



Filing Deadline – Reminder to File Form RC4616 Before January 1, 2016 for Existing Section 156 Elections

As discussed in *Excise and GST/HST News – No 95*, section 156 of the *Excise Tax Act* permits certain corporations resident in Canada and Canadian partnerships to jointly elect to treat taxable supplies (with certain exceptions) made between them as having been made for no consideration. Specified members of a qualifying group wishing to make this election are required to file Form RC4616, *Election or Revocation of an Election for Closely Related Corporations and/or Canadian Partnerships to Treat Certain Taxable Supplies as Having Been Made for Nil Consideration for GST/HST Purposes*.

Parties to an existing section 156 election which was in effect before January 1, 2015 are required to file Form RC4616 by the end of 2015. This is the case even if those parties subsequently make an election with a new member and are included on Form RC4616 with the new member.

Example

Company A and Company B are party to an existing section 156 election effective on October 1, 2013, which was made using Form GST25.

Company C (a monthly filer) becomes party to section 156 elections with Company A and Company B, each with an effective date of September 15, 2015, by filing Form RC4616 on October 31, 2015, listing Company A, Company B, and Company C on the form.

Since Company A and Company B were party to an existing election effective before January 1, 2015, Form RC4616 is required to be filed before January 1, 2016, specifying the original election date of October 1, 2013. This is the case even though Company C subsequently makes elections with Company A and Company B and files Form RC4616, listing Company A, Company B and Company C on the form.

Parties to a section 156 election made before January 1, 2015, that wish to revoke that election at any time in 2015 are required to file Form RC4616 by the end of 2015.

Form RC4616 replaces Form GST25 which was not required to be filed with the Canada Revenue Agency (CRA). While a section 156 election (or revocation of an election) is between two eligible members, Form RC4616 permits multiple elections to be filed with the CRA on one form. Under simplified procedures developed by the CRA, specified members of a qualifying group that have existing section 156 elections, each with a different effective date that is before January 1, 2015, may file one Form RC4616 indicating December 31, 2014, as the effective date. If using these simplified procedures, each Form GST25 that had previously been completed should be kept with the electing member's books and records and reflect the original effective date of the election.

La version française de la présente publication est intitulée *Rappel – Produire le formulaire RC4616 avant le 1^{er} janvier 2016 pour les choix existants prévus à l'article 156*.



Further information

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

To make an **enquiry** on the **GST/HST** by telephone:

- for **general GST/HST enquiries**, call the **Business Enquiries** line at **1-800-959-5525**;
- for **technical GST/HST enquiries**, call **GST/HST Rulings 1-800-959-8287**.

If you are located in **Quebec**, contact **Revenu Québec** at **1-800-567-4692** or visit their website at www.revenuquebec.ca.

If you are a **selected listed financial institution** (whether or not you are located in Quebec) and require information on the **GST/HST** or **QST**, go to www.cra.gc.ca/slfi or call one of the following numbers:

- for **general enquiries**, call **1-800-959-5525**;
- for **technical enquiries**, call **1-855-666-5166**.