



# **Girl Guides of Canada, Ontario Council**

## **HST for Ontario and Nunavut Units**

**A Guideline on HST for Unit Treasurers**

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<b>TABLE OF CONTENTS</b>		<b>Page No.</b>
<b>SECTION 1 – INTRODUCTION TO HST</b>		
1.1	HST Explained	1
1.2	How to calculate HST	1
1.3	How HST affects your Unit	1
1.4	Unit Bank Account Allocations for Taxable Activities	1
1.5	Additional Guidelines	1
<b>SECTION 2 – HST COLLECTION</b>		
2.1	Taxable Fees – When to Collect HST	2
2.2	Determine the Fee Amount	2
2.3	Provide the HST Account Number	2
2.4	How HST Collected is Remitted to the CRA	3
<b>SECTION 3 – INPUT TAX CREDIT (ITC)</b>		
3.1	Input Tax Credit	3
3.2	How to calculate the ITC	4
3.3	How the ITC is Claimed	4
<b>SECTION 4 – PUBLIC SERVICE BODIES (PSB) REBATE</b>		
4.1	PSB Rebate	5
4.2	How to calculate the PSB Rebate	5
4.3	How the PSB Rebate is Claimed	6
<b>SECTION 5 – HST &amp; INDEPENDENT TRIPS</b>		
5.1	Interprovincial Trips	7
5.2	Multi-Province Interprovincial Trips	7
5.3	International Trips	7
<b>SECTION 6 – FREQUENTLY ASKED QUESTIONS</b>		
<b>LIST OF QUESTIONS</b>		8
<b>6A – REVENUES</b>		
Calculating the HST to Collect		9
Allocating Transactions		12
Multi-Unit Camp and Events		13
Subsidies		14
Common Errors & Refunds		16
<b>6B – EXPENSES</b>		
PSB Rebate vs. ITC		17
Which Expenses can be Claimed		18
How to Claim the PSB Rebate or ITC		18
Damage Deposits & Deposit Payments		19
Common Errors		19
<b>SECTION 7 – HST EXAMPLE</b>		20

## SECTION 1 – INTRODUCTION TO HST

### 1.1 HST Explained

Harmonized Sales Tax (HST) is a tax you pay on most goods and services in Ontario.

The Ontario HST rate is 13%, which is a combination of the 5% federal portion (formerly **GST**) and the 8% provincial portion (formerly **PST**).

### 1.2 How to calculate HST

Everyone (except individuals with Native status – see [FAQ 5](#)) must pay tax on the purchase of taxable goods and services. There are some special cases where goods and services are non-taxable (i.e. no taxes are charged) or GST-taxable (i.e. only 5% GST is charged) – see [Section 5](#).

Amount	GST Portion	PST Portion	Total HST	Total Collected
\$100	$\$100 \times 0.05 = \$5$	$\$100 \times 0.08 = \$8$	$\$5 + \$8 = \$13$	$\$100 + \$5 + \$8 = \$113$

### 1.3 How HST affects your Unit

- Canada Revenue Agency (CRA) requires us to collect HST on the total revenue we collect for taxable activities i.e. overnight camp, event, and trip or outing (or a day camp for ages 15 years and older). This is called **HST Collection**.
- CRA allows us to recover 100% of the HST paid on expenses for those taxable activities. This is called an Input Tax Credit (**ITC**).
- CRA allows us to recover a portion of HST paid on most other expenses which are not related to taxable activities. This is called a **PSB rebate**. It is the recovery is 9.06% of the 13% paid, with the actual HST cost after recovery of rebate = 3.94%.

Section 2 explains **HST Collection** and how it is remitted

Section 3 explains **Input Tax Credit (ITC)** and how it is claimed

Section 4 explains **Public Service Bodies' (PSB) Rebate** and how it is claimed

Section 5 explains **HST & Independent Trips**

Section 6 provides answers to **Frequently Asked Questions**

### 1.4 Unit Bank Account Allocations for Taxable Activities

You only use the following **TWO** allocations for transactions related to a taxable activity.

1. Taxable Revenue (HST)
2. ITC Expenses



**This applies if you answer 'yes' to both questions:**

1. Did you collect HST with the fees?
2. Was the activity overnight or most participants were 15 years and older? (Also includes Trefoils)

All other expenses (e.g. general unit supplies) should **not** be allocated to these two categories.

### 1.5 Additional Guidelines

The National office released a GST/HST Booklet in January 2013 to provide information for Treasurers regarding GST/HST. Certain details are not applicable to Ontario and Nunavut Units set up on the centralized banking system.

The full National document is available on the GGC website under the following link:

<http://forms.girlguides.ca/Shared%20Documents/Finance/gst-hst-booklet.pdf>

**SECTION 2 – HST COLLECTION**

**2.1 Taxable Fees – When to collect HST**

When you collect money (“fees”) from parents/guardians specifically to pay for expenses associated with an overnight camp, event, trip or outing (or a day activity for ages 15 years and older), you are acting as a service provider (a “merchant”) and you are required to collect HST from the parents/guardians (your “customers”).

You are required to collect HST even if you use the fees to pay for non-taxable expenses like basic groceries. The fees you collect from parents/guardians typically cover a variety of expenses including site rental fees, transportation, meals, craft supplies, admission tickets, etc.

