



1.5 Definitions

Section 1.5 page 1 (Sep-94)

Obsolete (September 2011)

Section 1.5 page 1 (Sep-94)

Overview

This section contains legal definitions of terms that relate to the Goods and Services Tax (GST) and is the sole location of definitions for all chapters in the *GST Memoranda Series*.

Sources of the definitions

Legislation

The following definitions have been taken from:

- the *Excise Tax Act*;
- Regulations to the *Excise Tax Act*;
- Notices of Ways and Means Motions that amend the *Excise Tax Act* or its regulations; and
- the *Income Tax Act*.

Presentation

[If a Notice of Ways and Means motion or a Bill proposes to add a definition or amend an existing one, the new or amended definition is presented in square brackets; the existing definition, if any, follows.] Any commentary in this section should not be taken as a statement by the Department that such amendments will in fact be enacted into law in their current form.

If a definition has been amended, and the effective date of the amended version is later than January 1, 1991, the previous version and the dates when it was in effect follow the newer version. The previous version is shaded.

If a definition is taken from a Regulation, the short title of the Regulation is given.

Applicability

Definitions taken from subsection 123(1) of the Act apply to section 121, Part IX, and Schedules V, VI and VII to the Act. Definitions taken from other sections of the Act, its schedules or regulations give the source of the definition in the margin note and name in the text the portion of the legislation to which the definition applies.

The definitions

Act

means the *Excise Tax Act*;

admission

ss 123(1)

in respect of a place of amusement or a seminar, an activity or an event, means a right of entry or access to, or attendance at, the place of amusement or the seminar, activity or event;

amount

ss 123(1)

means money, property or a service, expressed in terms of the amount of money or the value in terms of money of the property or service;

Section 1.5 page 2 (Sep-94)

assessment means an assessment under this Part (Part IX of the Act) and includes a reassessment under this Part;
ss 123(1)

associate in this section, an "associate" of a particular person at any time means another person who is associated at that time with the particular person;
ss 148(4)

associated persons for purposes of Part IX of the Act, means persons who are considered to be associated in the following circumstances:
s 127

- (a) a particular corporation is associated with another corporation if, by reason of subsections 256(1) to (6) of the *Income Tax Act*, the particular corporation is associated with the other corporation for the purposes of that Act;
- (b) a person other than a corporation is associated with a particular corporation if the particular corporation is controlled by the person or by a group of persons of which the person is a member and each of whom is associated with each of the others;
- (c) a person is associated with
 - (i) a partnership if the total of the shares of the profits of the partnership to which the person and all other persons who are associated with the person are entitled is more than half of the total profits of the partnership, or would be more than half of the total profits of the partnership if it had profits; and
 - (ii) a trust if the total of the values of the interests in the trust of the person and all other persons who are associated with the person is more than half of the total value of all interests in the trust; and
- (d) a person is associated with another person if each of them is associated with the same third person;

authorized person for the purposes of sections 288 to 292 means a person who is authorized by the Minister;
s 287

authorized person in this section means a person who is engaged or employed, or who was formerly engaged or employed, by or on behalf of Her Majesty in right of Canada to assist in carrying out the provisions of this Act;
ss 295(1)

authorized person prior to June 10, 1993, "authorized person" in this section means any person who is engaged or employed, or who was formerly engaged or employed, by or on behalf of Her Majesty in right of Canada or a province to assist in carrying out the purposes and provisions of Part IX of the Act;
ss 295(1)

Section 1.5 page 3 (Sep-94)

automobile means
Income Tax Act
ss 248(1)

- (a) a motor vehicle that is designed or adapted primarily to carry individuals on highways and streets and that has a seating capacity for not more than the driver and 8 passengers,

but does not include

- (b) an ambulance,
- (c) a motor vehicle acquired primarily for use as a taxi, a bus used in a business of transporting passengers or a hearse used in the course of a business of arranging or

managing funerals,

(d) except for the purposes of section 6 of the *Income Tax Act*, a motor vehicle acquired to be sold, rented or leased in the course of carrying on a business of selling, renting or leasing motor vehicles or a motor vehicle used for the purpose of transporting passengers in the course of carrying on a business of arranging or managing funerals, and

