



Tax Information

Bulletin 5012

Bulletin: 5012 R7
Date: October 15, 2010
Subject: Rebate to Volunteer & Municipal Fire Departments

The Nova Scotia Government will rebate the 10% provincial component of the Harmonized Sales Tax (HST), net of any other rebate, on the purchase of a motor vehicle or heavy equipment used for fire fighting by a municipality or a volunteer fire department on or after July 1, 2010.

The rebate for purchases made prior to July 1, 2010 is based on a 8% provincial component of the HST on the purchase price.

If..a volunteer fire department makes its purchase through a municipality, it (or the municipality) may be entitled to receive a rebate of a 57.14% of the provincial component of the Harmonized Sales Tax from the Canada Revenue Agency (CRA). The Province will then provide a rebate for the remaining 42.86% of the provincial component up to a maximum amount of **\$7,929.00**. (\$6,343.00 for purchases made before July 1, 2010)

If..a district fire department is fully funded by the municipality, the same rebate procedure as stated above applies. The Province will provide a rebate up to a maximum amount of **\$7,929.00**.(\$6,343.00 for purchases made before July 1, 2010)

If..a volunteer fire department is recognized as a non-profit/charitable organization, it may be entitled to receive a rebate of 50% of the provincial component of the Harmonized Sales Tax from the CRA. The Province will then provide a rebate for the remaining 50% of the provincial component up to a maximum amount of **\$9,250.00**.(\$7,400.00 for purchases made before July 1, 2010)

No rebate shall be made unless the application for rebate is made within **24 months** after the payment of tax in respect of which the rebate is claimed.

Rebate forms can be obtained from your nearest Access Nova Scotia office or by calling Service Nova Scotia & Municipal Relations or on our website:

[Application for Rebate - Municipal or Municipally Funded Volunteer Fire Department](#)

[Application for Rebate - Volunteer Fire Department](#)

Example #1

**A volunteer fire department purchasing through a municipality
or
a fully funded municipal fire department**

Purchase of a motor vehicle or heavy equipment used for firefighting costing \$100,000.00.

Rebate Calculations:

For purchases prior to July 1, 2010

$\$100,000.00 \times 8\%$ provincial component = \$8,000.00
 $\$8,000 \times 42.86\%$ = \$3,428.80 (remaining provincial component after CRA rebate)
Maximum rebate limit = \$6,343.00
Rebate = \$3,428.80

For purchases on or after July 1, 2010

$\$100,000.00 \times 10\%$ provincial component = \$10,000.00
 $\$10,000 \times 42.86\%$ = \$4,286.00 (remaining provincial component after CRA rebate)
Maximum rebate limit = \$7,929.00
Rebate = \$4,286.00

Example #2

**A volunteer fire department purchasing through a municipality
or
a fully funded municipal fire department**

Purchase of a motor vehicle or heavy equipment used for firefighting costing \$200,000.00.

Rebate Calculations:

For purchases prior to July 1, 2010

$\$200,000 \times 8\%$ provincial component = \$16,000.00
 $\$16,000 \times 42.86\%$ = \$6,857.60 (remaining provincial component after CRA rebate)
Maximum rebate limit = \$6,343.00
Rebate = \$6,343.00

For purchases on or after July 1, 2010

$\$200,000 \times 10\%$ provincial component = \$20,000.00
 $\$20,000 \times 42.86\%$ = \$8,572.00 (remaining provincial component after CRA rebate)
Maximum rebate limit = \$7,929.00
Rebate = \$7,929.00

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Example #3

A volunteer fire department recognized as a non-profit/charitable organization

Purchase of a motor vehicle or heavy equipment used for firefighting costing \$100,000.00.

Rebate Calculations:

For purchases prior to July 1, 2010

\$100,000.00 x 8% provincial component = \$8,000.00
\$8,000 x 50% = \$4,000.00 (remaining provincial component after CRA rebate)
Maximum rebate limit = \$7,400.00
Rebate = \$4,000.00

For purchases on or after July 1, 2010

\$100,000.00 x 10% provincial component = \$10,000.00
\$10,000 x 50% = \$5,000.00 (remaining provincial component after CRA rebate)
Maximum rebate limit = \$9,250.00
Rebate = \$5,000.00

Example #4

A volunteer fire department recognized as a non-profit/charitable organization

Purchase of a motor vehicle or heavy equipment used for firefighting costing \$200,000.00.

Rebate Calculations:

For purchases prior to July 1, 2010

\$200,000.00 x 8% provincial component = \$16,000.00
\$16,000 x 50% = \$8,000.00 (remaining provincial component after CRA rebate)
Maximum rebate limit = \$7,400.00
Rebate = \$7,400.00

For purchases on or after July 1, 2010

\$200,000.00 x 10% provincial component = \$20,000.00
\$20,000 x 50% = \$10,000.00 (remaining provincial component after CRA rebate)
Maximum rebate limit = \$ 9,250.00
Rebate = \$ 9,250.00

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