



Point-of-Sale Rebate on Feminine Hygiene Products

This version replaces the one dated May 2010.

This info sheet explains the point-of-sale rebate (rebate) available for the provincial part of the harmonized sales tax (HST) payable on qualifying feminine hygiene products.

The participating provinces of Ontario and Nova Scotia provide a rebate for the provincial part of the HST payable on qualifying feminine hygiene products sold, imported, or brought into these provinces.

The following table lists the rate of the provincial part of the HST for each of these participating provinces:

Participating Province	Provincial Part of HST
Ontario	8%
Nova Scotia	10%

The Canada Revenue Agency (CRA) and the Canada Border Services Agency (CBSA) administer the rebate on behalf of these provinces.

Qualifying feminine hygiene products

Qualifying feminine hygiene products are goods that are marketed exclusively for feminine hygiene purposes and that are:

- sanitary napkins;
- tampons;
- sanitary belts;
- menstrual cups; and
- other similar goods (to determine whether similar goods qualify for the rebate, you may call a GST/HST rulings centre at 1-800-959-8287 or request a written ruling or interpretation).

Non-qualifying goods

The following goods do not qualify for the rebate:

- deodorants;
- douches;
- sprays;
- syringes; and
- feminine wipes.

Who qualifies for the rebate

The rebate is available at any point in the distribution chain of the qualifying feminine hygiene products. The rebate is available to wholesalers, retailers or consumers who:

- are recipients of qualifying feminine hygiene products in the participating provinces;
- are residents in the participating provinces that import qualifying feminine hygiene products where the provincial part of the HST is payable on the importation; or
- receive delivery or possession of qualifying feminine hygiene products in, or bring such products into the participating provinces, where the provincial part of the HST is payable on the products.

Note: In this case, a “recipient” of qualifying feminine hygiene products means the person who is liable to pay for the products. A recipient could be a wholesaler, retailer, or consumer.

If you are not sure whether you are eligible for a rebate, or whether a good is a qualifying feminine hygiene product, you may call a GST/HST rulings centre at 1-800-959-8287, or request a written ruling

La version française de la présente publication est intitulée *Remboursement au point de vente pour les produits d'hygiène féminine*.



or interpretation. For more information, see GST/HST Memorandum 1.4, *Excise and GST/HST Rulings and Interpretation Service*.

How to claim the rebate

Wholesalers, retailers and consumers who purchase qualifying feminine hygiene products will receive the rebate by:

- being paid or credited the rebate amount by the supplier (e.g., a manufacturer, a producer, wholesaler or retailer) at the point of sale;
- in the case of an importation, having the rebate amount deducted by the CBSA from the HST payable; or
- filing a rebate claim with the CRA using Form GST189, *General Application for Rebate of GST/HST*.

Rebate amount paid or credited by a registrant supplier

Wholesalers, retailers or consumers should automatically have their rebate amount paid or credited to them at the point of sale by the supplier.

The rebate amount paid or credited is equal to the amount of the provincial part of the HST payable on the qualifying feminine hygiene products.

A supplier that pays or credits the rebate amount will collect only the 5% federal part of the HST.

Information on how a supplier shows the rebate amount paid or credited is available under the heading “How suppliers show the rebate on their invoices”.

Example 1

A consumer buys a box of tampons from a retailer in Ontario.

Tampons are qualifying feminine hygiene products for purposes of the rebate. As a result, the retailer collects only the 5% federal part of the HST and pays or credits the rebate equal to the 8% provincial part of the HST to the consumer at the point of sale.

Example 2

A consumer buys a feminine hygiene spray from a retailer in Nova Scotia.

A feminine hygiene spray is not a qualifying feminine hygiene product for purposes of the rebate. As a result, the retailer collects the 15% HST. In this case, there is no point-of-sale rebate.

Example 3

A wholesaler in Nova Scotia sells a case of sanitary napkins to a retailer in Nova Scotia. Both the wholesaler and retailer are registrants.

Sanitary napkins are qualifying feminine hygiene products for purposes of the rebate. Because the rebate applies to sales at any point in the distribution chain, the wholesaler collects only the 5% federal part of the HST and pays or credits the rebate equal to the 10% provincial part of the HST to the retailer at the point of sale.

Filing rebate claims with the CRA

If the supplier does not pay or credit the rebate amount at the point of sale and the recipient pays the HST to the supplier, the recipient of the qualifying feminine hygiene products can file a rebate claim with the CRA using Form GST189, *General Application for Rebate of GST/HST* and using Reason Code 16.

The claim must be made within four years after the day the provincial part of the HST became payable.

The rebate amount that the CRA will pay is equal to the amount of the provincial part of the HST that was paid on the sale of the qualifying feminine hygiene products. However, the CRA will not pay a rebate where the total amount of the rebate is \$2 or less.

Example 4

On December 15, 2013, a retailer in Ontario sells a box of sanitary napkins to a consumer. Sanitary napkins are qualifying feminine hygiene products for purposes of the rebate.

The retailer collects the 13% HST and does not pay or credit the rebate amount equal to the 8% provincial part of the HST payable at the point of sale. The consumer can file a rebate claim with the CRA for an

amount equal to the 8% provincial part of the HST paid to the retailer.

The consumer has until December 15, 2017, to file this rebate claim. Where the rebate application is filed on time, the CRA will pay the rebate amount to the consumer provided that the total rebate amount claimed is more than \$2.

