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GST/HST Administrative Policy - Application of the GST/HST to Indians

B-039

November 2020

This version updates and replaces the one dated June 2013.

The information in this bulletin does not replace the law found in the Indian Act or the Excise Tax Act and its regulations.

If this information does not completely address your particular situation, you may wish to refer to the appropriate legislation or call GST/HST Rulings at 1-800-959-8287 for additional information. If you require certainty with respect to any particular GST/HST matter, you may request a ruling. [GST/HST Memorandum 1-4, Excise and GST/HST Rulings and Interpretations Service](#), explains how to obtain a ruling or an interpretation and lists the GST/HST rulings centres.

If you are located in Quebec and wish to request a ruling related to the GST/HST, please call Revenu Québec at 1-800-567-4692. You may also visit the Revenu Québec website at [revenuquebec.ca](#) to obtain

general information.

For listed financial institutions that are selected listed financial institutions (SLFIs) for GST/HST or Quebec sales tax (QST) purposes or both, whether or not they are located in Quebec, the CRA administers the GST/HST and the QST. If you wish to make a technical GST/HST or QST enquiry related to SLFIs, please call 1-855-666-5166.

GST/HST rates

Reference in this publication is made to supplies that are subject to the GST or the HST. The HST applies in the participating provinces at the following rates: 13% in Ontario and 15% in New Brunswick, Newfoundland and Labrador, Nova Scotia, and Prince Edward Island. The GST applies in the rest of Canada at the rate of 5%. If you are uncertain as to whether a supply is made in a participating province, see [GST/HST Technical Information Bulletin B-103, Harmonized Sales Tax – Place of Supply Rules for Determining Whether a Supply is Made in a Province](#).

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Introduction

This bulletin summarizes the Canada Revenue Agency's (CRA) policy concerning the treatment of supplies made to, or by, Indians,¹ Indian bands and band-empowered entities under the GST/HST. The treatment of purchases made by an Indian under the GST/HST is consistent with section 87 of the Indian Act under which personal property of an Indian or an Indian band situated on a reserve and their interests in reserves or designated lands qualify for tax relief.

Excluded from this bulletin

First Nations tax and First Nations goods and services tax

The information in this bulletin does not apply to the First Nations tax (FNT) or the First Nations goods and services tax (FNGST). The FNT and the FNGST are administered by the CRA. For information on these taxes and a list of First Nations that have implemented the FNT and the FNGST, go to [First Nations Tax](#) and [First Nations Goods and Services Tax](#).

Self-government agreements and the GST self-government refund

In addition, the policy in this bulletin does not apply to First Nations that have signed final and self-government agreements with the Government of Canada that include provisions to end the tax relief under section 87 of the Indian Act.

Although those First Nations cannot receive relief or rebate of the GST/federal part of the HST under this bulletin or under section 87 of the Indian Act, they may be entitled to claim a self-government refund to recover the GST/federal part of the HST. The Government of Canada has entered into tax treatment agreements (TTAs) with the Labrador Inuit and the following First Nations: the Nisga'a Nation, the Tlicho First Nation, the

Tsawwassen First Nation, the Maa-nulth First Nations, the Déline First Nation and the Tla'amin Nation. The TTAs provide for a 100% refund of that portion of the GST/federal part of the HST paid on property and services acquired by the Indigenous Government and their eligible entities provided that the other eligibility conditions are met.

For the Yukon First Nations with a self-government agreement in place, the self-government agreement includes the provisions for the self-government refund.

The TTA identifies the conditions under which a refund of the GST/federal part of HST may be claimed for self-government activities. The self-government refund can be claimed using Form GST66, Application for GST/HST Public Service Bodies' Rebate and GST Self-Government Refund. Refer to Guide RC4034, GST/HST Public Service Bodies' Rebate, for further information on the self-government refund.

Individual First Nation members of these self-governing First Nations

The self-government and/or final agreements generally end the tax relief under section 87 of the Indian Act for Indian Treaty Beneficiaries of a First Nation that has signed such agreements.² However, some Indian members may still be covered by transitional provisions that extend tax relief for a certain period of time. Refer to GST/HST Notice 238, First Nations with a Self-Government Agreement Ending Indian Act Tax Relief – Determining Tax Relief for Indian Members. Further, there are some Indian members who have opted out of being Treaty Beneficiaries of a First Nation with a final and/or self-government agreement and who are still eligible for relief

under section 87 of the Indian Act. These Indian members have to provide a certificate which indicates that they are not a Treaty Beneficiary of such First Nation with a final and/or self-government agreement.

