

Harmonized Sales Tax (HST)

This notice is intended to assist service providers as a starting point in considering the implications of HST. The information it contains does not constitute tax advice and should not be relied on to determine the HST status of any particular transaction.

What's changing?

Effective July 1, 2010, British Columbia is moving to a federally administered harmonized sales tax (HST). The HST is the single harmonized value-added tax that will replace the 5% federal GST and the 7% provincial sales tax (PST). The HST will generally apply at a rate of 12% to the purchase of taxable services and goods.

CLBC is required to pay HST on its purchases effective July 1st 2010. CLBC will pay any HST as an additional amount over and above the amounts established in existing agreements and will apply to the Canada Revenue Agency for a rebate of HST paid. For more information, see this bulletin:

[http://www.sbr.gov.bc.ca/documents_library/notices/HST Notice 006.pdf](http://www.sbr.gov.bc.ca/documents_library/notices/HST_Note_006.pdf)

The general contractual language in the agreements for program services between CLBC and the service providers will not be changed because of the HST.

Who is responsible?

Each service provider is responsible for determining the HST status of its own supplies and collecting and remitting HST where applicable. Service providers are encouraged to contact CRA or obtain professional advice to determine the application of HST to particular circumstances.

More information

CLBC strongly recommends suppliers and service providers obtain professional advice or contact the Canada Revenue Agency for further information.

Questions can be directed to the Canada Revenue Agency (CRA) at 1-800-959-5525.

<http://www.cra-arc.gc.ca/gncy/hrmnztn/bc/menu-eng.html>

For detailed [CRA](#) information on the tax status of services and goods, refer to:

<http://www.cra-arc.gc.ca/tx/bsnss/tpcs/gst-tps/gnrl/txbl/menu-eng.html>

Additional information that may be helpful can be found at:

<http://hst.blog.gov.bc.ca/2010/04/01/learn-more/>

<http://www.cra-arc.gc.ca/gncy/hrmnztn/bc/menu-eng.html>