



Canada Revenue
Agency

Agence du revenu
du Canada

Rebate for Tour Packages, Foreign Conventions, and Non-Resident Exhibitor Purchases

Includes forms GST115, GST288, and
GST386

Is this booklet for you?

This booklet is for you if you are:

- a non-resident, non-registered tour operator that purchased and resold an eligible tour package or that purchased short-term accommodation or camping accommodation and resold it as part of an eligible tour package;
- a non-resident, non-registered business, organization, or individual that purchased an eligible tour package and the short-term and/or camping accommodation included in the package was made available to a non-resident individual;
- a non-resident sponsor or a non-registered organizer of a foreign convention; or
- a non-resident, non-registered exhibitor at any convention.

The booklet includes Form GST115, *GST/HST Rebate Application for Tour Packages*, Form GST288, *Supplement to Forms GST189, GST386, and GST498* and Form GST386, *Rebate Application for Foreign Conventions*, and explains the conditions for claiming these rebates and how to apply.

If you are a non-resident, non-registered tour operator that purchased short-term accommodation or camping accommodation under a written agreement entered into before September 25, 2006, under which the first night of accommodation at the same facility in Canada is before April 1, 2009, use Form GST177, *Refund Application for Non-Resident Travel Organizers* to claim a rebate.

If you are a non-resident, non-registered business, organization or individual that purchased short-term accommodation or camping accommodation under a written agreement entered into before September 25, 2006, under which the first night of accommodation at the same facility in Canada is before April 1, 2009, see Pamphlet RC4117, *Tax Refund for Business Travel to Canada*, or Pamphlet RC4031, *Tax Refund for Visitors to Canada* for information on how to claim a rebate.

If you are a Canadian travel provider, such as a hotel, see Guide RC4036, *GST/HST Information for the Travel and Convention Industry*, for information on paying or crediting the rebate amount for eligible tour packages or foreign conventions.

If you have a visual impairment, you can get our publications in braille, large print, etext (CD or diskette), or MP3. For more information, visit our Web site at www.cra.gc.ca/alternate or call **1-800-959-2221**.

La version française de cette brochure est intitulée *Remboursement pour les voyages organisés, les congrès étrangers et les achats des exposants non-résidents*.

Table of contents

	Page
Definitions	5
What is GST/HST?	5
Quebec sales tax (TVQ)	6
What is a tour package?	6
What is an eligible tour package?	7
What is short-term accommodation?	7
What is a service?	8
What is an all-inclusive price?.....	8
Examples – Eligible tour packages and non-eligible packages.....	9
Rebate for tour operators	10
Who is a tour operator?.....	10
When is a rebate available?.....	11
Does the package include business meetings?	12
Claiming the rebate	12
Short-term accommodation resold as part of a tour package	12
Tour package resold	12
Required documents	13
Rebate amount paid or credited by Canadian suppliers	14
Rebate for non-resident businesses, organizations, and individuals	15
When is a rebate available?.....	15
Claiming the rebate	16
General calculation method	16
Quick calculation method	17
Required documents	18
Rebate amount paid or credited by Canadian suppliers	18
Rebate for foreign conventions	19
Who can claim a rebate?.....	20
Special rules for sponsors	20
What expenses are eligible for the rebate?	20
Property and services not eligible for a rebate.....	21
Claiming the rebate	21
How to calculate the rebate	21
Required documents	22
Rebate amount paid or credited by Canadian suppliers	22
Rebate for non-resident exhibitors	23
Required documents	23
Is someone else completing and filing your rebate application for you? ..	24
Appendix	25
For more information	26

Definitions

Convention is a formal meeting or assembly that is not open to the general public. However, a convention **does not include** a meeting or assembly mainly intended to:

- provide any type of amusement, entertainment, or recreation;
- conduct contests or games of chance; or
- conduct business, unless it is in the course of a trade show that is not open to the general public.

Convention facility is any real property that is rented by the sponsor or organizer of a convention for use exclusively as the site for the convention.

Organizer of a convention is a person who acquires the convention facility or related convention supplies and organizes the event for the sponsor. An in-house organizer or an organizer acting as an agent of a sponsor is not an organizer for GST/HST purposes.

Sponsor of a convention is the person who convenes the convention and supplies admissions to it. A sponsor might sometimes be referred to as the host of the convention. A person that supports an event through sponsorship opportunities is not a sponsor for GST/HST purposes, but may be an exhibitor.

Note

If an employee of a business who is an in-house planner organizes a business meeting or an incentive trip that includes a business meeting, the business would be a sponsor of a convention if the business meeting qualifies as a convention. If the convention is a foreign convention, the business has to follow the rebate rules that apply to sponsors of foreign conventions. For more information, see “Rebate for foreign conventions” on page 19.

What is GST/HST?

Goods and services tax/harmonized sales tax (GST/HST) is a tax that applies on most supplies of goods and services made in Canada. The three participating provinces (Nova Scotia, New Brunswick, and Newfoundland and Labrador) harmonized their provincial sales tax with GST to create the harmonized sales tax (HST). HST applies to the same base of goods and services as GST. GST/HST also applies to intangible personal property such as a right to enter an event (e.g., tickets to a show or hockey game).