Following is an example of this certificate, as found in GST/HST Notice 238:

This certifies that I am exempt from GST/HST when section 87 of the Indian Act applies, as I am not a Treaty Beneficiary of a First Nation with a final or self-government agreement that ends tax relief.

Name of Indian purchaser

Signature

Registry Number or Band name and family number

This supply will not be subject to the GST/HST if the property is being purchased on a reserve or delivered to a reserve by the vendor or vendor's agent, or the transaction involves services that are performed entirely on a reserve.

Qalipu Mi'kmaq First Nation members removed from the Founding Members List

The tax relief as described in this bulletin also does not apply to the approximately 7,600 individuals who were removed from the Qalipu Mi'kmaq First Nation's Founding Members List and the Indian Register as of August 31, 2018. These individuals are no longer eligible to be registered as an Indian under the Indian Act as of that date. The Secure Certificate of Indian Status cards issued to and held by these individuals have been revoked and are no longer valid. For more information, refer to [GST/HST Notice 314, Amended Qalipu Mi'kmaq First Nation's Founding Members List](#).

Ontario First Nations point-of-sale relief

Effective July 1, 2010, property and services acquired by Indians, Indian bands and band-empowered entities off a reserve in Ontario without being delivered to a reserve are generally subject to the HST. However, since September 1, 2010, the Government of Ontario has provided point-of-sale relief equal to the provincial part of the HST for qualifying off-reserve supplies of property or services to eligible Ontario First Nations purchasers where tax relief is not available under this bulletin. For more information on qualifying off-reserve supplies of property or services and who is eligible for the relief, go to the [Ontario First Nations Harmonized Sales Tax \(HST\) rebate](#) web page.

GST/HST registrants who supply property or services off a reserve to eligible Ontario First Nations purchasers should be aware of the procedures for reporting the amount equal to the provincial part of the HST credited at the point of sale. These procedures are explained in [GST/HST Info Sheet GI-106, Ontario First Nations Point-of-Sale Relief – Reporting Requirements for GST/HST Registrant Suppliers](#).

Definitions

Some of the terms used in this bulletin are explained below.

A **band-empowered entity** is a corporation, board, council, association, society or other organization that is owned or controlled by a band, a tribal council or a group of bands other than a tribal council. This policy is applicable to those band-empowered entities that are situated on a reserve. A band-empowered entity is considered to be situated on a reserve when the entity maintains a presence on a reserve.

An entity is considered to be owned by a band, a tribal council or a group of bands other than a tribal council if one of the following applies:

- the band, tribal council or group of bands owns all or substantially all of the shares or holds all or substantially all of the memberships of the entity
- the band, tribal council or group of bands holds title to the assets of the entity or controls its disposition, such that in the event of wind-up or liquidation, these assets are vested in the band, tribal council or group of bands

An entity is considered to be controlled by a band, tribal council or group of bands other than a tribal council if both of the following apply:

- the band, tribal council, group of bands or individual members of the band, tribal council or group of bands appoint or elect a majority of the members of the governing body of the entity (for example, directors)
- the entity is required by legislation, by-laws or an operating agreement to submit to the band, tribal council or group of bands, its operating budget and, where applicable, its capital budget for review and approval

Band management activities are activities or programs undertaken by a band or band-empowered entity that are not commercial activities for which they would otherwise be entitled to claim input tax credits. In determining whether the acquisition of a supply is for band management, the output of the activity or program will be the determining factor, as opposed to the objectives of the activity or program. For example, a band's objective may be to provide employment and training to band members. To achieve this objective, the band may form a commercial enterprise which will provide on-the-job training and also create employment. Although the band's objective is to train persons, the output is a commercial activity for

which there is an entitlement to input tax credits. As a result, supplies acquired for use in this band program are not considered to have been acquired for use in band management activities unless the band is not required to be registered and thus not eligible for input tax credits (that is, a small supplier).