(e) a motor vehicle of a type commonly called a van or pick-up truck or a similar vehicle

(i) that has a seating capacity for not more than the driver and 2 passengers and that, in the taxation year in which it is acquired, is used primarily for the transportation of goods or equipment in the course of gaining or producing income, or

(ii) the use of which, in the taxation year in which it is acquired, is all or substantially all for the transportation of goods, equipment or passengers in the course of gaining or producing income;

bankrupt

ss 265(2)

in section 265 of the Act, "bankrupt" and "estate of the bankrupt" have the same meanings as in the *Bankruptcy and Insolvency Act*.

base fraction

ss 163(3)

in section 163 of the Act and in Part VI of Schedule VI to the Act, "base fraction", at a particular time, of a tour package means the fraction determined by the formula

$$A/B$$

where

A is the part of the amount that would be charged by the first supplier of the package for a supply at that time of the package that is, at that time, reasonably attributable to the taxable portion of the package, and

B is the amount that would be charged by the first supplier of the package for a supply at that time of the package;

basic groceries

Streamlined Accounting (GST) Regulations

in these Regulations, "basic groceries" of a registrant means property acquired or imported by the registrant for the purpose of making a supply of the property that is included in Part III of Schedule VI to the Act;

Section 1.5 page 4 (Sep-94)

builder

ss 123(1)

of a residential complex or of an addition to a multiple unit residential complex means a person who

(a) at a time when the person has an interest in the real property on which the complex is situated, carries on or engages another person to carry on for the person

(i) in the case of an addition to a multiple unit residential complex, the construction of the addition to the multiple unit residential complex,

(ii) in the case of a residential condominium unit, the construction of the condominium complex in which the unit is situated, and

(iii) in any other case, the construction or substantial renovation of the complex,

(b) acquires an interest in the complex at a time when

(i) in the case of an addition to a multiple unit residential complex, the addition is under construction, and

- (ii) in any other case, the complex is under construction or substantial renovation,
- (c) in the case of a mobile home or floating home, makes a supply of the home before the home has been used or occupied by any individual as a place of residence,
- (d) acquires an interest in the complex
 - (i) in the case of a condominium complex or residential condominium unit, at a time when the complex is not registered as a condominium, or
 - (ii) in any case, before it has been occupied by an individual as a place of residence or lodging,

(following subparagraph d(ii) these words were in effect before January 1, 1993:
 "for the primary purpose of making a supply of the complex or any part thereof or an interest therein by way of sale, or" ... (e)
 this phrasing was repealed and replaced by:)

for the primary purpose of

- (iii) making one or more supplies of the complex or parts thereof or interests therein by way of sale, or
- (iv) making one or more supplies of the complex or parts thereof by way of lease, licence or similar arrangement to persons other than to individuals who are acquiring the complex or parts otherwise than in the course of a business or an adventure or concern in the nature of trade, or

Section 1.5 page 5 (Sep-94)

- (e) in any case, is deemed under subsection 190(1) to be a builder of the complex, but does not include
- (f) an individual described in paragraph (a), (b) or (d) who
 - (i) carries on the construction or substantial renovation,
 - (ii) engages another person to carry on the construction or substantial renovation for the individual, or
 - (iii) acquires the complex or interest in it,
 otherwise than in the course of a business or an adventure or concern in the nature of trade,
- (g) an individual described in paragraph (c) who makes a supply of the mobile home or floating home otherwise than in the course of a business or an adventure or concern in the nature of trade, or
- (h) a person described in any of paragraphs (a) to (c) whose only interest in the complex is a right to purchase the complex or an interest in it from a builder of the complex;

business

ss 123(1)

includes a profession, calling, trade, manufacture or undertaking of any kind whatever, whether the activity or undertaking is engaged in for profit, and any activity engaged in on a regular or continuous basis that involves the supply of property by way of lease, licence or similar arrangement, but does not include an office or employment;

business

ss 266(1)

in this section, includes a part of a business;

calendar quarter

means a period of three months beginning on the first day of January, April, July or October in each calendar year;

ss 123(1)

Canada

In Part IX other than Division III, "Canada" includes

ss 123(2)

