

# TAX TARGET<sup>®</sup>

UPDATE • July 2013

## CANADIAN FEDERAL AND PROVINCIAL SALES TAX RATES

Further to the recent changes regarding the Harmonized Sales Tax (HST) in Prince Edward Island and British Columbia, here is a summary of the Canadian federal and provincial sales tax rates effective April 2013.

Province/Territory	PST Rate	GST/HST Rate	Combined Rate
British Columbia	7%	5%	12%
Alberta	Nil	5%	5%
Saskatchewan	5%	5%	10%
Manitoba	8%	5%	13%
Ontario	N/A	13%	13%
Quebec	9.975%	5%	14.975%
New Brunswick	N/A	13%	13%
Newfoundland	N/A	13%	13%
Nova Scotia	N/A	15%	15%
Prince Edward Island	N/A	14%	14%
Northwest Territories	Nil	5%	5%
Nunavut	Nil	5%	5%
Yukon	Nil	5%	5%

### Notes that may help

- British Columbia – 12% HST (applicable until March 31, 2013)
- Ontario – 13% HST (5% federal component and 8% provincial component)
- New Brunswick and Newfoundland – 13% HST (5% federal component and 8% provincial component)
- Nova Scotia – 15% HST (5% federal component and 10% provincial component)
- Nova Scotia – HST to decrease to 14% on July 1, 2014 and to 13% on July 1, 2015
- Prince Edward Island – 14% HST (5% federal component and 9% provincial component)

### COMMENTS

1. It is important to note that the tax rates can change (often in the Spring at the time budgets are tabled).
2. If a supplier is registered for GST purposes, they will have to charge: (1) GST in respect of taxable sales in Canada, and (2) HST at the applicable HST rate if the HST place of supply rules deem a supply to be made in a participating province.
3. The rules may be different on when a vendor must register for provincial sales tax purposes (in Quebec, British Columbia, Manitoba or Saskatchewan) and charge provincial sales tax on a sale of goods in a province or on services in respect of tangible personal property.

The matters highlighted in this tax memo are presented in broad general terms and, of course, cannot be applied without consideration of all circumstances. The firm will be pleased to discuss with recipients the possible effects of these matters in specific situations.

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