An **Indian** is a person who is registered under the Indian Act. An Indian does not have to live or maintain a residence on a reserve. Such a person may be issued a Certificate of Indian Status card (status card) or a Temporary Confirmation of Registration Document (TCRD) by Indigenous Services Canada (ISC).

An **Indian band**, for purposes of the GST/HST, includes both a band council and a tribal council. The band council is the primary unit of an Indian government. A tribal council is another level of Indian government. It is a grouping of bands with a common interest that have joined together to provide advisory or program services for two or more bands. Band council members compose the tribal council Board of Directors.

Property is any property, whether real or personal, movable or immovable, tangible or intangible, corporeal or incorporeal, and includes a right or interest of any kind, a share and a chose in action, but does not include money.

Real property includes:

- in respect of property in the Province of Quebec, immovable property and every lease thereof
- in respect of property in any other place in Canada, messuages, lands and tenements of every nature and description and every estate or interest in real property, whether legal or equitable
- a mobile home, a floating home and any leasehold or proprietary interest therein

A **reserve** is a reserve within the meaning of the Indian Act that is a tract of land which has been set apart for the use and benefit of a band within the meaning of the Indian Act, and equivalent lands under self-government legislation; for example, the Cree-Naskapi (of Quebec) Act and the Sechelt Indian Band Self-Government Act. A reserve also includes **designated land**, which, according to the Indian Act, is a tract of land whose legal title remains vested in Her Majesty and in which the band for whose use and benefit it was set apart as a reserve has, otherwise than absolutely, released or surrendered its rights or interests.

The settlements affected by remission orders for Indians and bands on certain Indian settlements are also treated as reserves for the purposes of this policy. These remission orders cover a limited number of settlements in Canada for which a public commitment has been made by the Government of Canada to grant reserve status under the Indian Act. Information on these remission orders is available from [CRA tax services offices](#).

Proof of Indian status

Indians ³ must present proof of registration under the Indian Act in order to acquire property or services on a reserve, or for delivery to a reserve, without paying the GST/HST. They would generally show to the vendor their original status card or original TCRD. Status cards and TCRDs are issued to eligible Indians by ISC.

Further information on the status card, including samples of the cards currently in circulation, is available by going to [Is your status card still valid?](#) on the ISC website. For more information on the TCRD, refer to [GST/HST Notice 264, Sales Made to Indians and Documentary Evidence – Temporary Confirmation of Registration Document](#).

As noted in the Introduction, treaty beneficiaries of a self-governing First Nation are generally no longer entitled to tax relief. For these specific individuals, ISC will be adding the following notation to the back of their status cards, as the cards come up for renewal: “cardholder is not eligible for sales/transaction tax exemption after (a specified date)”.

An individual presenting any other membership or association-type card, such as a Métis Association card, is not entitled to tax relief under this bulletin.

Supplies made to Indians, Indian bands and band-empowered entities

Property

On a reserve

Indians, Indian bands or unincorporated band-empowered entities may acquire property on a reserve without paying the GST/HST, provided they show appropriate documentation to the vendor.

Corporations are considered to be separate legal persons from either an Indian or an Indian band and would not usually be eligible for relief from the GST/HST. However, incorporated band-empowered entities acquiring property on a reserve may be eligible for relief from the GST/HST if they are purchasing the property for band management activities.

Acquisitions of property by non-Indians on a reserve will be subject to the normal GST/HST rules.

Off a reserve

Indians, Indian bands and unincorporated band-empowered entities, as well as incorporated band-empowered entities purchasing for band management activities, may acquire property off a reserve without paying the GST/HST, provided both of the following apply:

- they show appropriate documentation to the vendor
- the property is delivered to a reserve by the vendor or the vendor's agent (for example, a common carrier)

However, if purchasers use their own vehicle to transport the property to the reserve, the acquisition is subject to the normal GST/HST rules.

Delivery is not required if property is acquired off a reserve from a qualifying remote store. For information on remote stores, refer to the last section of this bulletin, "Remote stores and other off-reserve stores".

Intangible personal property

As intangible personal property (IPP) is not a physical object, it cannot be delivered to a reserve. However, tax relief may apply if the IPP is situated on a reserve. IPP will be considered to be situated on a reserve where there are sufficient factors to connect it to a reserve.

Examples

1. A ticket acquired by an Indian off a reserve to attend a concert will be considered situated on a reserve if the concert is held on a reserve.