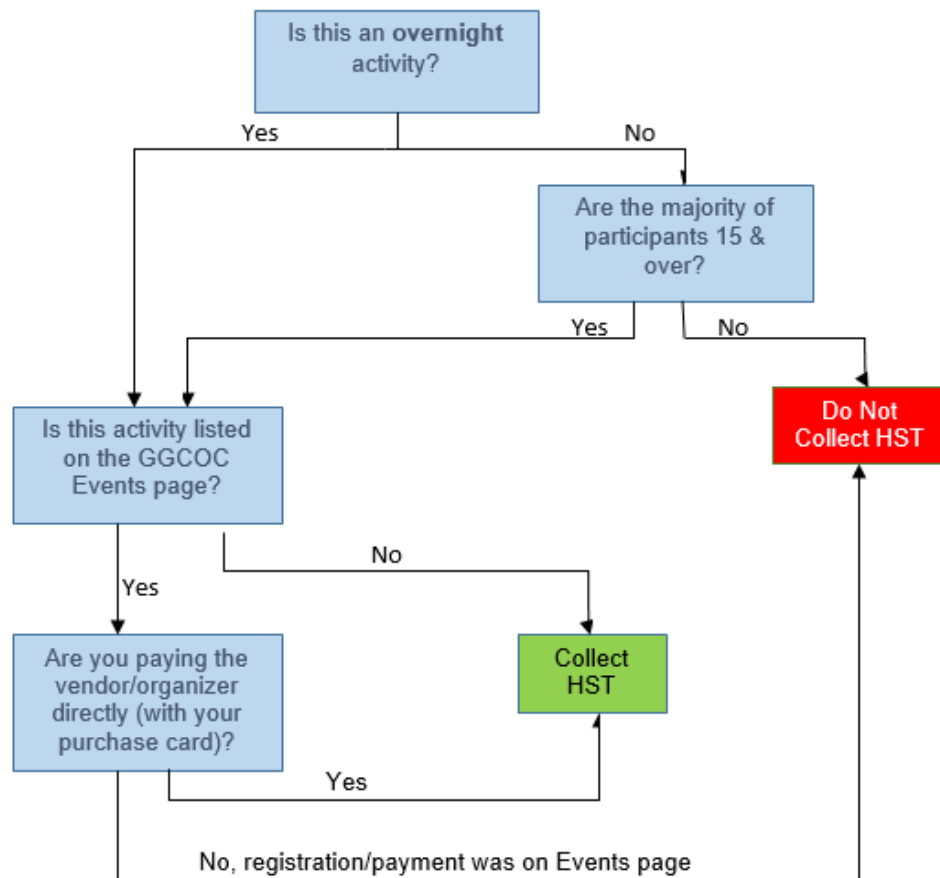
**Collect HST:**

Fees Collected for	Age Group	Taxable	Collect HST
Overnight activities	Any age	Yes	Yes
Day camp or events	Most participants 15 years old and older	Yes	Yes

**Do not collect HST:**

Fees Collected for	Age Group	Taxable	Collect HST
Day camp or events	Most participants 14 years old and under	No	No

**When to collect HST chart:**



## 2.2 Determine the Fee Amount

For taxable activities, determine the fee amount by totalling the **before-tax** cost of the activities' expenses and then add 13% HST on top of that amount even if HST was not charged on the expense e.g. Groceries.

**Example for an overnight camp:**

Taxable Activity Expenses	Before-tax amount	HST paid to merchant	After-tax amount
Tickets	\$50	\$6.50	\$56.50
Transportation	\$15	\$1.95	\$16.95
Groceries	\$25	\$0.00	\$25.00
Badges/crafts	\$10	\$1.30	\$11.30
<b>Total Expenses</b>	<b>\$100</b>	<b>\$9.75</b>	<b>\$109.75</b>
<b>Total Fee to charge</b>	<b>Before-tax amount x 1.13 = \$100 x 1.13 = \$113</b>		

You must collect HST on the entire amount ( $\$100.00 \times 13\%$ ) = \$13.00 even though HST was not paid on Groceries.

## 2.3 Provide the HST Account Number

When collecting fees for taxable activities, you need to provide Ontario Council's HST account number on the receipt given to the parent/guardian.

<b>Ontario Council's HST account number</b>	<b>118938554 RT 0045</b>
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- **Action by Treasurer:** When collecting payment, a receipt should be provided to the parent/guardian. A [Receipt Template](#) can be accessed through the Centralized Banking web page.

## 2.4 How HST Collected is remitted to the CRA

Ontario Council forwards the HST collected to the CRA, on your unit's behalf, based on your transactions. There is no additional paperwork to submit for HST remittance.

- **Action by Treasurer:** For the fees collected that include HST, on the transaction; allocate the deposit to "**Taxable Revenue (HST)**", click the "Extract HST" checkbox on the distribution line and submit your deposit slips to your Unit Banking Clerk. For additional information refer to [Quick Tip 5 – Allocating a Deposit](#).

Click "Extract HST" checkbox

Description	Total	Tax	Net	Extract HST
Taxable Revenue (HST) ▼	113.00	13.00	100.00	<input checked="" type="checkbox"/>



Do **not** enter the tax amount on a separate row.

Description	Total	Tax	Net	Extract HST
Taxable Revenue (HST)	100.00	0.00	100.00	<input type="checkbox"/>
Taxable Revenue (HST)	13.00	0.00	13.00	<input type="checkbox"/>



- **Effect on the Unit account:** The HST will be deducted from your unit balance once the transaction is “Verified, Provincial” status. On your balance report, you will see the amount of HST collected accumulate in the HST Collected box. At the end of the month, this number clears to zero.

## FAQ SECTION 6A – REVENUES

### SECTION 3 – INPUT TAX CREDIT (ITC)

**Note:** The ITC can only be claimed on expenses associated with a taxable activity (e.g. overnight camps, day camps for participants 15 years and older) where you collected HST on the fees.

#### 3.1 Input Tax Credit

The Input Tax Credits (ITC) is a special credit your unit can receive if you are an HST **collector**.

If you collected fees for a taxable activity (e.g. overnight activities for any age or day activities for participants 15 years and older), the taxable expenses (i.e. HST was paid on those expenses) associated with that activity qualify for the ITC. The ITC reduces the expense by the amount of the HST paid to the merchant. The centralized banking system automatically calculates the ITC for your unit.

#### ❖ Exclusions (No ITC):

- Purchases from Girl Guides (e.g. Guide Store, GGC Ontario event registration, etc.)
- Purchases outside Canada

#### 3.2 How to calculate the ITC

The ITC reduces the cost of the expense to your unit by 100% of the HST paid to the merchant. Using the Example in 2.2, the ITC is lower than the HST collected by the amount of HST rate on Groceries.

<b>Amount paid to merchant:</b> \$109.75 = \$100 subtotal + \$9.75 HST	<b>ITC Claimed:</b> \$9.75 HST	<b>Expense to Unit:</b> \$100
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#### 3.3 How the ITC is claimed

Ontario Council claims the ITC from the CRA on behalf of your unit, based on your transactions. Your expense is automatically reduced by the GST/HST amount once your expense is “Verified, Provincial” status.

- **Action by Treasurer:** In your Unit account, on the transactions; input the taxes as shown on the receipts, allocate the expenses associated with taxable activities to “**ITC Expenses**” and submit your receipts to your Unit Banking Clerk. For additional information refer to [Quick Tip 6 – Submitting a Manual Expense](#) or [Quick Tip 7 – Allocating a Purchase Card Expense](#).
  - No Itemized Receipt = No ITC. Itemized receipt must clearly show HST amount.
  - Receipts must be “Verified, Provincial” status for the credit to be applied.