Persons, including non-residents who come to Canada, usually pay either GST or HST, depending on where they make their purchase. Taxable purchases in a participating province are subject to the 13% HST rate. Taxable purchases in a non-participating province are subject to the 5% GST rate. Special rules apply for tour packages that take place in participating and non-participating provinces.

We offer a rebate for GST/HST paid on purchases of eligible tour packages by non-residents. For tour operators, a rebate may also be available on the purchase of short-term accommodation they resold as part of an eligible tour package.

We also offer a rebate to non-resident sponsors and non-registered organizers of foreign conventions held in Canada for the GST/HST paid on the convention facility and related convention supplies. In addition, non-resident, non-registered exhibitors can get a rebate for the GST/HST paid on exhibition space and related convention supplies rented or purchased from a registrant for any convention.

Quebec sales tax (TVQ)

In certain cases, a rebate may also be available for the TVQ paid on purchases for a foreign convention. For more information, see “Rebate for foreign conventions” on page 19.

What is a tour package?

As in any transaction, it is important to properly characterize what is being supplied in order to determine how the GST/HST applies to that transaction. For example, when a person combines two or more services or property and services, the person must determine whether the tour package is considered as a single supply or multiple supplies and that supply or those supplies will need to be characterized by that person.

If a supply is a single supply, then the next step is to determine if what is being supplied is a tour package.

A **tour package** is a combination of two or more services or of property and services that includes transportation services, accommodation, a right to use a campground or trailer park, or guide or interpreter services when the property and services are supplied together for an all-inclusive price.

Generally, a tour package is what is produced when a tour operator combines various elements to create something new. However, not all combinations of two or more services or of property and services are tour packages. The nature and purpose of the package also has to be considered. For example, if the overall purpose of a package is to provide a specialized service, it is not considered to be a tour package for GST/HST purposes. Examples of such packages are wellness packages, educational and counselling packages, children’s overnight camps, sports tournaments and concert tours.

What is an eligible tour package?

To be an eligible tour package for this rebate, a package must be a tour package, it must be sold for an all-inclusive price, and it **must include** the following:

- short-term accommodation in Canada; and
- at least one service.

It is very important to first determine if what you are providing is a tour package and not a different supply (for more information, see “What is a tour package?” on the previous page). It is also very important to know what we mean by the terms short-term accommodation, service, and all-inclusive price. See the following two sections for definitions and examples. Also see “Examples – Eligible tour packages and non-eligible packages” on page 9 for examples of packages that qualify as eligible tour packages, and packages that do not.

Note

Packages that include a convention facility or related convention supplies are not tour packages for this rebate. However, you may qualify for a rebate if you are a sponsor or organizer of a foreign convention. For more information, see “Rebate for foreign conventions” on page 19.

What is short-term accommodation?

For this rebate, short-term accommodation means the rental of an accommodation unit in Canada as a place of lodging for an individual who will occupy it continuously for a period of **less than one month** and that costs more than \$20 per night. For example, overnight or weeklong accommodation in any of the following would usually be considered short-term accommodation:

- hotels and motels;
- resorts and lodges; and
- bed-and-breakfast establishments.

Note

Throughout this booklet, **short-term accommodation includes camping accommodation**. Camping accommodation means a campsite at a campground or recreational trailer park in Canada that is rented continuously as a place of lodging for periods of **less than one month** for the same individual. It includes water, electricity, and waste disposal services if provided with the campsite and accessed by an outlet or hook-up at the campsite.

Short-term accommodation **does not include**:

- shelter on a train, trailer, boat, or other structure that is, or could be, self-propelled (for example, cruise-ship cabins, train berths, houseboats, travel trailers, and all recreational vehicles); and
- an accommodation unit supplied under a timeshare arrangement.

What is a service?

A service means anything other than property, money and anything that is provided to an employer by an employee in the course of employment. Some examples of services include:

- guide or interpreter services;
- transportation services;
- sightseeing excursions; and
- ski lessons.

The following are property, not services:

- short-term accommodation;
- meals;
- a right to enter or attend an event, such as tickets to a show or a hockey game;
- car rentals;
- ski rentals;
- ski lift tickets;
- access to golf courses; and
- park passes.

Note

Property means any type of property and includes goods and a right or interest of any kind but does not include money.

What is an all-inclusive price?

Generally, an all-inclusive price means a single price for all property and services sold together in a package. However, in the tourism industry, sometimes prices for certain property or services are listed on an invoice for information purposes. We would accept that such packages are sold for an all-inclusive price.

Examples – Eligible tour packages and non-eligible packages

The following are examples of packages that **are** eligible tour packages for this rebate.

Example 1

A package consists of round-trip air transportation, hotel accommodation in Canada, guided sightseeing tours, and meals sold for an all-inclusive price.

This package **is** an eligible tour package for this rebate because it is a tour package and it includes both short-term accommodation in Canada and a service (both the air transportation and the sightseeing tours are services) sold for an all-inclusive price.

Example 2

A package consists of accommodation at a bed and breakfast in Canada, bus transportation to and from an outlet shopping centre in a neighbouring city, and attendance at a festival sold for an all-inclusive price.