2. The supply of software over the Internet will be considered to be situated on a reserve where the Indian purchaser lives on a reserve and the software supplier establishes that the software is downloaded onto a computer located on a reserve.

3. Where an Indian band or band-empowered entity registers an employee or other official to attend an off-reserve conference for band management activities, the conference fee (that is, the consideration paid for the right to attend the conference) will be relieved of tax provided a certificate is given to the conference organizer (refer to the section of this bulletin entitled “Documentary evidence to be retained by vendors”).

Memberships

A membership comprises various rights to property or services, and is therefore considered to be IPP. Since it is IPP and not a physical object that can be delivered to a reserve, the place where the membership can be used determines its tax status. For tax relief to apply, the rights provided by the membership must normally be exercisable exclusively on a reserve to be considered “situated” on a reserve. An Indian, Indian band or band-empowered entity may acquire an otherwise taxable membership on a tax-relieved basis where the remaining conditions of this bulletin are met.

Examples

1. The purchase of a membership by an Indian to a golf course will be considered to be situated on a reserve where all rights in respect of the membership (that is, rights to property or services) can be used or exercised exclusively on a reserve.

2. Where the rights to property or services in respect of a recreation centre membership can only be used or exercised exclusively on a reserve, that membership will be situated on a reserve.

Leases, licences and similar arrangements

For information on how the GST/HST applies to tangible personal property acquired by Indians, Indian bands and band-empowered entities by way of lease, licence or similar arrangement, refer to [Policy Statement P-230, Application of the Excise Tax Act to Leases, Licences and Similar Arrangements of Tangible Personal Property by Indians, Indian Bands and Band-Empowered Entities](#).

Importations

Importations made by Indians, Indian bands or band-empowered entities are subject to the normal importation rules where importations are subject to tax unless they are specifically zero-rated (that is, taxable at the rate of 0%). The GST/HST on imported goods is collected by the Canada Border Services Agency under the authority of the Customs Act at the time of importation.

Importations of goods are subject to the GST/HST even in those instances where, after importation, the property is delivered to a reserve by the vendor's agent or by Canada Post.

In Ontario: If eligible Ontario Indians, Indian bands and councils of Indian bands import qualifying goods, the Canada Border Services Agency may credit the Ontario part of the HST where the conditions outlined under the [Ontario First Nations Harmonized Sales Tax \(HST\) rebate](#) are met.

Services

Indians

Services for property

If a service is performed totally on a reserve and the property for which the service is provided is situated on a reserve at that time, the GST/HST will not apply.

A repair service performed on a vehicle off a reserve will be subject to tax. If the repair service involves the provision of parts (for example, a new engine) and the parts are supplied and invoiced separately on the Indian purchaser's invoice, the parts will be relieved of tax if the vehicle with the installed parts is delivered to a reserve by the vendor or vendor's agent.

Services for Indians

If the service is performed totally on a reserve for an Indian who is on a reserve at the time the service is performed (for example, a haircut given on a reserve), the service will not be subject to the GST/HST.

Indians must pay the GST/HST on all taxable services that are not performed or do not occur totally on a reserve, unless the service is purchased for real property interests on a reserve or is a transportation service described below.

Services are subject to the normal GST/HST rules when they are provided to non-Indians on a reserve.

Transportation services

The GST/HST applies to transportation services unless both the origin and the destination are on a reserve. In addition, the GST/HST would not apply on a transportation service provided to an Indian from one reserve to another.

Example

A taxi service operates within the boundaries of a reserve. It would not charge the GST/HST on the fare when the service is provided to an Indian.

Indian bands and band-empowered entities

Services acquired on or off a reserve by an Indian band or band-empowered entity (incorporated or unincorporated) for band management activities or for real property on a reserve are not subject to the GST/HST.

Exception: Indian bands and band-empowered entities will pay the GST/HST on off-reserve purchases of transportation, short-term accommodation, meals and entertainment. A rebate to recover the GST/HST paid on these purchases may be available where certain conditions are met. Refer to the section of this bulletin entitled “Rebates”.

All services acquired by an Indian band or band-empowered entity for real property **off** a reserve are subject to the GST/HST (for example, construction services acquired by an Indian band to build a friendship centre located off a reserve).

