British Columbia and Ontario because of the harmonization of the federal and provincial taxes. The transitional factor must be calculated by the pension entity if it has a claim period that begins before July 1, 2010, and ends on or after that day. The transitional factor is calculated as the number of days in the claim period falling after June 30, 2010, divided by the total number of days in the period. For claim periods ending before July 1, 2010, the transitional factor will be one.

In addition, the pension entity must calculate a transitional factor for Nova Scotia because of the increase in that province's tax rate from 8% to 10%. In the row marked "Nova Scotia – 8% rate," enter the percentage determined by dividing the number of days in the claim period occurring before July 1, 2010, by the total number of days in the claim period. In the row "Nova Scotia – 10% rate," enter the percentage determined by dividing the number of days in the claim period occurring after June 30, 2010, by the total number of days in the claim period.

Column D – is the provincial tax rate for each of the participating provinces. This column has been pre-populated for your convenience.

Column E – is the federal tax rate for the goods and services tax set out in subsection 165(1) of the ETA. This column has been pre-populated for your convenience.

Column F – multiply Columns A, B, C, and D together and divide the result by 5% (column E).

Provincial elected shared portion – enter the total of all amounts from column F.

Employer net tax deductions for elections made with pension entities that are SLFIs

If a pension entity is an SLFI and an election has been made in **Part E** of this form, each qualifying employer may reduce its net tax by an amount equal to the sum of its elected shared portion (line C of Part E) and its provincial elected shared portion (the total of column F in Part G). The employer may report the amount of this net tax reduction as an adjustment on its GST/HST return for the reporting period in which the pension entity files the election.

Each qualifying employer of an SLFI pension entity making an election in **Part F** of this form may also take a net tax deduction. However, the amount of each employer's deduction is calculated by first adding the sum of its elected shared portion (line E of Part F) and its provincial elected shared portion (the total of column F in Part G), then multiplying this total by the employer's tax recovery rate (see Technical Information Bulletin B-105, *GST/HST Rebate For Pension Entities*). The amount of the deduction may be shown as an adjustment to net tax on the employer's GST/HST return for the reporting period in which the pension entity files the election.

Employer net tax deductions for elections made with pension entities that are not SLFIs

Where a pension entity is not an SLFI and an election has been made under **Part E** of this form, each qualifying employer may reduce its net tax by an amount equal to its elected shared portion (line C of Part E). The employer may report the amount of this net tax reduction as an adjustment on its GST/HST return for the reporting period in which the pension entity files the election.

Each qualifying employer of a non-SLFI pension entity making an election in **Part F** of this form may also take a net tax deduction. However, the amount of each employer's deduction is calculated by multiplying its elected shared portion (line E of Part F) by its tax recovery rate (see Technical Information Bulletin B-105, *GST/HST Rebate For Pension Entities*). The amount of the deduction may be shown as an adjustment to net tax on the employer's GST/HST return for the reporting period in which the pension entity files the election.

Definitions

Active member – of a pension plan in a calendar year means a member of the plan to whom benefits accrue under a defined benefit provision of the plan in respect of all or any portion of the year or who makes contributions, or on whose behalf contributions are made, in relation to the year under a money purchase provision of the plan.

Claim period – of a person at any time means:

- where the person is at that time a registrant, the reporting period of the person that includes that time; and
- in any other case, the period that includes that time and consists of either:
 - the first and second fiscal quarters in a fiscal year of the person; or
 - the third and fourth fiscal quarters in a fiscal year of the person.

Eligible amount – is an amount of tax that is included in a pension entity's pension rebate amount (line F of Part C of the form) for a claim period of the entity. It is an amount of tax that is described in paragraphs (a) and (b) of the definition in subsection 261.01(1) of the ETA, but excludes all recoverable amounts described in the instructions for Part C on the previous page.