This package **is** an eligible tour package for this rebate because it is a tour package and it includes short-term accommodation in Canada and a service (intercity bus transportation) sold for an all-inclusive price.

Example 3

A purchaser asks that an advertised package be altered to add theatre tickets and a car rental. The advertised package consisted of hotel accommodation in Canada and round-trip air transportation. The altered package is sold for an all-inclusive price.

The altered package **is** an eligible tour package for this rebate as it is a tour package and it includes short-term accommodation in Canada and a service (air transportation) and it is sold for an all-inclusive price. The theatre tickets and car rental are not services and are considered property.

Example 4

A tour operator offers customized packages to purchasers. The tour operator offers short-term accommodation in Canada, meals, air transportation, and admission ticket options. Purchasers build their own package by choosing one of each option. The package is sold for an all-inclusive price.

This package **is** an eligible tour package for this rebate because it is a tour package and it includes short-term accommodation in Canada and a service (air transportation) for an all-inclusive price.

The following are examples of packages that **are not** eligible tour packages for this rebate.

Example 1

A package consists of camping accommodation in Canada, meals, and admission to a heritage site sold for an all-inclusive price.

This package **is not** an eligible tour package for this rebate. Although the package includes camping accommodation in Canada, it does not include a service (meals and admission are both property).

Example 2

A hotel in Canada provides short-term accommodation and a shuttle to and from a nearby casino. The shuttle is included in the **room price**.

This **is not** an eligible tour package for this rebate because the shuttle is part of the accommodation. Therefore, this is accommodation only, not a tour package.

Example 3

A stay at an all-inclusive resort in Canada is sold. Accommodation at the resort, meals at the resort, access to the resort swimming pool, access to the resort tennis court, and a spa service at the resort spa are part of the price.

This package **is not** an eligible tour package for this rebate because, in the case of an all-inclusive resort, items such as the meals, complimentary access to the resort swimming pool and tennis court, and a complimentary spa service at the resort spa are amenities that are part of the accommodation. Therefore, this is a supply of accommodation only, not a tour package.

Rebate for tour operators

Who is a tour operator?

Generally, a tour operator is a person who, in the ordinary course of business, packages tours that are ultimately sold to, or are for the use of, either a group of travellers or an individual traveller. An outfitter or an owner of a lodge, hotel, or motel may be a tour operator if the person packages tours for sale in the ordinary course of a business.

Travel agents, when they sell tour packages on behalf of a tour operator, are not tour operators for this rebate. A person who sells packages that include a convention facility or related convention supplies is also not a tour operator for this rebate.

When is a rebate available?

Before reading this section, see “What is an eligible tour package?” on page 7.

If you are a non-resident tour operator and you are not registered for GST/HST, you may be eligible for a rebate if:

- you purchased an eligible tour package and resold it; or
- you purchased short-term accommodation in Canada and resold it as part of an eligible tour package.

To qualify for the rebate, you must meet **all** of the following conditions:

- You made the purchase in the ordinary course of your business of selling tour packages.
- You sold the eligible tour package to another non-resident person.
- The short-term accommodation included in the eligible tour package was made available to a non-resident individual.
- You received payment for the eligible tour package outside Canada at your place of business or the place of business of your agent.
- You are a non-resident of Canada at the time the rebate application is filed.
- You are not registered for GST/HST.
- You paid a minimum of **CAN\$10** in GST or **CAN\$26** in HST on the eligible tour package(s) and/or on the short-term accommodation(s) you purchased and resold as part of an eligible tour package. If you paid both GST and HST on an eligible tour package and the amounts paid are less than the minimum **CAN\$10** and **CAN\$26**, respectively, you have to get information from the supplier that the parts of the tour package that were taxed at 5% GST and 13% HST totalled at least **CAN\$200**.
- The short-term accommodation is for a period of continuous occupancy of less than one month for each campsite or unit used as a place of lodging, for each non-resident individual.
- You send us your rebate application within one year after the last day any tax to which the rebate relates became payable. Generally, the day the tax became payable is the day you paid the amount due, or the date of the invoice, whichever comes first.
- You provide the necessary documents to prove you are eligible for the rebate. For more information, see “Required documents” on page 13.

If you purchase an eligible tour package, you may be able to get the rebate amount from your Canadian supplier. For more information, see “Rebate amount paid or credited by Canadian suppliers” on page 14. If you purchase short-term accommodation only, the supplier of the accommodation **cannot** pay or credit you for the tax you have to pay.

Does the package include business meetings?

If you assemble an incentive trip that includes business meetings, these meetings may be a foreign convention and the trip may not be an eligible tour package. If the business meetings are a foreign convention, the rules for claiming a rebate for a foreign convention will apply and you have to use Form GST386, *Rebate Application for Foreign Conventions*, to claim any rebate you may be entitled to.

To find out if you are eligible to claim a rebate for a foreign convention, see “Rebate for foreign conventions” on page 19. For more information, contact your Canadian supplier or see Guide RC4036, *GST/HST Information for the Travel and Convention Industry*.

Claiming the rebate

Use Form GST115, *GST/HST Rebate Application for Tour Packages*, to claim your rebate. This form is included in the middle of this booklet. Enter the total amount of your rebate claim in Part C – Rebate claim.