Rebates

General rebates (reason codes 1A and 8 on Form GST189)

Reason code 1A

Indians, Indian bands and band-empowered entities who have paid any amount as GST/HST in error, where tax relief should have applied, can claim a general rebate under code 1A of Form GST189, General Application for Rebate of GST/HST, for the GST/HST. For more information, refer to Guide RC4033, General Application for GST/HST Rebates.

For qualifying off-reserve purchases made in Ontario where only the Ontario point-of-sale relief should have been given, the code 1A rebate cannot be requested for amounts paid as the provincial part of the HST. Also, where the HST is payable on off-reserve purchases and there is no relief under this bulletin, the code 1A rebate is not available for either the federal or the provincial part of the HST. However, if an Indian or an Indian band thinks the Ontario point-of-sale relief should have applied, they should contact the Ontario Ministry of Finance to see if a rebate is available.

Reason code 8

An Indian band or a band-empowered entity may be entitled to recover the GST/HST paid on certain travel expenses (for example, transportation,⁴ meeting rooms, short-term accommodation, meals and entertainment expenses) incurred off a reserve by band employees or officials for band management activities or for real property located on a reserve. A rebate to recover the GST/HST paid on such eligible travel expenses may be claimed under code 8 of Form GST189. Travel expenses may also include reimbursements or allowances paid by an Indian band or band-empowered

entity to a band employee or official. A rebate is not available on reimbursements or allowances paid to band members for costs related to personal travel (for example, medical or dental appointments).

Indian bands and band-empowered entities cannot claim a code 8 rebate for any FNT or FNGST paid on purchases of eligible travel expenses. For more information, refer to [Guide RC4033](#).

Public service bodies' rebates

Where an amount of GST/HST paid on property acquired off a reserve by an Indian band or a band-empowered entity cannot be recovered using reason codes 1A or 8 explained above, some of the GST/HST payable may be recovered by claiming a public service bodies' (PSB) rebate. The PSB rebate under section 259 of the Excise Tax Act generally allows for partial recovery of the GST/HST. All the conditions of that section must be met.

The Indian band or band-empowered entity must determine if it is a charity, qualifying non-profit organization or selected public service body to be eligible for that rebate. Please note that band funding of a non-profit organization is considered equivalent to government funding for purposes of determining whether the person is a qualifying non-profit organization. For more information, refer to [Guide RC4034](#).

Documentary evidence to be retained by vendors

Vendors must keep adequate evidence for sales relieved under this bulletin.

Indians

For Indians, the vendor must make a notation of the following information on the invoice or other sales document that will be retained by the vendor:

- where the Indian shows the original status card, the registry number or the band name and family number (commonly referred to as the band number/treaty number) found on those cards
- where the Indian shows the original TCRD, the registration number and the expiration of the TCRD ⁵

Indian bands and band-empowered entities

When the purchaser is an Indian band or band-empowered entity, a certificate (refer to example below) must be provided to, and retained by, the vendor to show one of the following:

- that the **property** is being acquired by an Indian band or an **unincorporated** band-empowered entity
- in the case of an **incorporated** band-empowered entity, that the **property** is being acquired for band management activities or for real property on a reserve
- that the **service** is being acquired for band management activities or for real property on a reserve

For more information on the entitlement for tax relief on acquisitions by incorporated and unincorporated band-empowered entities, refer to the section of this bulletin entitled “Supplies made to Indians, Indian bands and band-empowered entities”.

The certificate should be similar in wording to the following:

This is to certify that the property or service being acquired by [Insert the name of band or band-empowered entity] is for band management activities (if applicable) or for real property on the reserve. This supply will not be subject to the goods and services tax/harmonized sales tax (GST/HST).

Signature of Authorized Officer

Date

Title of Signing Officer

Sales over the telephone, Internet and other electronic means

Vendors who make sales to Indians, Indian bands or band-empowered entities over the telephone or electronically must also maintain documentary evidence to show that the sale is relieved of tax. Since Indians cannot show their original status card or TCRD, and Indian bands and band-empowered entities cannot provide appropriate certification, when they make a purchase over the telephone or electronically, the CRA has taken the position that, to support their entitlement for tax relief, purchasers may subsequently provide a photocopy of their status card or TCRD (for Indians) or certification (for Indian bands or band-empowered entities) by mail or electronically (for example, over the Internet or by facsimile).