Type	Expense - Purchase Card	
Level	Administrator	
Status	Verified	
Before Taxes Amount	100.00	
Tax Amount	13.00	
Total Amount	113.00	
Distribution	Description ITC Expenses	Before Tax Amount 100.00
Merchant	CREDIT VALLEY CONSERVA <input type="checkbox"/> Guide Store	
Date	09/11/2015	
Receipt Date		
Comments	Overnight Sleepover.	
HST	13.00	
GST		

- **Effect on the Unit account:** Your expense will be reduced by the ITC amount once the transaction is "Verified, Provincial" status. On your balance report, you will see the credit accumulate in the HST Rebate box. This is for information purposes only. At the end of the month, this number clears to zero.

## [FAQ SECTION 6B - EXPENSES](#)

### SECTION 4 – PUBLIC SERVICE BODIES' (PSB) REBATE

**Note:** The PSB rebate can be claimed on most unit expenses (e.g. general program or craft supplies, day events for participants 14 years and under) where the ITC was not claimed.

#### 4.1 PSB Rebate

The PSB Rebate is a rebate given to public service bodies (e.g. non-profit organizations) like Girl Guides of Canada.

If your unit expense did not qualify for the ITC (see [Section 3](#)), it most likely qualifies for the PSB Rebate. An expense only qualifies for either ITC or the PSB rebate, not both.

#### ❖ Exclusions (No PSB or partial rebate):

- Purchases from Girl Guides (e.g. Guide Store, GGC Ontario event registration, etc.)
- Purchases outside Ontario (rebate on GST-portion only)
- Purchases outside Canada

## 4.2 How to calculate the PSB Rebate

The following calculations are provided for information-purposes only. The centralized banking system automatically calculates the PSB Rebate for your unit.

**Example for a day camp for ages 14 years and under:**

Non-Taxable Activity Expenses	Before-tax amount	HST paid to merchant	After-tax amount
Tickets	\$50	\$6.50	\$56.50
Transportation	\$15	\$1.95	\$16.95
Groceries	\$25	\$0.00	\$25.00
Badges/crafts	\$10	\$1.30	\$11.30
<b>Total Expenses</b>	<b>\$100</b>	<b>\$9.75</b>	<b>\$109.75</b>

The PSB Rebate is split into two parts: 50% of GST (Canada-wide) and 82% of PST (Ontario-only)

HST Paid	GST portion of Rebate	PST Portion of Rebate	Total PSB Rebate	HST paid after rebate
\$9.75	$\$3.75 \times 0.50 = \$1.88$	$\$6.00 \times 0.82 = \$4.92$	$\$1.88 + \$4.92 = \mathbf{\$6.80}$	$\$9.75 - \mathbf{\$6.80} = \$2.95$

The rebate reduces the cost of the expense to your unit by a portion of the HST.

<b>Amount paid to merchant:</b> \$109.75 = \$100 subtotal + \$9.75 HST	<b>PSB Rebate Claimed:</b> \$1.88 + \$4.92 = \$6.80	<b>Expense:</b> \$109.75 total – \$6.80 PSB Rebate = <b>\$102.95</b>
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## 4.3 How the PSB Rebate is claimed

Ontario Council claims the PSB Rebate from the CRA on behalf of your unit based on your transactions. Your expense is automatically reduced by the PSB Rebate once your expense is “Verified, Provincial” status.

- **Action by Treasurer:** In your Unit account, on the transactions; input the taxes as shown on the receipts, allocate the expenses to the appropriate expense categories as you would normally and submit your receipts to your Unit Banking Clerk. For additional information refer to [Quick Tip 6 – Submitting a Manual Expense](#) or [Quick Tip 7 – Allocating a Purchase Card Expense](#).
  - No Itemized Receipt = No Rebate. Itemized receipt must clearly show HST amount.
  - Receipts must be “Verified, Provincial” status for the credit to be applied.
- **Effect on the Unit account:** On your balance report, you will see the rebate accumulate in the HST Rebate box. The rebate has already reduced your expense. This is for information purposes only. At the end of the month, this number clears to zero.



## SECTION 5 – HST & INDEPENDENT TRIPS

This section applies to independent trips within Canada (“Interprovincial”) or outside Canada (“International”).

For additional information about Independent Trips, click [here](#).

### 5.1 Interprovincial Trips

#### GST/HST Rates by Province

Across Canada, as per the CRA requirements, provinces have different GST, PST and HST rates. Some provinces have combined the GST and PST to form “HST” whereas others have kept the GST and PST separate.

##### HST Provinces:

- New Brunswick (15%)
- Newfoundland & Labrador (15%)
- Nova Scotia (15%)
- Ontario (13%)
- Prince Edward Island (14%)

##### Non-HST Provinces:

- Alberta (5% GST)
- British Columbia (5% GST + 7% PST)
- Manitoba (5% GST + 8% PST)
- Northwest Territories (5% GST)
- Nunavut (5% GST)
- Quebec (5% GST + 9.975% QST)
- Saskatchewan (5% GST + 6% PST)
- Yukon (5% GST)

#### Tax Rate to charge for Interprovincial Trips

When collecting trip fees for your interprovincial trip, the tax rate to charge depends on the destination province (i.e. the province you are visiting). A weighted average of the expenses from Ontario and the other province will determine the amount of taxes to charge for the trip.

### 5.2 Multi-Province Interprovincial Trips

Contact Unit Banking Admin at [banking.admin2@guidesontario.org](mailto:banking.admin2@guidesontario.org) for assistance to determine the rate.

### 5.3 International Trips

International trips are exempt from GST/HST because it relates to services performed outside of Canada.