- (a) the sea bed and subsoil of the submarine areas adjacent to the coasts of Canada in respect of which the government of Canada or of a province may grant a right, licence or privilege to explore for or exploit any minerals; and
- (b) the seas and airspace above the submarine areas referred to in paragraph (a) in respect of any activities carried on in connection with the exploration for or exploitation of minerals;

Canada

in or in respect of Division III (Tax on Importation of Goods) of Part IX of the Act, "Canada" has the same meaning as in the *Customs Act*.

ss 123(3)

Section 1.5 page 6 (Sep-94)

Canadian customs waters

Value of Imported Goods (GST) Regulations

in these Regulations, means Canadian customs waters within the meaning of the *Vessel Duties Reduction or Removal Regulations*;

capital asset

Streamlined Accounting (GST) Regulations

in these Regulations, "capital asset" of a person means property that is, or would be if the person were a taxpayer under the *Income Tax Act*, capital property of the person within the meaning of that Act;

capital property

ss 123(1)

(applies to "capital property" acquired after April 26, 1993) in respect of a person, means property that is, or would be if the person were a taxpayer under the *Income Tax Act*, capital property of the person within the meaning of that Act, other than property described in Class 12, 14 or 44 of Schedule II to the *Income Tax Regulations*;

capital property

ss 123(1)

(applies to "capital property" acquired before April 27, 1993) in respect of a person, means property that is, or would be if the person were a taxpayer under the *Income Tax Act*, capital property of the person within the meaning of that Act, other than property described in Class 12 or 14 of Schedule II to the *Income Tax Regulations*;

carrier

ss 123(1)
ss 221(4)
ss 343(3)

means a person who supplies a freight transportation service within the meaning assigned by subsection 1(1) of Part VII of Schedule VI to the Act;

carrier media

Value of Imported Goods (GST) Regulations

in these Regulations, means goods capable of storing software;

certified institution

s 230.2(1)

in this section, has the meaning assigned by section 2 of Part XIV of Schedule III to the Act;

certified institution means for the purpose of section 1 of Part XIV of Schedule III, an institution in Canada that has as its main purpose the care of individuals of a class described in that section and that holds a valid certificate that has been issued by the Minister;

Schedule III, Part XIV, section 2

charity means a registered charity or registered Canadian amateur athletic association, within the meaning of the *Income Tax Act*;

ss 123(1)

charity in section 259, in the *Streamlined Accounting (GST) Regulations* Part V – Special Quick Method for PSBs, section 19 and in the *Public Service Body Rebate (GST) Regulations*, "charity" includes a non-profit organization that operates, otherwise than for profit, a health care facility within the meaning of paragraph (c) of the definition of that expression in section 1 of Part II of Schedule V to the Act;

ss 259(1)

Section 1.5 page 7 (Sep-94)

claimant in these Regulations, means a person claiming a rebate in respect of a supply of short-term accommodation;

Non-Resident Rebate (GST) Regulations

claim period in this section, "claim period" of a person at any time means

- ss 259(1)
- (a) where the person is at that time a registrant, the reporting period of the person that includes that time, and
 - (b) in any other case, the fiscal quarter of the person that includes that time;

closely related corporation for the purposes of Part IX of the Act, a particular corporation and another corporation are closely related to each other at any time if at that time the particular corporation is resident in Canada and is a registrant and at that time

ss 128(1)

- (a) the other corporation is resident in Canada and is a registrant and not less than 90% of the value and number of the issued and outstanding shares of the capital stock of the other corporation, having full voting rights under all circumstances, are owned by
 - (i) the particular corporation,
 - (ii) a qualifying subsidiary of the particular corporation,
 - (iii) a corporation of which the particular corporation is a qualifying subsidiary,
 - (iv) a qualifying subsidiary of a corporation of which the particular corporation is a qualifying subsidiary, or
 - (v) any combination of the corporations or subsidiaries referred to in subparagraphs (i) to (iv),
- (b) the other corporation is a prescribed corporation in relation to the particular corporation,

and, for the purposes of this section, a non-resident insurer that has a permanent establishment in Canada shall be deemed to be resident in Canada;

closely related group means a group of corporations each member of which is closely related, within the meaning assigned by section 128 of the Act, to each other member of the group;

ss 123(1)

commercial activity

ss 123(1)

after September 1992, "commercial activity" of a person means

(a) a business carried on by the person (other than a business carried on by an individual or a partnership, all of the members of which are individuals, without a reasonable expectation of profit), except to the extent to which the business involves the making of exempt supplies by the person,