Eligible amounts under paragraph (a) of the definition are reported on line A of Part C of the form. These include amounts of tax that were paid or became payable by the pension entity during the claim period in respect of a supply, importation or bringing into a participating province of property or a service that the pension entity acquired, imported or brought into the participating province, as the case may be, for consumption use or supply in respect of a pension plan. However, the following amounts are excluded from being an eligible amount under paragraph (a), and therefore cannot be included on line A of Part C:

- An amount of GST/HST the pension entity is deemed to have paid. A pension entity may be deemed to have paid tax, for example, if the pension entity decreased the use of, or stopped using, capital property in its commercial activities or if the pension entity paid an allowance or reimbursement to an employee.

Note

If the pension entity was deemed to have paid tax in respect of a self-supply of a residential complex, an addition to a multiple unit residential complex, or land, the amount of that tax is an eligible amount and can be included in line A of Part C **unless** the pension entity was entitled to claim a GST/HST new residential rental property rebate in respect of that tax (or would be entitled to claim that rebate after paying that tax).

- An amount of GST/HST that was payable by the pension entity for a taxable acquisition of a residential complex, an addition to a multiple unit residential complex or land if the pension entity was entitled to claim a GST/HST new residential rental property rebate in respect of the tax that was payable for the supply or would be entitled to claim that rebate after paying the tax payable.
- Amounts of tax that became payable, or were paid without having become payable, by the pension entity at a time when it was entitled to claim a rebate under section 259. (Subsection 259 of the ETA provides for rebates to charities, substantially government-funded non-profit organizations and other public services bodies; i.e., universities, public colleges, school authorities, hospital authorities and municipalities.)
- If the pension entity is an SLFI throughout the claim period, amounts of tax that are payable in respect of the provincial component of HST under any of subsection 165(2), section 212.1 and 218.1, and Division IV.1 of the ETA.

Eligible amounts under paragraph (b) of the definition are reported on line B of Part C of the form. This includes amounts of tax that are deemed to have been paid by the pension entity on a deemed taxable supply by an employer of the pension plan during the claim period under any of subsections 172.1(5) to (7) of the ETA. The figures used to determine the deemed tax paid should be obtained from the employer. For detailed information on the calculation of the deemed tax paid, see Technical Information Bulletin B-105, *GST/HST Rebate For Pension Entities*.

Listed financial institution – includes a bank, a corporation that is authorized under the laws of Canada or a province to carry on in Canada the business of offering to the public its services as a trustee, an investment or insurance broker, a credit union, an insurer, a segregated fund of an insurer, the Canada Deposit Insurance Corporation, a person whose principal business is the lending of money, an investment plan, a tax discount, or a corporation that has made an election for exempt supplies under section 150 and that election is in effect. For more information, see GST/HST Memoranda 17.6, *Definition of "Listed Financial Institution."*

Non-qualifying pension entity – means a pension entity that is not a qualifying pension entity.

Participating employer – of a pension plan is generally an employer that has made, or is required to make, contributions or payments to the plan in respect of its employees or former employees. A participating employer also includes an employer prescribed under subsection 8308(7) of the *Income Tax Regulations*, which describes certain cases where an employee of one employer renders services to, and receives remuneration from, another employer. An employer that made pension contributions to a pension plan in the past will remain a participating employer in respect of that pension plan even if it does not currently make contributions.

Pension contribution – is a contribution by an employer to a pension plan that the employer may deduct under paragraph 20(1)(q) of the *Income Tax Act* in computing its income.

Pension entity – of a pension plan means an entity of the plan that is a person referred to in paragraph (a) of the definition "pension plan" (below), a corporation referred to in paragraph (b) of that definition, or a prescribed person. Essentially, a pension entity is either a trust described in paragraph 149(1)(o) of the *Income Tax Act*, a corporation described in paragraph 149(1)(o.1) of that Act, or a prescribed person, which could, for example, be a person that is deemed to be a trust or a corporation for the purposes of those paragraphs.