<b>LIST OF QUESTIONS</b>		<b>Page No.</b>
<b>SECTION 6 – FREQUENTLY ASKED QUESTIONS</b>		
1	Do I collect HST on the fee for sleepovers at...?	9
2	We are camping at a Girl Guide camp, which does not charge HST on the rental. Do I need to include the camp rental cost in the calculation of HST to charge to the parents/guardians?	9
3	If the cost of admission already includes HST, am I double collecting the HST?	9
4	How do I determine the before-tax cost when the merchant says the cost “includes HST”?	10
5	Do I collect HST on the fee for Native families that are tax exempt?	10
6	Do I charge HST for taxable activities (overnight or day activities for participants 15yrs plus) on the Ontario Events calendar?	10
7	Do I collect HST on top of the amount charged by GGC Ontario for events on the <a href="#">Event Calendar</a> ?	10
8	Do I collect HST for taxable activities advertised on the Events calendar, which are not GGC events?	11
9	My unit has <a href="#">Fundraising Approval (FR.1)</a> to host a fundraising event. Do I collect HST on the tickets?	11
10	A parent has given me money to include a purchase of a uniform in our unit’s Guide Store order. Do I extract HST from the revenue?	11
11	I collected money for an overnight camp, fall cookies and dues. Can I make one deposit?	12
12	I extracted the HST but the taxes are still showing up in my ending balance. Why?	12
13	How do I distinguish between “Special Events” and “Camp” if I allocate all taxable revenue to “Taxable Revenue (HST)”?	12
14	For a multi-unit overnight camp, which unit collects the HST from parents/guardians?	13
15	Our unit is no longer attending a multi-unit camp. I already transferred the revenue to another unit and remitted the HST to the CRA. How do I reverse this?	13
16	We will use cookie profits to subsidize the cost of an overnight camp for the whole unit. How do we calculate the fee and HST to charge the parents/guardians?	14
17	<u>Some</u> girls received a subsidy or campership for an overnight camp. Is the HST amount based on the amount paid out of pocket by the parent/guardian?	14
18	How do I enter the individual subsidy (Situation 2 above) in the revenue transaction to ensure that the HST collected is the correct amount?	15
19	If the unit subsidizes the overnight camp 100% (i.e. no money collected from parents/guardians for the cost of the camp), do we claim ITC or the PSB rebate on expenses?	15
20	I extracted HST in error ( <u>or</u> I did not extract HST but should have). How do I correct this?	16
21	One of the cheques I deposited was returned insufficient funds (NSF). I extracted the HST from the deposit. Now that revenue was reversed from the account, the full amount including HST was deducted from my account. How can I correct this?	16
22	I need to issue a refund to a parent/guardian whose daughter is no longer attending the overnight camp. How do I handle this?	16
23	What is the difference between the ITC and PSB rebate?	17
24	Will the ITC and PSB rebate appear as a separate transaction in my unit account?	17
25	Why is there a “Camp” expense allocation if all overnight camp expenses should be charged to “ITC Expenses”?	17
26	Can I claim the ITC or PSB rebate on payments to Girl Guides?	18
27	For items purchased in Quebec, where do I input the Quebec Sales Tax (QST)?	18
28	I lost the receipt but I know that there was HST included in the cost. Can I claim the rebate/ITC?	18
29	I made purchases using a cash advance. How can I claim the PSB rebate or ITC on the expenses?	18
30	Why is the “Extract HST” button only on the revenue side?	18
31	I require a damage deposit cheque for a camp rental. Do I need to include HST when I submit the manual expense?	19
32	We booked an overnight event that costs \$500 + HST. We paid a \$50 deposit at the time of booking. Is HST included in the deposit?	19
33	I allocated an expense for an overnight camp to “Camp” instead of “ITC Expenses”. Now it is “Verified, Provincial” status. How do I correct this and claim the ITC?	19
34	I need to reallocate an expense from one category to another but I don’t know what amount to reallocate after the PSB rebate?	19

## SECTION 6 – FREQUENTLY ASKED QUESTIONS

### FAQ SECTION 6A – REVENUES

#### *Revenues - Calculating the HST to collect*

**1. Do I collect HST on the fee for sleepovers at...?**

If your unit is having a sleepover, it falls under the “Overnight activities” criteria (see [Section 2.1](#)). You must collect HST on the fees.

Examples of Popular Sleepover Attractions		
Ontario Girl Guide Camps	Royal Ontario Museum (ROM)	African Lion Safari
Ontario Science Centre	Art Gallery of Ontario (AGO)	Jungle Cat World
Toronto Zoo	Fort York National Historic Site	Great Wolf Lodge
Black Creek Pioneer Village	Ripley’s Aquarium of Canada	Royal Botanical Gardens

Even if the fee you collect only covers the cost of admission, you still need to collect HST. In this situation, you are providing a service and acting as a “merchant” when you purchase the group tickets and the parent/guardian is your “customer”.

Expense per girl	Unit Cost	HST Paid (ITC Claim)
ROM Cost (no HST)	\$70	\$0.00
<b>Fee to charge per girl</b>	<b>Before-tax amount x 1.13 = \$70 x 1.13 = \$79.10</b>	

**2. We are camping at a Girl Guide camp, which does not charge HST on the rental. Do I need to include the camp rental cost in the calculation of HST to charge to the parents/guardians?**

Yes. The decision about whether to collect HST is based on the activity itself. The HST is calculated on the total of all **before-tax** expenses associated with the activity.

Expense	Unit Cost (10 girls)	HST Paid (ITC Claim)
Camp Rental	\$150	\$0.00
Bus	\$100	\$13.00
Groceries	\$50	\$0.00
Craft supplies	\$50	\$6.50
<b>Total Expenses</b>	<b>\$350</b>	<b>\$19.50</b>
<b>Fee to charge</b>	<b>Before-tax amount x 1.13 = \$350 x 1.13 = \$395.50</b>	

**3. If the cost of admission already includes HST, am I double collecting the HST?**

No. Add together the **before-tax** cost of all expenses related to the taxable activity (e.g. overnight camp or day events for ages 15+) and then add HST on top of this amount.

Expense	Before-tax Amount	HST Paid/Collected	After-tax Amount
Merchant charge	\$10	\$1.30	\$11.30
Parent pays	\$10	\$1.30	\$11.30

If the cost is \$11.30 (\$10 + \$1.30 HST), you request \$11.30 from the parents/guardians. Do **not** request \$11.30 + HST. This would double collect the HST.

➤ **Action by Treasurer:**

**Revenue:** On the revenue transaction; allocate the total amount (\$11.30) to “Taxable Revenue (HST)”. Click the “Extract HST” checkbox.

**Expenses:** On the expense transaction; input the tax as shown on the receipt (\$1.30), allocate the expense associated with taxable activity to “**ITC Expenses**” with the before-tax amount (\$10) and submit your receipt to your Unit Banking Clerk. For additional information refer to [Quick Tip 6 – Submitting a Manual Expense](#) or [Quick Tip 7 – Allocating a Purchase Card Expense](#).

**4. How do I determine the before-tax cost when the merchant says the cost “includes HST”?**

If the after-tax cost includes HST, divide the total by 1.13.  
If the after-tax cost includes GST\*, divide the total by 1.05.