Short-term accommodation resold as part of a tour package

If you are eligible to claim a rebate for the tax paid on short-term accommodation you purchased and resold as part of an eligible tour package, you can claim a rebate of the actual amount of GST/HST that you paid on the accommodation. See page 7 for the definition of “short-term accommodation” and what it includes.

Tour package resold

If you are eligible to claim a rebate for the tax paid on an eligible tour package you purchased and resold, you can claim a rebate for part of the tax you paid on the tour package.

The rebate for an eligible tour package is generally equal to 50% of the GST/HST paid on the package. However, the rebate is reduced if any of the nights of accommodation provided in Canada as part of the tour package are ineligible accommodation. The reduced rebate amount is calculated as follows:

$$(A \div B) \times 50\% \text{ GST/HST paid}$$

Where:

A is the number of nights of short-term accommodation in Canada included in the tour package, and

B is the total number of nights in Canada included in the tour package.

Example

An eligible tour package includes six days and five nights in Canada, with the first and last night of accommodation in a Canadian hotel and three nights on a train. GST of \$45 was paid on the tour package.

Only the two nights of accommodation in the hotel are short-term accommodation. As the three nights of accommodation on the train are not short-term accommodation, the rebate is reduced. This means that the rebate equals 2/5 of 50% of the tax paid on the eligible tour package.

The rebate amount is \$9, calculated as follows:

$$2/5 \times (\$45 \times 50\%) = \$9$$

Required documents

If you do not provide all of the supporting documents with your rebate application, your rebate will be denied. Documents must be in either English or French, or you must provide a translation into English or French.

You have to send **all** of the following documents with your rebate claim:

- original invoices or receipts showing the GST/HST you paid; and
- itineraries or detailed descriptions for the eligible tour packages (group and individual). You can provide the itineraries on paper or CD. Call us at **902-432-5604** (from outside Canada) or **1-800-565-9353** (from within Canada) for other options.

You **must** also keep the following documents in your records and make them available if we ask for them:

- a list of names and addresses of the non-residents who purchased the tour packages;
- a list of the names and addresses of the non-resident individuals who stayed in the accommodation;
- the name(s) of the agent(s) through whom you sold the tour packages (if applicable); and
- copies of the original invoices issued to your clients.

We may accept other types of documents if those other documents allow us to confirm whether the eligibility requirements are met.

The information demonstrating that the eligibility requirements have been met does not have to be on separate documents. All of the necessary information may be contained in only one or two documents. These could include electronic documents capable of being rendered into writing.

You have to request permission to keep your records relating to your rebate claims outside Canada. For more information on books and records, see GST/HST Memoranda 15.1, *General Requirements for Books and Records*.

Rebate amount paid or credited by Canadian suppliers

As of April 1, 2007, suppliers **cannot** pay or credit the rebate amount for short-term accommodation they provide **separate** from an eligible tour package.

You must complete and send us Form GST115, *GST/HST Rebate Application for Tour Packages*, to apply for a rebate of the tax you paid on short-term accommodation you purchased and resold as part of an eligible tour package.

If you purchase an eligible tour package, you may be able to get the rebate amount from the Canadian supplier.

Note

The Canadian supplier can choose whether to pay or credit the rebate amount. Before giving you a payment or a credit equal to the rebate amount, the Canadian supplier may ask you to certify that you qualify for a rebate (for eligibility information, see “When is a rebate available?” on page 11).

If the supplier pays or credits you with the rebate amount, you cannot apply to us for a rebate of that amount.

The rebate amount a supplier can pay or credit is the amount that you could have claimed if you had paid the GST/HST to the supplier and applied to us. The rebate for an eligible tour package is generally equal to 50% of the tax paid on the package. However, the rebate is reduced if any of the nights of accommodation provided in Canada as part of the tour package are ineligible accommodation. (See page 17 for the calculation and an example of when the rebate amount is reduced.)

Note

If you enter into an agreement with another person to complete and file your rebate application for you, this is a separate, private arrangement for which you need to provide a power of attorney. **It is not the same as someone paying or crediting you with the rebate amount.** For more information, see “Is someone else completing and filing your rebate application for you?” on page 24.

Example

On July 6, 2008, you purchased 15 eligible tour packages that take place in Ontario. You resold the tour packages to non-resident individuals for an all-inclusive price. The packages consist of the following items taxable at 5% GST:

- hotel accommodation (seven nights in Ontario);
- meals;
- a sightseeing tour; and
- admission to a performance.

Note

This package is an eligible tour package because it is a tour package, and includes short-term accommodation and at least one service (a sightseeing tour) sold for an all-inclusive price.

The Canadian supplier who sold you the eligible tour packages charged you an all-inclusive price of **CAN\$1,000** per person for each tour package and credited you with the rebate amount for each tour package.

Selling price	$(\$1,000 \times 15 \text{ persons})$	\$15,000
GST	$(\$15,000 \times 5\%)$	<u>750</u>
Subtotal		\$15,750
Minus credit for GST	$7/7 \times (\$750 \times 50\%)$	<u>(375)</u>
Amount you pay		<u>\$15,375</u>

If the Canadian supplier had not paid or credited you with the rebate amount, you could have applied to us for a rebate of **CAN\$375** using Form GST115, *GST/HST Rebate Application for Tour Packages*. If the supplier does pay or credit you with the rebate amount, you cannot apply to us for a rebate of that amount.