For specific details on what information must be kept for sales made over the telephone or electronically, refer to [GST/HST Info Sheet GI-127, Documentary Evidence when Making Tax-Relieved Sales to Indians and Indian Bands over the Telephone, Internet or Other Electronic Means](#).

Purchases of property made off a reserve and delivered to a reserve

If property is acquired from a vendor that is not located on a reserve, the property must be delivered to a reserve for the purchase to be relieved of the GST/HST. Along with the information collected from a status card or a TCRD, in the case of Indians, or the certification provided by the Indian band or band-empowered entity, the vendor is required to maintain proof

of delivery (for example, waybill, postal receipt or freight bill) to show that the property was delivered to a reserve. The property must be delivered by either the vendor or an agent of the vendor.

If these conditions are not met, or if the vendor does not qualify as one of the remote stores described in the last section of this bulletin entitled “Remote stores and other off-reserve stores”, the normal GST/HST rules apply.

Also, generally, there is no tax relief when purchasers acquire property, and take possession of the property, off a reserve and choose to deliver it to a reserve themselves in their own vehicle, even if the goods are destined to be used or consumed on a reserve.

Delivery by vendor

Where property is delivered to a reserve in the vendor’s own vehicle, the vendor must maintain acceptable proof that delivery was made to a reserve. This will be indicated on the invoice issued by the vendor and the vendor’s internal records. Acceptable evidence may be the driver’s log information, expense reports (for example, fuel purchases, mileage logs or dispatch records), disbursement records relating to the delivery, and signature of the Indian purchaser or the Indian band’s representative attesting the property was received on a reserve. Such proof must be maintained in addition to the proof of Indian status or certification by an Indian band or band-empowered entity.

Delivery by vendor’s agent

Where the property is delivered by the vendor’s agent to a reserve, the vendor must maintain both of the following:

- proof of Indian status or certification by the Indian band or band-empowered entity
- proof of delivery being made to the reserve (for example, a waybill or postal receipt showing a reserve address)

An agent of the vendor includes an individual or company under contract to the vendor for making deliveries (for example, postal services, trains, boats or couriers). The vendor would normally bear all the risks of the agent during the course of the delivery as if these risks were the vendor's own, unless specifically covered in the agency agreement.

A carrier who is under contract with the purchaser is not regarded as the agent of the vendor. In addition, undertakings by purchasers of property to deliver the property to themselves as agents of the vendor are not acceptable to the CRA.

Supplies provided by Indians, Indian bands and band-empowered entities

Businesses owned by Indians, Indian bands or band-empowered entities whose worldwide revenues from taxable sales ⁶ of property and services are more than \$30,000 (or \$50,000 if they are a public service body) in the past four consecutive calendar quarters or in a single calendar quarter, are required to register for the GST/HST. Like other businesses, once registered, they must collect and remit the tax on their sales of property and services (unless the sales are made to Indians, Indian bands or band-empowered entities under conditions where the GST/HST is not payable). They may also claim input tax credits for the GST/HST paid on purchases made in the course of their commercial activities. For detailed information on being a registrant, refer to [Guide RC4022, General Information for GST/HST Registrants](#).

Businesses, whether owned by Indians or non-Indians, that sell property or services to Indians, Indian bands or band-empowered entities must include those taxable sales in their calculation of annual revenue to determine if they must register for the GST/HST. Sales of taxable property and services that are relieved from tax when supplied to Indians, Indian bands or band-empowered entities under the circumstances described in this bulletin are still considered to be taxable sales for determining registration requirements.

Sole proprietorships and partnerships owned by Indians receive the same treatment on purchases as Indians. If they are registered for the GST/HST, they, like all other businesses, must collect the GST/HST on their sales of taxable property and services (unless they are made to Indians, Indian bands or band-empowered entities under the conditions in which the GST/HST is not payable) and they can recover any GST/HST paid on their eligible off-reserve business purchases by claiming input tax credits.

In the case of purchases made by partnerships, tax relief is available for purchases made in either the Indian purchaser's own name or the partnership name. Where a partnership has both Indian and non-Indian participants, relief from the GST/HST will apply fully to the partnership. Partnerships with partners that are Indian bands or band-empowered entities are also afforded tax relief on purchases when acquired in either the name of the Indian band or the band-empowered entity or the partnership name. However, all conditions for the Indian or Indian band partner to receive tax relief on the acquisition must be met; that is, property must be acquired on a reserve or delivered to a reserve and the proper documentation must be maintained.