\*There are some items that are GST-only e.g. books, children’s clothing, etc.

Taxable Activity Expenses	After-tax Amount	Calculation	Before-tax Amount
Cost includes <b>HST</b>	\$113	\$113 / 1.13	\$100
Cost includes <b>GST</b>	\$105	\$105 / 1.05	\$100

**5. Do I collect HST on the fee for individuals with Native status that are tax exempt?**

No, but the parent/guardian has to show a copy of their Certificate of Indian Status to you. For this individual, allocate their payment to “Taxable Revenue (HST)” but do **not** extract HST. You need to include a short comment on the transaction specifying tax exempt.

GST/HST and Indians, CRA website: <http://www.cra-arc.gc.ca/tx/bsnss/tpcs/gst-tps/frstntns/menu-eng.html>

**6. Do I charge HST for taxable activities (overnight or day activities for participants 15yrs plus) on the Ontario Events calendar?**

**It depends.** If you register on the Ontario Events website and key in your banking number as part of the registration – **do not** charge taxes on top of cost listed (see [FAQ 7](#)). If you register another way (contacting someone or linking to another website), you pay by purchase card or manual expense and it is a taxable activity – **yes**, you should charge HST on top of cost listed (see [FAQ 8](#)).

**7. Do I collect HST on top of the amount charged by GGC Ontario for events on the [Event Calendar](#)?**

No. For GGC events that are taxable (for which registration is through the Events page), HST is already included in the cost per participant. When you collect fees from parents/guardians to pay for the GGC event, request the exact amount as stated on the *Event Calendar*. There is no HST remittance from your unit account because GGC Ontario will remit the HST.

**Example:**

	<p><b>Green Mania Ottawa: Cross Canada Trek for Pathfinders and Rangers</b></p> <p><a href="#">Click here to Register Online Now</a></p>	<p>September 25-27, 2015</p>	<p><a href="#">Camp Woolsey</a> Woodlawn, ON</p>	<p style="text-align: center;">Fees:</p> <p>\$60.00/Pathfinder</p> <p>\$30.00/Ranger</p> <p>\$15.00/adult supervisor</p> <p>Pathfinders and adult supervisors registering before July 1 will receive a \$5.00 discount!</p> <p style="border: 1px solid red; text-align: center;">Fees include HST.</p>
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- **Action by Treasurer:** In your unit account, allocate the revenue collected to “**Special Events**”. Do not click the “Extract HST” checkbox. When GGC Ontario charges your unit for the event, the charge will be allocated to “Special Events” expense. You need to include a comment on the transaction, stating the Event Calendar and/or provide details.

**8. Do I collect HST for taxable activities advertised on the Events calendar, which are not GGC events?**

Yes. If the activity is taxable (camps, sleepovers, day activities where the majority will be 15 years old or older), HST must be collected. In this situation, you are providing a service and acting as a “merchant” when you register with the outside organization and the parent/guardian is your “customer”. If you have any questions regarding HST, contact [Unit Banking Admin](#).

Co-Op Camp 2015	September 25 - 27, 2015	<a href="#">Camp Manitou</a> Milton, ON	\$17.00/person
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- **Action by Treasurer:** Calculate the cost of camp (including this registration fee). If no other expenses or unit subsidies, the parent should be charged \$17 +HST = \$19.21. The treasurer would allocate the deposit to Taxable Revenue and extract the taxes. When sending the money to the registrar of the event, key an expense for \$17 and allocate it to ITC Expense.

**9. My unit has [Fundraising Approval \(FR.1\)](#) to host a fundraising event. Do I collect HST on the tickets?**

If it is an overnight fundraiser, HST must be collected. If it is a daytime fundraiser, you do not collect HST regardless of the age of the participants.

Event Type	Age Group	Taxable	Collect HST
Fundraising Event (Overnight)	Any age	Yes	Yes
Fundraising Event (Daytime)	Any age	No	No

**10. A parent has given money to me to include a purchase of a uniform in our unit’s Guide Store order. Do I extract HST from the revenue?**

No. The parent should have given you the exact cost of the uniform plus HST and shipping cost.

- **Action by Treasurer:** Allocate to “Parent Orders Revenue” and do not click “Extract HST”.

Description	Total	Tax	Net	Extract HST
Parent Orders Revenue ▼	32.70	0.00	32.70	<input type="checkbox"/>

## Revenues – Allocating Transactions

- 11. I collected money for an overnight camp, fall cookies and dues. Can I make one deposit?**  
Yes. When allocating the transaction, separate the various revenue allocations on different lines.

➤ **Action by Treasurer:** For the revenue related to the overnight camp, allocate to “Taxable Revenue (HST)” and click “Extract HST”. Do not extract HST for the other revenue lines.

Type	Revenue - Royal Bank Deposit				
Level	Administrator				
Status	Verified				
Before Taxes Amount	1235.88				
Tax Amount	69.67				
Total Amount	1305.55				
Distribution	Description	Total	Tax	Net	Extract HST
	Fall Cookies	600.00	0.00	600.00	<input type="checkbox"/>
	Weekly Dues	100.00	0.00	100.00	<input type="checkbox"/>
	Taxable Revenue (HST)	605.55	69.67	535.88	<input checked="" type="checkbox"/>

- 12. I extracted the HST but the taxes are still showing up in my ending balance. Why?**  
The HST will only be deducted when your transaction is “Verified, Provincial” status after you submit your deposit slips to your Unit Banking Clerk.
- 13. How do I distinguish between “Special Events” and “Camp” if I allocate all taxable revenue to “Taxable Revenue (HST)”?**  
Indicate this detail in the comments section of the transaction. Through your unit account, you have the option to download a “Transaction Report (CSV)”, which shows your transactions in a spreadsheet format. You can then see the comments on each transaction. For additional information refer to [Quick Tip 22 – Transaction Report](#).

Transactions	Reports	Configuration	Logout
	Balance		
	Transaction Report (CSV)		
Please enter the criteria below to export this data			
Start Date:	09/01/2015		
End Date:	09/03/2015		
Type	<input checked="" type="radio"/> Expenses <input type="radio"/> Revenues <input type="radio"/> Transfers		
	Export		

## SECTION 6 – FREQUENTLY ASKED QUESTIONS

### Revenues - Multi-Unit Camp and Events

- 14. For a multi-unit overnight camp, which unit collects the HST from parents/guardians?**  
Each unit collects and deposits the fee including HST from their girls.