Note

In the example above, if the items in the tour package were provided in Nova Scotia, New Brunswick, or Newfoundland and Labrador, 13% HST would have been charged instead of 5% GST. The rebate would be 50% of the HST paid.

Rebate for non-resident businesses, organizations, and individuals

The information in this section does not apply to tour operators. If you are a non-resident tour operator, see “Rebate for tour operators” on page 10.

When is a rebate available?

Before reading this section, see “What is an eligible tour package?” on page 7.

You may be able to claim a rebate for up to 50% of the tax paid on the purchase of an eligible tour package if you are:

- a non-resident individual visiting Canada; or
- a non-resident business or organization that is not registered for GST/HST and you purchase the eligible tour package for use by an employee or client (for example, if you are sending an employee to Canada on business travel or you are giving it to an employee as an incentive trip).

To qualify, you must meet **all** of the following conditions:

- The short-term accommodation included in the eligible tour package was made available to a non-resident individual. For more information, see “What is short-term accommodation?” on page 7.
- You **did not** purchase the eligible tour package to resell in the ordinary course of a business of selling tour packages.
- You are a non-resident of Canada at the time the rebate application is filed.
- You paid a minimum of **CAN\$10** in GST or **CAN\$26** in HST on the eligible tour package(s). If you paid both GST and HST on an eligible tour package and the amounts paid are less than the minimum **CAN\$10** and **CAN\$26**, respectively, you have to get information from the supplier that the parts of the tour package that were taxed at 5% GST and 13% HST totalled at least **CAN\$200**.
- You send us your rebate application within one year after the last day any tax to which the rebate relates became payable. Generally, the day the tax became payable is the day you paid the amount due or the date of the invoice, whichever comes first.
- You provide the necessary documents to prove you are eligible for the rebate. For more information, see “Required documents” on page 18.

Claiming the rebate

Use Form GST115, *GST/HST Rebate Application for Tour Packages*, to claim your rebate. The form is included in the middle of this booklet. Enter the total amount of your rebate claim in Part C – Rebate claim. You can choose **one** of the following methods to calculate your rebate claim:

- general calculation method; or
- quick calculation method.

Note

Depending on your situation, the result of one of these calculations may be higher than the other. You may want to do both calculations to find out what your rebate would be using each method. You can claim the higher amount. However, you **must** use the same calculation method for all eligible tour packages included in a single rebate claim.

General calculation method

Using this method, the rebate for an eligible tour package is generally equal to 50% of the tax paid on the package. However, the rebate is reduced if any of the nights of accommodation provided in Canada as part of the tour package are ineligible accommodation. The reduced rebate amount is calculated as follows:

$$(A \div B) \times 50\% \text{ GST/HST paid}$$

Where:

A is the number of nights of short-term accommodation in Canada included in the tour package, and

B is the total number of nights in Canada included in the tour package.

Example

An eligible tour package sold to a non-resident individual includes six days and five nights in Canada, with the first and last night of accommodation in a Canadian hotel and three nights on a train. GST of \$45 was paid on the tour package.

Only the two nights of accommodation in the hotel qualify as short-term accommodation. As the three nights of accommodation on the train are not short-term accommodation, the rebate is reduced. This means that the rebate equals 2/5 of 50% of the tax paid on the eligible tour package.

The rebate amount is \$9, calculated as follows:

$$2/5 \times (\$45 \times 50\%) = \$9$$

Quick calculation method

For an eligible tour package that includes short-term accommodation **other than** camping accommodation, you can claim a flat rate of **CAN\$5** per night of short-term accommodation using the quick calculation method.

If the eligible tour package includes camping accommodation, you can claim a flat rate of **CAN\$1** per night of camping accommodation. However, do not use the flat rate of **CAN\$1** for camping accommodation that is part of an eligible tour package **that also includes** food and the services of a guide (for example, an outdoor adventure tour package). Instead, use the flat rate of **CAN\$5**.

Note

If you are an individual consumer (that is, you made the purchase for your own personal use and enjoyment or that of another individual) that purchased more than one eligible tour package from the same person and those eligible tour packages include short-term accommodation in Canada **on the same nights**, you can only claim a rebate for one of those tour packages if you use the quick calculation method.

Maximum claim using the quick calculation method

For each rebate claim:

- a non-resident individual can receive a maximum rebate of **CAN\$75** for all eligible tour packages; and
- a non-resident business can receive a maximum rebate of **CAN\$75** for each individual to whom the short-term accommodation in all eligible tour package was made available.

Required documents

If you do not provide all of the supporting documents with your rebate application, your rebate will be denied. Documents must be in either English or French, or you must provide a translation into English or French.

You have to send **all** of the following documents with your rebate claim:

- the original invoice(s) or receipt(s) showing the amount of GST/HST you paid on the eligible tour package(s); and
- the itinerary or detailed description for the eligible tour package(s).