It is important to establish whether you are dealing with a partnership or a joint venture. [GST/HST Policy Statement P-171R, Distinguishing Between a Joint Venture and a Partnership for the Purposes of the Section 273 Joint Venture Election](#), may be of assistance.

Where a joint venture election under section 273 of the Excise Tax Act is made and the operator is an Indian, Indian band or band-empowered entity, the operator will qualify for tax relief on property where the requirements in this bulletin apply. An election as operator may be made provided the joint venture is involved in a commercial activity for the exploration or exploitation of mineral deposits or is a prescribed activity.

For purposes of the Excise Tax Act, a trust is considered a separate person from its beneficiaries. Consequently, a trust is not an Indian or an Indian band and is not eligible for relief under this bulletin. In addition, a trust does not qualify as a band-empowered entity as it cannot meet the “owned or controlled” criteria. However, a supply provided by a trust (for example, an estate) to an Indian, an Indian band or a band-empowered entity (for example, a beneficiary) may be eligible for relief under this bulletin.

Remote stores and other off-reserve stores

Some vendors who are not located on a reserve may make a significant portion of their sales to Indians, Indian bands and band-empowered entities. In some instances, these vendors are in a remote location and their regular trading zone includes a reserve that is not in the immediate vicinity. In such cases, the requirement to deliver goods to a reserve in order for tax relief to apply may be difficult for the vendor to meet (for example, because of prohibitive cost or a lack of means of transportation).

In recognition of these unique circumstances, the CRA has developed a policy to enable vendors who meet certain conditions to provide point-of-sale tax relief to Indians, Indian bands and band-empowered entities on the acquisition of goods without the need to deliver those goods to a reserve. For more information on this subject, refer to [GST/HST Policy Statement P-246, Remote Stores and Other Off-Reserve Stores with Significant Sales to Indians, Indian Bands and Band-empowered Entities](#).

Further information

All **GST/HST technical publications** are available at [GST/HST technical information](#).

To make a **GST/HST enquiry by telephone**:

- for **GST/HST general enquiries**, call **Business Enquiries** at **1-800-959-5525**
- for **GST/HST technical enquiries**, call **GST/HST Rulings** at **1-800-959-8287**

If you are located in **Quebec**, call **Revenu Québec** at **1-800-567-4692** or visit their website at revenuquebec.ca.

If you are a **selected listed financial institution** (whether or not you are located in Quebec) and require information on the **GST/HST** or the **QST**, go to [GST/HST and QST - Financial institutions, including selected listed financial institutions](#) or:

- for **general GST/HST or QST enquiries**, call **Business Enquiries** at **1-800-959-5525**
- for **technical GST/HST or QST enquiries**, call **GST/HST Rulings SLFI** at **1-855-666-5166**

Footnotes

- 1 The CRA recognizes that many First Nations people in Canada prefer not to be described as Indians. However, the term **Indian** is used in this publication because it has a legal meaning in the Indian Act.
- 2 For purposes of this notice, **treaty beneficiary** means the following individuals who are required to pay the GST/HST as they are no longer entitled to relief under section 87 of the Indian Act:
 - Maa-nulth-aht (as that term is defined in the Maa-nulth First Nations Final Agreement)
 - Tsawwassen Members (as that term is defined in the Tsawwassen First Nation Final Agreement)
 - Tlicho Citizens (as that term is defined in the Tlicho Land Claims and Self-Government Agreement)
 - Nisga'a Citizens (as that term is defined in the Nisga'a Final Agreement)
- 3 Métis, Inuit or Indians from the United States are not included.
- 4 Transportation expenses may include freight costs, courier services, postage, airline tickets, taxi costs, parking and the rental of a car, but they do not include purchases of gasoline.

- 5 As explained in GST/HST Notice 264, the CRA will accept, until further notice, an expired original TCRD as long as it is accompanied by additional picture identification as further authentication.
 - 6 These include zero-rated and on-reserve tax-relieved sales made to Indians, Indian bands and band-empowered entities.
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Date modified:

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