➤ **Action by Treasurer:**

- a. Deposit fees (or receive bill payment), allocate to “Taxable Revenue (HST)” and click the “Extract HST” checkbox.
- b. Process a Unit-to-Unit transfer from your unit’s “Taxable Revenue (HST)” to the organizing unit’s “Taxable Revenue (HST)”. Only transfer the **before-tax** amount.

Unit - to - Unit	
Type	<input type="radio"/> Shared Revenue <input type="radio"/> Shared Expense <input checked="" type="radio"/> Other
Funds From	Unit User ID <input type="text" value="000001"/> Description <input type="text" value="Revenue - Taxable Revenue (HST)"/>
Funds To	Unit User ID <input type="text" value="000002"/> Description <input type="text" value="Revenue - Taxable Revenue (HST)"/>
Transfer Amount	<input type="text" value="\$ 100"/> <span style="color: red; font-size: small;">Note: Amount transferred is the <b>before-tax</b> amount.  Total collected from girls was \$113 (\$100 + \$13 HST).</span>
Detailed Comments	<input style="width: 100%;" type="text" value="Camp overnight \$10/girl for 10 girls"/>

For more information, refer to [Quick Tip 16 – Multi-Unit Event Transfer](#).

- 15. Our unit is no longer attending a multi-unit camp. I already transferred the revenue to another unit and remitted the HST to the CRA. How do I reverse this?**  
The unit that received the money will need to request a unit-to-unit transfer to transfer back the revenue to your unit. To reverse the HST remitted, contact your Unit Banking Clerk.

## SECTION 6 – FREQUENTLY ASKED QUESTIONS

### Revenues - Subsidies

**Situation 1:** *All girls subsidized by the same amount  
(E.g. unit uses cookie money to reduce overall cost of the camp)*

**16. We will use cookie profits to subsidize the cost of an overnight camp for the whole unit. How do we calculate the fee and HST to charge the parents/guardians?**

- a. Determine camp fee per girl before cookie subsidy (e.g. \$35 + HST)
- b. Calculate each girl's share of the cookie profit (e.g. \$50 cookie profit / 10 girls = \$5/girl)
- c. Reduce the camp fee by the per girl cookie subsidy (e.g. \$35 less \$5 subsidy = \$30 + HST)

Taxable Activity Expenses	Estimated <u>before-tax</u> cost
Admission Tickets	\$15
Transportation	\$10
Snacks	\$5
Craft supplies	\$5
<b>Less: Group Subsidy</b>	<b>-\$5</b>
<b>Total Fee to charge</b>	<b>\$30 + HST = \$33.90</b>

Unit subsidy reduces the camp fee for all girls by the same amount.

The total camp fee becomes **\$30 + HST** per girl.

Description	Total	Tax	Net	Extract HST
Distribution Taxable Revenue (HST)	33.90	3.90	30.00	<input checked="" type="checkbox"/>

**Situation 2:** *Some girls subsidized, each girl receives a different amount  
(E.g. girl applies for campership; girl sold more cases of cookies to cover cost of camp)*

**17. Some girls received a subsidy or campership for an overnight camp. Is the HST amount based on the amount paid out of pocket by the parent/guardian?**

No. The camp fee charged and HST amount collected should be the same for every girl. The subsidy simply reduces the balance owing from the parent/guardian but does not change the fee and HST charged.

Taxable Activity Expenses	Estimated <u>before-tax</u> cost
Admission Tickets	\$15
Transportation	\$10
Snacks	\$5
Craft supplies	\$5
<b>Total Fee to charge</b>	<b>\$35 + HST = \$39.55</b>
<b>Less: Individual Subsidy</b>	<b>-\$5</b>
<b>Balance owing</b>	<b>\$34.55</b>

Individual subsidy does not reduce the camp fee charged (and HST amount) but only reduces the balance owing.

The total camp fee is still **\$35 + HST** per girl.



## SECTION 6 – FREQUENTLY ASKED QUESTIONS

**18. How do I enter the individual subsidy (Situation 2 above) in the revenue transaction to ensure that the HST collected is the correct amount?**

**Row 1:** A girl who did not receive a subsidy. The camp fee is \$35 + \$4.55 HST.

**Row 2:** A girl who receive a \$5 subsidy. The camp fee is still \$35 + \$4.55 HST but there is a second row entered with the -\$5 subsidy recorded. On the subsidy row, do not click the "Extract HST"

**CORRECT ENTRY**

For both girls, the HST extracted is \$4.55.

	Description	Total	Tax	Net	Extract HST	
<b>1</b>	Taxable Revenue (HST) ▼	39.55	4.55	35.00	<input checked="" type="checkbox"/>	
<b>2</b>	Taxable Revenue (HST) ▼	39.55	4.55	35.00	<input checked="" type="checkbox"/>	<b>X</b>
	Taxable Revenue (HST) ▼	-5.00	0.00	-5.00	<input type="checkbox"/>	<b>X</b>
						<b>+</b>



**INCORRECT ENTRY**

If you do not enter a subsidy row, you will not remit the correct HST amount.

In this example below, if you enter the amount paid by the parent and click "Extract HST", the HST extracted will be \$3.97. This is incorrect. The HST should be \$4.55.

	Description	Total	Tax	Net	Extract HST	
	Taxable Revenue (HST) ▼	39.55	4.55	35.00	<input checked="" type="checkbox"/>	
	Taxable Revenue (HST) ▼	34.55	3.97	30.58	<input checked="" type="checkbox"/>	<b>X</b>
						<b>+</b>



**19. If the unit subsidizes the overnight camp 100% (i.e. no money collected from parents/guardians for the cost of the camp), do we claim ITC or the PSB rebate on expenses?**

You can only claim the PSB rebate on expenses. Allocate expenses to "Camp" expense and insert a comment on each one that it is a fully subsidized camp. In order to claim the ITC, you must have collected HST on the camp fees.