Rebate amount paid or credited by Canadian suppliers

If you purchase an eligible tour package, you may be able to get the rebate amount from the Canadian supplier.

Note

The Canadian supplier can choose whether to pay or credit the rebate amount. Before giving you a payment or a credit equal to the rebate amount, the Canadian supplier may ask you to certify that you qualify for a rebate. If the supplier pays or credits you with the rebate amount, you cannot apply to us for a rebate of that amount.

The supplier can pay or credit the rebate amount to you as long as you would be eligible for a rebate if you had paid the GST/HST and filed a claim with us (see “When is a rebate available?” on page 11 for eligibility information) **and** one of the following applies:

- you pay for the eligible tour package at a place outside Canada where the registrant (or its agent) normally conducts business; or
- you pay a deposit of at least 20% of the total price of the eligible tour package at least 14 days before the first day any short-term accommodation included in the tour package is made available to you under the agreement.

The deposit can be made by credit card, debit card, cheque, bank draft, or any other bill of exchange but **must** be drawn on an account of an institution **outside** Canada. Where a credit card is used, the day the supplier’s account is credited by the card company is the day the deposit is made.

The rebate amount a supplier can pay or credit you for an eligible tour package is the amount that you could have claimed if you had paid the GST/HST to the supplier and applied to us **using the general calculation method**. This amount is generally equal to 50% of the GST/HST paid on the package. However, the rebate is reduced if any of the nights of accommodation provided in Canada as part of the tour package are ineligible accommodation. See the previous page for the calculation and an example of when the rebate amount has to be reduced.

The Canadian supplier cannot use the quick calculation method to pay or credit the rebate amount.

Note

If you enter into an agreement with another person to complete and file your rebate application for you, this is a separate and private arrangement for which you need to provide a power of attorney. **It is not the same as someone paying or crediting you with the rebate amount.** For more information, see “Is someone else completing and filing your rebate application for you?” on page 24.

Rebate for foreign conventions

A **foreign convention** is a convention where:

- it is reasonably expected that at least 75% of the admissions are to be provided to **non-residents** of Canada at the time the sponsor of the convention determines the amount to be charged for the admissions; and
- the sponsor of the convention is an organization whose head office is situated outside Canada or, if the organization has no head office, the member or majority of members managing and controlling the organization is, or are, non-residents.

For definitions of convention and sponsor, see “Definitions” on page 5.

To determine if your convention qualifies as a foreign convention, you have to determine the percentage of non-resident delegates you can reasonably expect to attend. You can use the percentage of non-resident delegates:

- who attended previous conventions;
- who are usually invited to attend the convention;
- who are listed as members of the association; or
- another reasonable method.

You have to keep documents to support how you determined the percentage of non-resident delegates. You have to make this information available to us on request. Documents must be in either English or French, or you must provide a translation into English or French. You have to request permission to keep your records relating to your rebate claims outside Canada. For more information on books and records, see GST/HST Memoranda 15.1, *General Requirements for Books and Records*.

Note

If you determined that a convention is a foreign convention because non-resident delegates will likely make up at least 75% of the total of those attending, and you discover later that there were less than 75% non-resident delegates at the convention, the convention is still a foreign convention.

Who can claim a rebate?

A rebate of GST/HST and TVQ may be available to:

- sponsors of foreign conventions; and
- organizers of foreign conventions who are not registered for GST/HST.

For definitions of sponsor and organizer, see “Definitions” on page 5.

Special rules for sponsors

If you are a sponsor and your event qualifies as a foreign convention, you cannot register for GST/HST for this specific event.

Note

If you sell books, posters, educational material, or other items at the foreign convention, you may have to register for, and charge, GST/HST for these sales. For more information, see Guides RC4036, *GST/HST Information for the Travel and Convention Industry*, and RC4027, *Doing Business in Canada – GST/HST Information for Non-Residents*.

If you are already registered for GST/HST because you carry on other business in Canada, the foreign convention is not part of your commercial activities. This means that you cannot claim any input tax credits for the GST/HST paid on a convention facility and any related convention supplies. However, you may claim a rebate for that tax using Form GST386, *Rebate Application for Foreign Conventions*.

What expenses are eligible for the rebate?

A non-resident sponsor and a non-registered organizer of a foreign convention may claim a rebate for the GST/HST and TVQ paid for the convention facilities and related convention supplies, with some exceptions. For these exceptions, see “Property and services not eligible for a rebate” on the next page. For definitions of sponsor, organizer and convention facility, see “Definitions” on page 5.

Related convention supplies are property and services purchased exclusively for consumption, use or supply in connection with a convention, **and that are included in the admission charge for the convention**. They also include property and services that are provided for a separate charge, but only if they are acquired exclusively to be consumed or used by the purchaser in promoting its business, services, or property at the convention. Related convention supplies include food, beverages and property or services that are supplied under a contract for catering; however, the rebate with respect to these supplies is limited to 50% of the tax paid.

See the Appendix on page 25 for a list of examples of related convention supplies.

Property and services not eligible for a rebate

The following property and services **are not** eligible for a rebate:

- transportation services;
- entertainment such as theme nights or city tours; and
- property or services provided to the delegates of the convention and charged separately from the admission fee, such as souvenirs, books, and videos sold during the convention.

