




Canada Revenue Agency Are you HST ready?

The Canada Revenue Agency answers questions on the harmonized sales tax (HST)

Detailed information and guidance on **recaptured input tax credits (RITCs)** is now available from the Canada Revenue Agency (CRA).

With the introduction of the HST in Ontario and British Columbia, there will be new regulations in effect from July 1, 2010, until June 30, 2018 applying to *large businesses*—generally defined as making taxable supplies of more than \$10 million annually, as well as certain financial institutions. During that time, large businesses will be required to repay or “recapture” the portion of available input tax credits (ITCs)—specifically, the portion that is attributable to the provincial part of the HST—on certain property or services they acquire or bring into those two provinces. Those same large businesses must also file their GST/HST returns electronically.

To provide detailed guidelines about RITCs, the CRA has published a technical information bulletin entitled *Harmonized Sales Tax – Temporary Recapture of Input Tax Credits in Ontario and British Columbia*, which is available on its Web site at: <http://www.cra.gc.ca/E/pub/gm/b-104/>.

For more information about the implementation of the HST, go to www.cra.gc.ca/harmonization. The CRA updates these pages regularly. To receive information as it is updated, sign up for the HST electronic mailing list (www.cra.gc.ca/lists) or  RSS feed (www.cra.gc.ca/rssfeeds).