## SECTION 6 – FREQUENTLY ASKED QUESTIONS

### Revenues - Common Errors & Refunds

- 20. I extracted HST in error (or I did not extract HST but should have). How do I correct this?**  
Contact your Unit Banking Clerk. A manual adjustment will be made to reverse (remit) the HST amount.
- 21. One of the cheques I deposited was returned insufficient funds (NSF). I extracted the HST from the deposit. Now that revenue was reversed from the account, the full amount including HST was deducted from my account. How can I correct this?**  
If your deposit is still “Verified, Guider”, you can go in and fix the transaction. Change the amount that was NSF to “Others” and write it in the comments. If the deposit is “Verified, Provincial”, please contact your Unit Banking Clerk. A manual adjustment will be made to reverse the entry.
- 22. I need to issue a refund to a parent/guardian whose daughter is no longer attending the overnight camp. How do I handle this?**  
Request a manual expense through your unit bank account. Your expense should be allocated to “ITC Expenses”. The sum of the “Before Taxes Amount” and the “Tax Amount” should total the amount paid by the parent. The “Tax Amount” should show the HST that was extracted. This expense will offset the HST collected and extracted on the deposit. Remember, you need to let your Unit Banking Clerk know – send them an email explanation including the manual expense ID number and deposit ID from the parent.

Type	Expense - Manual		
Level	Guider		
Status	Verified		
Before Taxes Amount	100.00		
Tax Amount	13.00		
After Taxes Amount	113.00		
Distribution	Description	Amount	GST HST
	ITC Expenses	100.00	0.00 13.00
Merchant	Parent Name		
Date	9/10/2015		
Receipt Date	9/10/2015		
Comments & Cheque Mailing Address	Refund for Overnight Camp XYZ  Parent Name 123 Street Address City, Prov Postal		
Cheque Payable to	Parent Name		
HST	13.00		
GST	0.00		

## SECTION 6 – FREQUENTLY ASKED QUESTIONS

### FAQ SECTION 6B - EXPENSES

#### **Expenses – PSB Rebate vs. ITC**

**23. What is the difference between the ITC and PSB rebate?**

The ITC can only be claimed on expenses related to a taxable activity (i.e. overnight camp, event, trip or outing (or a day camp for ages 15 years and older)) where you collected HST from parents/guardians. If you did not collect any fees that included HST, you cannot claim ITC on those expenses. The PSB rebate can be claimed for other unit expenses where you did not claim the ITC.

In order to claim ITC, you must allocate to “ITC Expenses”. If you allocate an expense to another expense category, the PSB rebate will be claimed.

Type	Claim on HST	Did you collect HST?	Expenses
ITC	13% of HST	Yes	Expenses related to a taxable activity
PSB	9.06% of HST	No	Expenses related to general unit activities or non-taxable activity

**24. Will the ITC and PSB rebate appear as a separate transaction in my unit account?**

No. When your transaction is “Verified, Provincial” status, you will see the “Net Amount” (i.e. the expense cost after the rebate or ITC is claimed). The rebate or ITC will not be deducted from the expense until the transaction is “Verified, Provincial” status.

When you view the list of all your expenses, you’ll notice that there are two columns – **Net Amount** and **Amount**.

**Net Amount** represents the amount that is charged to your unit after the rebate/ITC is claimed.

**Amount** represents the total cost (including taxes) paid to the merchant.

ID	User ID	Unit Name	Type	Community	Status	Net Amount	Amount	Date
<a href="#">987230</a>	000001	1st Guiding Unit	Expense - Manual	901001	Verified, Provincial	100.00	113.00	09/02/2015
<a href="#">987224</a>	000001	1st Guiding Unit	Expense - Manual	901001	Verified, Provincial	103.94	113.00	09/02/2015

The first line represents an expense where ITC is claimed. You paid \$113 to the merchant and claimed ITC of \$13. This can only be claimed on expenses related to taxable activities.

The second line represents an expense where the PSB rebate is claimed. You paid \$113 to the merchant and claimed a rebated on a portion (9.06% of the 13%) of the \$13 HST paid. This rebate is claimed on general unit expenses such as craft supplies.

**25. Why is there a “Camp” expense allocation if all overnight camp expenses should be charged to “ITC Expenses”?**

If you have a day camp for girls 14 and under, you would allocate the expenses to “Camp” and insert comment “Day Camp”.

If your unit fully subsidizes the cost of the overnight camp using unit money, all expenses would be charged to “Camp” expense and insert comment “Subsidized Camp”.

## SECTION 6 – FREQUENTLY ASKED QUESTIONS

### *Expenses – Which expenses can be claimed*

26. **Can I claim the ITC or PSB rebate on payments to Girl Guides? (e.g. Guide Store, GGC Ontario events on Events Calendar, GGC National Guiding Mosaic)**  
No. Your unit is part of “Girl Guides of Canada” – one legal entity. We cannot claim a rebate on tax paid to ourselves.
- **Action by Treasurer:** In your unit account, you must enter Guide Store purchases as separate manual expenses. You must click the “Guide Store” checkbox.

Type	Expense - Purchase Card		Guide Store: Yes	
Level	Provincial			
Status	Verified			
Before Taxes Amount	278.10			
Tax Amount	14.78			
After Taxes Amount	292.88			
Distribution	Description	Amount	GST	HST
	Postage/Courier	11.00	0.00	0.58
	Parent Orders Purchases	267.10	0.00	14.20
Merchant	PAYPAL *GIRLGUIDES			
Date	08/05/2015			

27. **For items purchased in Quebec, where do I input the Quebec Sales Tax (QST)?**  
For Quebec purchases, you can only claim the 5% GST federal portion. The receipt should show the breakdown between GST and QST. Enter only the GST in the GST field and add the QST to the Before Taxes amount field.
28. **I lost the receipt but I know that there was HST included in the cost. Can I claim the ITC or PSB rebate?**  
No. Unless the receipt states the HST amount or states, “includes HST”, the PSB rebate or ITC cannot be claimed. It is important to request an itemized receipt as the credit card slip will not allow you to claim the PSB rebate or ITC.

### *Expenses – How to claim the PSB rebate or ITC*

29. **I made purchases using a cash advance. How can I claim the ITC or PSB rebate on the expenses?**  
The PSB rebate or ITC claim will need to be recorded manually by the Unit Banking team. When you send in your receipts, the expenses will be recorded under the correct allocations and the ITC or rebate will be recorded as well.
30. **Why is the “Extract HST” button only on the revenue side?**  
The PSB rebate and ITC are calculated through Centralized Banking system based on the GST/HST amount you entered and the allocation you selected (e.g. ITC Expense, Program, etc.).

## SECTION 6 – FREQUENTLY ASKED QUESTIONS

### Expenses – Damage Deposits & Deposit Payments

- 31. I require a damage deposit cheque for a camp rental. Do I need to include HST when I submit the manual expense?**

No. Do not enter a tax amount on the expense.