Claiming the rebate

Use Form GST386, *Rebate Application for Foreign Conventions*, to claim your rebate. You will need to use Form GST288, *Supplement to Forms GST189, GST386, and GST498* if there is not enough room in Part D of Form GST386 to enter all information required. These forms are included in the middle of this booklet. Mail them to the address shown on the back of the form along with all required documents.

Note

Under certain conditions, a Canadian supplier can pay or credit you with a rebate amount. For more information, see "Rebate amount paid or credited by Canadian suppliers" on the next page.

How to calculate the rebate

See the back of Form GST386 for instructions on how to calculate your rebate. Calculate your rebate for GST/HST and for TVQ separately.

The following chart shows an example of the rebate for the sponsor of a foreign convention held in British Columbia. All taxable purchases in this example were subject to GST at the rate of 5%.

Example

Item	Charge	GST	Rebate
Meals/catering	\$8,000	\$400	\$200
Meeting rooms	2,000	100	100
Exhibit space	10,000	500	500
Exhibit decorations	<u>2,500</u>	<u>125</u>	<u>125</u>
Total	<u>\$22,500</u>	<u>\$1,125</u>	<u>\$925</u>

The sponsor can apply for a **CAN\$925** rebate of GST.

Note

Only 50% of the tax paid for meals and catering is eligible for a rebate.

Required documents

If you do not provide the required supporting documents with the rebate application, your rebate will be denied. Documents must be in either English or French, or you must provide a translation into English or French.

We must receive your application no later than one year after the day the convention ends. **Be sure to attach the following supporting documents:**

- a convention agenda, itinerary, or event program;
- copies of invoices or receipts showing the GST/HST/TVQ paid;
- proof of payments such as copies of cancelled cheques, credit card slips, or money transfers to Canadian suppliers; and
- complete hotel folios (that is, the entire hotel bill).

Rebate amount paid or credited by Canadian suppliers

Non-resident sponsors or non-registered organizers of a foreign convention may be able to receive a rebate amount from the following registrant Canadian suppliers:

- an organizer, for example an incentive travel company or destination management company (that is, a company providing local management expertise and services in organizing a convention for an incoming organization);
- a supplier of short-term accommodation (for example, a hotel) that is not the organizer of the convention, if the accommodation is used exclusively in connection with the convention; or
- an operator of convention facilities that is not the organizer of the convention.

Note

The Canadian supplier can choose whether to pay or credit the rebate amount. Before giving you a payment or a credit equal to the rebate amount, the Canadian supplier may ask you to certify that your event qualifies for a rebate.

The effect of the payment or credit is that you do not have to pay GST/HST or TVQ when you purchase certain convention-related supplies. In this case, you cannot complete and mail a rebate application for those amounts.

Only those suppliers listed in this section can pay or credit the rebate amount. If you purchase property and services from other suppliers like display companies, you have to pay the tax and apply for your rebate using Form GST386, *Rebate Application for Foreign Conventions*.

Rebate for non-resident exhibitors

Non-resident exhibitors do not pay GST/HST on exhibition space rented from the sponsor of a convention (whether foreign or domestic), or on related convention supplies (other than food, beverages, or items purchased under a contract for catering) purchased from the sponsor. The exhibitor must rent the space exclusively for use as a site at the convention for promoting the exhibitor's business, services or property. A domestic convention is a convention that does not meet the definition of a foreign convention. See page 20 for a definition and examples of related convention supplies.

Note

If you paid GST/HST in error on these items, you can ask the sponsor to refund or credit you the amount of the tax. If you cannot get a refund or credit from the sponsor, see Guide RC4033, *General Application for GST/HST Rebates*.

Non-resident exhibitors who are not registered for GST/HST can claim a rebate for the GST/HST and TVQ paid on the rental of exhibition space at foreign and domestic conventions when rented from a GST/HST registrant that is not the sponsor of the convention.

Non-resident, non-registered exhibitors can also claim a rebate for the GST/HST and TVQ paid on related convention supplies, other than food, beverages, or items purchased under a contract for catering, when rented or purchased from a GST/HST registrant that is not the sponsor.

To claim a rebate, non-registered, non-resident exhibitors should complete Form GST386, *Rebate Application for Foreign Conventions*.

Note

Canadian suppliers cannot pay or credit GST/HST to non-resident exhibitors.

Required documents

If you do not provide the required supporting documents with the rebate application, your rebate will be denied. Documents must be in either English or French, or you must provide a translation into English or French.

We must receive your application no later than one year after the day the convention ends. **Be sure to attach the following supporting documents:**

- a convention agenda, itinerary, or event program;
- copies of invoices or receipts showing the GST/HST/TVQ paid;
- a document showing the exhibition space was rented, even if there was no GST/HST payable; and
- complete hotel folios (that is, the entire hotel bill).

Is someone else completing and filing your rebate application for you?

If you enter into an agreement with someone else to complete and file your rebate application for you, this is a separate and private arrangement between you and the other person. In this case, you have to pay the full amount of GST/HST due to the supplier and wait to get the rebate from us.