Example 5

On August 1, 2013, a wholesaler in Nova Scotia sells a case of tampons to a retailer in Nova Scotia. Both the wholesaler and retailer are registrants. Tampons are qualifying feminine hygiene products for purposes of the rebate.

The wholesaler collects the 15% HST and does not pay or credit the rebate amount equal to the 10% provincial part of the HST payable at the point of sale. The retailer can file a rebate claim with the CRA for an amount equal to the 10% provincial part of the HST paid to the wholesaler.

The retailer has until August 1, 2017, to file this rebate claim. As a registrant, the retailer can also claim an input tax credit (ITC) to recover the 5% federal part of the HST paid to the wholesaler to the extent that the tampons are for use or supply in the course of the retailer's commercial activities.

Persons importing qualifying feminine hygiene products

Persons who are residents in Ontario or Nova Scotia and who import qualifying feminine hygiene products where the provincial part of the HST is payable on the importation should automatically have their rebate deducted by the CBSA from the HST payable.

The rebate amount that the CBSA deducts equals the amount of the provincial part of the HST that would be payable by the person on the imported qualifying feminine hygiene products. As a result, the CBSA collects only the 5% federal part of the HST payable on the imported products.

Where a non-resident supplier (e.g., a non-resident producer, wholesaler, or retailer) that is not registered for GST/HST purposes sends qualifying feminine hygiene products by mail or courier to an address in Ontario or Nova Scotia, the CBSA automatically deducts the rebate amount from the HST payable on

the importation and collects only the 5% federal part of the HST.

Example 6

A company located in Chicago (USA) sells and ships cloth sanitary napkins to a consumer who is a resident in Ontario. The company is not registered for GST/HST purposes. The cloth sanitary napkins are qualifying feminine hygiene products for purposes of the rebate.

The CBSA automatically deducts the rebate amount equal to the 8% provincial part of the HST payable on the imported cloth sanitary napkins and will only collect the 5% federal part of the HST payable on the importation of the sanitary napkins.

How suppliers show the rebate on their invoices

On the invoices or receipts issued for the sale of qualifying feminine hygiene products, a supplier may choose the following options to show the rebate amount paid or credited at the point of sale.

The following examples show HST at the rate of 13%.

Option 1

The supplier can show the total amount of the HST payable (or the total HST rate) and the rebate amount separately.

Price of sanitary napkins	\$6.00
HST @ 13%	<u>\$0.78</u>
Subtotal	\$6.78
Rebate @ 8%	<u>\$0.48</u>
Amount due	\$6.30

Option 2

The supplier can show only the federal part of the HST payable.

Price of sanitary napkins	\$6.00
HST	<u>\$0.30</u>
Amount due	\$6.30

Option 3

The supplier can show the total price of the qualifying feminine hygiene products including only the 5% federal part of the HST.

Price of sanitary napkins \$6.30
5% HST included

For sales to GST/HST registrants, additional information may be required to support claims for input tax credits. For more information on these invoicing requirements, see Guide RC4022, *General Information for GST/HST Registrants*.

How suppliers account for the rebate on their GST/HST returns

A supplier that pays or credits the rebate amount at the point of sale has two options to account for the rebate amount on its GST/HST return.

The following examples show HST at the rate of 13%.

Option 1

The supplier can account for the total amount of HST collected or collectible on line 103 of the return and claim an adjustment for the rebate amount paid or credited on line 107.

Sales and other revenue (line 101)	\$6.00	
GST/HST collected or collectible (line 103)	\$0.78	
Adjustments (line 104)	\$0.00	
Total GST/HST/adjustments (line 105)		\$0.78
ITCs (line 106)	\$0.00	
Adjustments (line 107)	\$0.48	
Total ITCs/adjustments (line 108)		\$0.48
Net tax (line 109)		\$0.30

Option 2

The supplier can show the net amount as the HST collected or collectible on line 103 and not claim an

adjustment for the rebate amount paid or credited on line 107.

Sales and other revenue (line 101)	\$6.00	
GST/HST collected or collectible (line 103)	\$0.30	
Adjustments (line 104)	\$0.00	
Total GST/HST/adjustments (line 105)		\$0.30
ITCs (line 106)	\$0.00	
Adjustments (line 107)	\$0.00	
Total ITCs/adjustments (line 108)		\$0.00
Net tax (line 109)		\$0.30

For information on completing a GST/HST return, see Guide RC4022, *General Information for GST/HST Registrants*.

Additional information

Please refer to the following publications for additional information on other point-of-sale rebates:

- Info Sheet GI-060, *Harmonized Sales Tax for Ontario – Point-of-Sale Rebate on Newspapers*;
- Info Sheet GI-063, *Harmonized Sales Tax for Ontario, British Columbia and Nova Scotia – Point-of-Sale Rebate on Children’s Goods*;
- Info Sheet GI-064, *Harmonized Sales Tax for Ontario – Point-of-Sale Rebate on Prepared Food and Beverages*;
- Info Sheet GI-065, *Point-of-Sale Rebate on Books*;
- Info Sheet GI-169, *Point-of-Sale Rebate on Heating Oil*;
- GST/HST Memorandum 13.4, *Rebates for Printed Books, Audio Recordings of Printed Books, and Printed Versions of Religious Scriptures*.

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, call one of the following numbers:

- for general enquiries, call the Business Enquiries line at 1-800-959-5525;
- for technical enquiries, call 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.

The information in this publication 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 GST/HST rulings centre 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 centres.

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, see GST/HST Technical Information Bulletin B-103, *Harmonized Sales Tax – Place of Supply Rules for Determining Whether a Supply is Made in a Province*.