- **Action by Treasurer:** Allocate the expense to “Camp” and key “camp deposit” in the comments section. Do not enter any GST or HST. If your deposit was cashed and later returned to you by way of cash or cheque, deposit the money and allocate the revenue to “Camp” revenue. You need to include a comment on the deposit transaction, stating the returned damage deposit for camp.

If the original cheque is returned to you, mail it back to your Unit Banking Clerk at **Girl Guides of Canada, Ontario Council, ATTN: Unit Banking, 180 Duncan Mill Rd, Suite 100, Toronto, ON M3B 1Z6**. The funds will be credited back to your unit account through a province to unit transfer.

- 32. We booked an overnight event that costs \$500 + HST. We paid a \$50 deposit at the time of booking. Is HST included in the deposit?**

Yes. If the HST is not clearly stated on the receipt, enter \$0 for the tax amount. On the balance payment, enter the full tax amount.

Payments	Subtotal	Tax Amount (HST)	After taxes Amount
Payment 1 – Deposit	\$50	\$0	\$50
Payment 2 – Balance	\$450	\$65	\$50
<b>Total event cost</b>	<b>\$500</b>	<b>\$65</b>	<b>\$565</b>

### Expenses – Common Errors

- 33. I allocated an expense for an overnight camp to “Camp” instead of “ITC Expenses”. Now it is “Verified, Provincial” status. How do I correct this and claim the ITC rebate?**

Contact your Unit Banking Clerk. The additional claim will need to be manually adjusted to remit the HST amount.

- 34. I need to reallocate an expense from one category to another but I don’t know what amount to reallocate after the PSB rebate?**

View the list of all your expenses and find the transaction you would like to reallocate. For expenses with HST that are “Verified, Provincial” status, you will see that the “Net Amount” is lower than the “Amount”. To reallocate the expense, enter a unit-to-unit transfer with your own unit using the “Net Amount” to reallocate your expenses.

ID	User ID	Unit Name	Type	Community	Status	Net Amount	Amount	Date
<a href="#">987224</a>	000001	1st Guiding Unit	Expense - Manual	901001	Verified, Provincial	103.94	113.00	09/02/2015

## SECTION 7 – HST EXAMPLE

Your unit is camping at a Girl Guide camp for one weekend in Ontario. You have 10 girls attending the camp.

### Budget (per girl cost before tax)

Expense	Per Girl Cost	Unit Cost (10 girls)
Camp Rental	\$15	\$150
Bus	\$10	\$100
Groceries	\$5	\$50
Craft supplies	\$5	\$50
<b>Before-tax fee</b>	<b>\$35</b>	<b>\$350</b>

However, during the year, you sold cookies and accumulated \$50.00 in cookie profit. You want to use this cookie profit to subsidize the cost of the camp per girl.

Fees	Per Girl Cost	Unit Cost (10 girls)
Before-tax fee	\$35	\$350
Less: Cookie Subsidy	-\$5	-\$50
<b>Fee after subsidy*</b>	<b>\$30</b>	<b>\$300</b>
<b>Fee including HST</b>	<b>\$30 + \$3.90 HST = \$33.90</b>	<b>\$339</b>

\*Only applicable when all girls are subsidized by the same amount (see [FAQ 14](#))

### REVENUES

You ask the parents/guardians to pay \$30 + HST for a total of \$33.90 per girl. When you receive the money, you make the deposit and allocate to “Taxable Revenue (HST)” and click “Extract HST”.

### Sample Revenue Allocation

Description	Total	Tax	Net	Extract HST
Taxable Revenue (HST)	339.00	39.00	300.00	<input checked="" type="checkbox"/>
	<b>1</b>	<b>2</b>	<b>3</b>	

1. You collected total revenue of \$339, which is \$33.90 x 10 girls
2. You extracted HST of \$39, which is \$3.90 HST x 10 girls
3. Your unit keeps \$300. The \$39 HST is remitted to the CRA.

### EXPENSES

You book and purchase all items for the weekend camp. For all purchase card and manual expenses, allocate the expense to “ITC Expenses”.

Expense	Unit Cost (10 girls)	HST Paid (ITC Claim)
Camp Rental	\$150	\$0.00
Bus	\$100	\$13.00
Groceries	\$50	\$0.00
Craft supplies	\$50	\$6.50
<b>Before-tax fee</b>	<b>\$350</b>	<b>\$19.50</b>

**Sample Expense Allocation**

Before Taxes Amount	100.00								
Tax Amount	13.00								
After Taxes Amount	113.00								
Distribution	<table border="1"> <thead> <tr> <th>Description</th> <th>Amount</th> <th>GST</th> <th>HST</th> </tr> </thead> <tbody> <tr> <td>ITC Expenses</td> <td>100.00</td> <td>0.00</td> <td>13.00</td> </tr> </tbody> </table>	Description	Amount	GST	HST	ITC Expenses	100.00	0.00	13.00
Description	Amount	GST	HST						
ITC Expenses	100.00	0.00	13.00						
Merchant	Bus Company XYZ								

**Sample Balance Report**

Transactions that are “Verified, Provincial” status will appear allocated on your Balance Report.

If you’ve allocated correctly, the taxable revenue deposited will appear under “Taxable Revenue (HST)”. On the expense side, your expenses were allocated to “ITC Expenses”.

The “HST Collected” shows the total HST extracted of \$39 and the “HST Rebate” shows the total ITC claim of \$19.50.

Parent Orders Revenue	0.00	ITC Expenses	350.00
Special Events	0.00	Joint Event Expenses	0.00
Spring Cookies	245.00	Membership	0.00
Taxable Revenue (HST)	300.00	Membership Fees forwarded	0.00
Training and Conference	0.00	Office Supplies	0.00
Weekly Dues	0.00	Other Administrative	0.00
ZFINDEPTONLY (REV)	0.00	Parent Orders Purchases	0.00
		Postage/Courier	0.00
		Printing	0.00
		Program	0.00
		Public Relations	0.00
		Special Event	0.00
		Spring Cookie purchases	195.00
		Training	0.00
		Travel	0.00
		ZFINDEPTONLY (EXP)	0.00
HST Collected	39.00	HST Rebate	19.50
Waiting (Not Allocated)	0	Waiting (Not Allocated)	
Total	545.00	Total	545.00

After the HST remittance and ITC claim, total revenue for the trip equals total expenses. This is an example only. For your actual camp, the actual expenses may be a little higher or lower than the revenue you collected.