Note

Depending on your agreement, the person that files the rebate application for you may give you an amount equal to the estimated amount of the rebate out of their own funds, so you do not have to wait for your funds. This arrangement is not the same as a supplier paying or crediting you with the rebate amount. Sometimes they may charge you a fee for filing the application.

If you enter into an agreement for someone else to file your rebate application for you, all of the required documents (listed on page 13 for tour operators, page 18 for businesses, organizations, and individuals, page 22 for sponsors and organizers of foreign conventions and on the previous page for non-resident exhibitors) have to be provided to validate the rebate claim. Proof that you have authorized the person to file the rebate application on your behalf, such as a power of attorney, must also be provided with the application.

We cannot accept and act on a power of attorney unless it contains all of the following:

- a statement that the authorized person is not affiliated with the Government of Canada or the Canada Revenue Agency;
- complete and upfront disclosure of any fees the authorized person charges you to complete and file the rebate application for you;
- a statement that you authorize the other person to act on your behalf;
- a statement that the power of attorney is for a rebate of GST/HST under the Foreign Convention and Tour Incentive Program;
- your name, address, telephone number, email address (if you have one), and your signature; and
- the name, address, telephone and fax numbers, and email address (if applicable) of the person you are authorizing.

Appendix

The following are examples of related convention supplies.

Audio-visual

- audio , audio-visual, and video services, and both equipment and labour associated with technical services

Business equipment

- computers, photocopiers, desks, and chairs

Convention materials

- banners, flags, signs, papers, shields, floral arrangements, stand decorations, backdrops and other decorations, and office supplies

Convention show property and services

- equipment, furnishings, and labour to install such items as carpeting, tables, chairs, exhibit booths, plants, draping, banners, displays, and signs

Destination management companies

- local planning, management and co-ordination services in organizing elements of the convention for the incoming organization

Electrical services

- equipment and labour for electrical services

Food, beverages, and catering

- 50% of the tax paid for food, beverages, and property and services provided under a contract for catering

Note

The 50% rebate on food, beverages, and property and services provided under a contract for catering is not available to exhibitors.

Memorabilia

- lapel buttons, billfolds, key cases, pens, pencils, corsages, T-shirts, scarves, mugs, jewellery, badges, and similar promotional items

Moving services

- labour and equipment to deliver exhibit materials to an assigned space, including the storage of crates during the convention

For more information

If you would like more information on how GST/HST applies to tourism, contact one of the tax services offices listed on the back cover of this booklet. If you have questions after reading this booklet, you can contact us at:

- **1-800-565-9353** from anywhere in Canada; or
- **902-432-5604** from outside Canada.

You can also write to:

Summerside Tax Centre
Canada Revenue Agency
Summerside PE C1N 6C6
CANADA

Form GST115, *GST/HST Rebate Application for Tour Packages*, Form GST288, *Supplement to Forms GST189, GST386, and GST498* and Form GST386, *Rebate Application for Foreign Conventions*, are also available on our Web site at www.cra.gc.ca/forms.

Internet

You can find GST/HST information by visiting our Web site at www.cra.gc.ca/gsthst. For customs information, visit the Canada Border Services Agency Web site at www.cbsa.gc.ca.

Forms and publications

Many of our forms and publications are available on our Web site at www.cra.gc.ca/gsthstpub. You can also order them by calling **1-800-959-2221** (from within Canada or the United States) or **613-952-3741** (from outside Canada and the United States).

Your opinion counts

If you have any comments or suggestions that could help us improve our publications, we would like to hear from you. Please send your comments to:



Taxpayer Services Directorate
Canada Revenue Agency
750 Heron Road
Ottawa ON K1A 0L5

Tax services offices

If you are located in the United States	If you are located outside the United States	Contact the following tax services office
Alaska, Arizona, California, Hawaii, Idaho, Nevada, Oregon, Utah, and Washington	Asia and Australia	Vancouver tax services office 10688 King George Hwy PO Box 249, Surrey Main PO Surrey BC V3T 4W8 Telephone: 604-691-4308
Alabama, Connecticut, Delaware, District of Columbia, Florida, Georgia, Illinois, Indiana, Kentucky, Maryland, Massachusetts, Michigan, Mississippi, New Hampshire, New Jersey, New York, North Carolina, Ohio, Pennsylvania, Rhode Island, South Carolina, Tennessee, Vermont, Virginia, and Wisconsin	Africa, Central America, France, Luxembourg, Middle East and Gulf States, South America, Switzerland, West Indies, and all other countries	Windsor tax services office 185 Ouellette Avenue PO Box 1655 Windsor ON N9A 7G7 Telephone: 519-252-4705
Arkansas, Colorado, Iowa, Kansas, Louisiana, Maine, Minnesota, Missouri, Montana, Nebraska, New Mexico, North Dakota, Oklahoma, South Dakota, Texas, and Wyoming	Albania, Austria, Belgium, Bulgaria, Czech Republic, Denmark, Finland, Germany, Greece, Hungary, Ireland, Italy, the Netherlands, Norway, Poland, Portugal, Romania, Russia, Spain, Sweden, and United Kingdom	Nova Scotia tax services office 1557 Hollis Street PO Box 638 Halifax NS B3J 2T5 Telephone: 902-426-5150

Think recycling!



Printed in Canada