



WATCH TOWER

BIBLE AND TRACT SOCIETY OF CANADA

OFFICE OF THE SECRETARY-TREASURER

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TOB:TOE December 1, 2010

TO ALL BODIES OF ELDERS IN CANADA

Re: GST/HST (harmonized sales tax) rebates

Dear Brothers:

We are writing to provide information related to GST/HST accounts and the filing of rebate claims for your congregation. At a minimum, congregations that hold title to the Kingdom Hall property would want to ensure that they apply for these rebates.

If your fiscal year end is August 31, a typical claim period would be September 1 to February 28/29 or March 1 to August 31. Claims can be made for periods longer than six months, however the claim period must end on February 28/29 or August 31. If your fiscal year end is December 31, a typical claim period would be January 1 to June 30 or July 1 to December 31. Claims can be made for periods longer than six months, however the claim period must end on June 30 or December 31.

Rebates may be claimed at any time up to four years after the last day of the claim period in which the GST/HST was paid or became payable. Please refer to guide RC4034, *GST/HST Public Service Bodies' Rebates*, which includes instructions for completing the rebate applications, and is available at www.cra.gc.ca. Details regarding your congregation contacts with the GST/HST head office are provided in our September 8, 2008, letter to selected bodies of elders.

For congregations in **provinces other than British Columbia and Ontario**, there are no changes to the rebate process. Therefore we ask that you continue to prepare your rebate claims as you have in past periods. Please use your personalized forms if available. If you have not received them, please obtain the most recent versions of the necessary forms at www.cra.gc.ca.

There are changes that will affect congregations in **British Columbia and Ontario**, as these provinces have harmonized their provincial sales tax with the federal GST at a rate of 12% in British Columbia and 13% in Ontario. Congregations in those provinces will now have to track separately the federal and provincial parts of the HST paid on purchases in order to claim the rebate for both parts of the HST. Rebate claims made for periods after July 1, 2010, must abide by the adjusted claim rates as explained below.

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Federal Part

Form - GST66 (or your personalized form GST284 if available)

Line 305 Enter 50% of GST paid prior to July 1, 2010 and

50% of the 5% federal portion of HST paid on invoices after July 1, 2010

For example, for the filing period of September 1, 2009, to August 31, 2010, if the total of the HST paid on all invoices after July 1 equals \$100.00, the calculation for a congregation in Ontario is:

$$\$100.00 \times 5 \div 13 \times 0.5 = \$19.23 \text{ (your federal rebate)}$$

For a congregation in British Columbia it is:

$$\$100.00 \times 5 \div 12 \times 0.5 = \$20.83 \text{ (your federal rebate)}$$

Provincial Part

Form - RC7066 SCH

Ontario **Line 305-ON** (82% of the 8% provincial portion)

British Columbia **Line 305-BC** (57% of the 7% provincial portion)

Using the same example as above, the calculation for a congregation in Ontario is:

$$\$100.00 \times 8 \div 13 \times 0.82 = \$50.46 \text{ (your provincial rebate)}$$

For a congregation in British Columbia it is:

$$\$100.00 \times 7 \div 12 \times 0.57 = \$33.25 \text{ (your provincial rebate)}$$

As noted at the bottom of page 2 of this form, copy the amount to line B on form GST66 or your personalized form GST284.

We trust this information will be helpful and we would like to express our appreciation for your hard work on behalf of the congregation in caring for these necessary details. Please accept our warm love and Christian greetings.

Your brothers,

Watch Tower B. & J. Society

OF CANADA