Pension plan – is a registered pension plan (as defined in subsection 248(1) of the *Income Tax Act*):

- a) that governs a person that is a trust or that is deemed to be a trust for the purposes of that Act; or
- b) in respect of which a corporation is both:
 - incorporated and operated either solely for the administration of the registered pension plan; or for the administration of the registered pension plan with no other purpose other than acting as trustee of, or administering, a trust governed by a retirement compensation arrangement (as defined in subsection 248(1) of the *Income Tax Act*), where the terms of the arrangement provide for benefits only in respect of individuals who are provided with benefits under the registered pension plan; and
 - accepted by the Minister, under subparagraph 149(1)(o.1)(ii) of the *Income Tax Act*, as a funding medium for the purpose of the registration for the registered pension plan;
- c) in respect of which a person is prescribed for the purposes of the definition "pension entity" above.

Provincial attribution percentage – this term is relevant to pension entities that are SLFIs (see definition below). SLFIs are required to determine their net tax using the special attribution method (SAM) formula in section 225.2 of the ETA and the draft *Regulations*. For details, see Guide RC4050, *Information for Selected Listed Financial Institutions*.

The provincial attribution percentage is represented by element C of that formula, and may vary for each province. There are two formulas that a pension entity might use to calculate the provincial attribution percentage for each participating province: one for defined contribution plans and another for defined benefit plans. The percentage calculated by the pension entity will be used by each electing employer to calculate its provincial elected shared portion in Part G of this form.

For **defined contribution plans**, the provincial attribution percentage of the pension entity for a particular participating province is determined by dividing the value of the pension assets reasonably attributable to plan members resident in the province by the value of the total pension assets reasonably attributable to plan members resident in Canada.

For **defined benefit plans**, the provincial attribution percentage for a particular participating province is determined by dividing the actuarial liabilities of the pension plan reasonably attributable to plan members resident in the province by the total actuarial liabilities of the pension plan reasonably attributable to plan members resident in Canada.

The provincial attribution percentage is entered in column B of Part G of the form by the SLFI pension entity, and will be the same provincial attribution percentage that the entity would report for each province on Form GST494, *GST/HST Final Return for Selected Listed Financial Institutions*, if it were required to complete that form.

Qualifying employer – of a pension plan for a calendar year is a participating employer of the pension plan that is a registrant and that:

- a) made pension contributions to the pension plan in the immediately preceding calendar year; and
- b) in any other case, was the employer of one or more active members of the pension plan in the immediately preceding calendar year.

Qualifying pension entity – is a pension entity of a pension plan other than a pension plan in respect of which:

- a) listed financial institutions made 10% or more of the total pension contributions to the pension plan in the last preceding calendar year in which pension contributions were made to the pension plan; or
- b) it can reasonably be expected that listed financial institutions will make 10% or more of the total pension contributions to the pension plan in the next calendar year in which pension contributions will be required to be made to the pension plan.

Registered pension plan – is a pension plan that has been registered by the Minister for the purposes of the *Income Tax Act* and whose registration has not been revoked.

Selected listed financial institution (SLFI) – pension entities of pension plans having one or more plan members residing in a particular HST province and one or more members residing in any other province are generally considered to be an SLFI. However, an exception to this rule is provided where a pension entity is a qualifying small investment plan for a fiscal year of the pension entity. As discussed under "provincial attribution percentage" above, SLFIs are required to use the SAM formula provided under section 225.2 of the ETA and the draft *Regulations* to determine their net tax. For more information, see Guide RC4050, *Information for Selected Listed Financial Institutions*.

Claim limitations

A pension entity cannot make more than one application for a rebate for any particular claim period of the pension entity.

Filing deadline

A pension entity must file an application for the pension plan rebate within two years after the day that is:

- if the pension entity is a registrant, the day on or before which the pension entity must file a GST/HST return for the claim period; or
- in any other case, the last day of the claim period.

Filing instructions

Send this completed form to your tax centre.

What if you need more help?

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