



Application of GST/HST to Indian Individuals

[This version replaces the one dated February 2011.](#)

This information sheet provides guidance for simple, everyday situations and does not replace the law. For more information, see GST/HST Technical Information Bulletin B-039, *GST/HST Administrative Policy – Application of the GST/HST to Indians*.

Indian¹ individuals are usually required to pay the GST/HST when acquiring taxable goods or services on or off a reserve from businesses that are GST/HST registrants unless the conditions for tax relief in B-039 are met. One requirement to obtain relief from paying the GST/HST is that the Indian must show their *Certificate of Indian Status* card (status card) issued by Aboriginal Affairs and Northern Development Canada (AANDC), formerly Indian and Northern Affairs Canada (INAC), to the vendor. Vendors must document the purchaser's name and registry number, or the band name and family number on each invoice or document supporting tax-relieved sales. Only individuals who are registered as an Indian are eligible for tax relief at the time of acquiring goods and services from a vendor. This does not include Métis, Inuit, or Indian individuals from the United States. The other requirements are summarized below.

AANDC has recently introduced a new *Secure Certificate of Indian Status* card (SCIS card) that will improve security and reliability. For more information on the SCIS card, refer to *Frequently Asked Questions – Secure Certificate of Indian Status* on AANDC's website

The CRA also accepts the *Temporary Confirmation of Registration Document* (TCRD) issued by AANDC as sufficient documentary evidence when making sales to Indians. The TCRD is issued to all newly registered

Indians and is valid for a period of one year from the registration date by which time the Indian should have received their status card or SCIS card. The TCRD shows the name of the individual, a registration number, the effective date of registration, and the expiration date.

The Indian should show their original TCRD to the vendor. An original TCRD has the raised seal of the Indian Registrar on the bottom right-hand corner. Photocopies of the TCRD presented by an Indian do not qualify as sufficient documentary evidence. The vendor should make a notation on the invoice or other sales document that is retained by the vendor of the registration number and the expiration date of the TCRD.

If a newly registered Indian has not received their status card or SCIS card prior to the expiry date on their TCRD, the CRA will accept the expired TCRD as supporting documentation that the purchaser is an Indian. Additional photo identification could be presented along with the expired TCRD as further authentication.

GST/HST Notice 264, *Sales Made to Indians and Documentary Evidence – Temporary Confirmation of Registration Document* provides additional information regarding the TCRD.

Goods acquired by Indian individuals

Indian individuals may buy goods on a reserve without paying the GST/HST if the appropriate documentation is provided to the vendor. As well, if goods are purchased off a reserve, no GST/HST is payable if the goods are delivered to a reserve by the vendor or an agent of the vendor (a common carrier).

¹ The CRA recognizes that many First Nations people prefer not to describe themselves as Indians. However, the term Indian is used in this document because it has a legal meaning in the *Indian Act*.



Goods acquired off a reserve are not relieved of the GST/HST when Indian individuals choose to deliver the goods to a reserve themselves. Also, a carrier under contract with the purchaser is not regarded as a carrier of the vendor for delivery purposes.

Services provided to Indian individuals

Indian individuals do not have to pay the GST/HST on services performed totally on a reserve. The service provider will need to document some of the information from the status card to be able to provide tax relief.

For Ontario only: off-reserve purchases

When full relief of the GST/HST is not available on off-reserve purchases, in Ontario, relief equal to the provincial part of the HST may apply to status Indians, Indian bands, and councils of Indian bands. Effective September 1, 2010, there is relief equal to the Ontario part of the HST on qualifying off-reserve property or services at the point of sale.

For information on qualifying property and services, who is eligible for relief, and the documentary requirements to support amounts credited to purchasers who are status Indians, Indian bands, or councils of Indian bands, call the Government of Ontario at 1-866-668-8297, or refer to Government of

Ontario Guide 80, *Ontario First Nations Point-of-Sale Exemptions*.

As well, GST/HST Info Sheet GI-106, *Ontario First Nations Point-of-Sale Relief – Reporting Requirements for GST/HST Registrant Suppliers*, provides additional information concerning the Ontario point-of-sale relief.

For further information

For additional information refer to GST/HST Technical Information Bulletin B-039, *GST/HST Administrative Policy – Application of the GST/HST to Indians*, which summarizes the CRA's administrative policy respecting GST/HST relief for Indians, Indian bands and band-empowered entities.

Please note that the tax relief described in this info sheet does not apply to First Nation taxes imposed by Aboriginal governments and administered by the CRA as the *Indian Act* tax exemption does not apply to such taxes. As well, this info sheet does not apply to Aboriginal governments and their citizens that have signed final or self-government agreements that end *Indian Act* tax relief (see GST/HST Notice 238, *First Nations Having a Self-Government Agreement Ending Indian Act Tax Relief – Determining Tax Relief for Indian Members Who Are Not Citizens*).

This info sheet does not replace the law found in *the Excise Tax Act* (the Act) and its regulations. It is provided for your reference. As it may not completely address your particular operation, you may wish to refer to the Act or appropriate regulation, or contact any CRA GST/HST rulings office for additional information. A ruling should be requested for certainty in respect of any particular GST/HST matter. Pamphlet RC4405, *GST/HST Rulings – Experts in GST/HST Legislation* explains how to obtain a ruling and lists the GST/HST rulings offices. If you wish to make a technical enquiry on the GST/HST by telephone, please call 1-800-959-8287.

Reference in this publication is made to supplies that are subject to the GST or the HST. The HST applies in the participating provinces at the following rates: 13% in Ontario, New Brunswick and Newfoundland and Labrador, 14% in Prince Edward Island and 15% in Nova Scotia. The GST applies in the rest of Canada at the rate of 5%. If you are uncertain as to whether a supply is made in a participating province, you may refer to GST/HST Technical Information Bulletin B-103, *Harmonized Sales Tax – Place of Supply Rules for Determining Whether a Supply is Made in a Province*.

If you are located in Quebec and wish to make a technical enquiry or request a ruling related to the GST/HST, please contact Revenu Québec at 1-800-567-4692. You may also visit the Revenu Québec website to obtain general information.

All technical publications related to GST/HST are available on the CRA website at www.cra.gc.ca/gsthstech.