Section 1.5 page 7 (Sep-94)

(b) an adventure or concern of the person in the nature of trade (other than an adventure or concern engaged in by an individual or a partnership, all of the members of which are individuals, without a reasonable expectation of profit), except to the extent to which the adventure or concern involves the making of exempt supplies by the person, and

(c) the making of a supply (other than an exempt supply) by the person of real property of the person, including anything done by the person in the course of or in connection with the making of the supply;

commercial activity

ss 123(1)

prior to October 1992 means

(a) any business carried on by a person,
(b) any adventure or concern of a person in the nature of trade, and
(c) any activity engaged in by a person that involves the supply of real property or of a right or interest in respect of real property by that person,

but does not include

(d) any activity engaged in by a person to the extent that it involves the making of an exempt supply by the person,
(e) any activity engaged in by an individual without a reasonable expectation of profit, or
(f) the performance of any duty or activity in relation to an office or employment;

commercial service

ss 123(1)

effective March 27, 1991, "commercial service", in respect of tangible personal property, means any service in respect of the property other than

(a) a service of shipping the property supplied by a carrier, and
(b) a financial service;

commercial service

ss 123(1)

prior to March 27, 1991, "commercial service", means a processing service within the meaning assigned by subsection 252(5) of the Act;

**computer
carrier media**

*Federal Sales Tax Inventory Rebate
Regulations*

in these Regulations, means media on which is stored instructions or data to be processed by data processing equipment;

**condominium
complex**

ss 123(1)

means a residential complex that contains more than one residential condominium unit;

Section 1.5 page 9 (Sep-94)

confidential information ss 295(1) ss 328(3)	<p>effective June 10, 1993, "confidential information" in sections 295 and 328 means information of any kind and in any form that relates to one or more persons and that is</p> <p>(a) obtained by or on behalf of the Minister for the purposes of this Part, or</p> <p>(b) prepared from information referred to in paragraph (a),</p> <p>but does not include information that does not directly or indirectly reveal the identity of the person to whom it relates;</p>
consideration ss 123(1)	<p>includes any amount that is payable for a supply by operation of law;</p>
consideration fraction ss 123(1)	<p>means 100/107;</p>
consumer ss 123(1)	<p>of property or a service means a particular individual who acquires or imports the property or service for the particular individual's personal consumption, use or enjoyment or the personal consumption, use or enjoyment of any other individual at the particular individual's expense, but does not include an individual who acquires or imports the property or service for consumption, use or supply in the course of commercial activities of the individual or other activities in the course of which the individual makes exempt supplies;</p>
continuous freight movement Schedule VI, Part VII, section 1 ss 343(3)	<p>in Part VII of Schedule VI and in section 343, means the to a destination specified by the shipper of the property, where all freight transportation services supplied by the carriers are supplied as a consequence of instructions given by the shipper of the property;</p>
continuous journey Schedule VI, Part VII, section 1	<p>in Part VII of Schedule VI, "continuous journey" of an individual or a group of individuals means the set of all passenger transportation services provided to the individual or group</p> <p>(a) and for which a single ticket or voucher in respect of all the services is issued, or</p> <p>(b) where 2 or more tickets or vouchers are issued in respect of 2 or more legs of a single journey of the individual or group on which there is no stopover between any of the legs of the journey for which separate tickets or vouchers are issued, and all the tickets or vouchers are issued by the same supplier or by 2 or more suppliers through one agent acting on behalf of all the suppliers where</p> <p>(i) all such tickets are supplied at the same time and evidence satisfactory to the Minister is maintained by the supplier or agent that there is no stopover between any of the legs of the journey for which separate tickets or vouchers are issued, or</p> <p>(ii) the tickets or vouchers are issued at different times and evidence satisfactory to the Minister is submitted by the supplier or agent that there is no stopover between any of the legs of the journey for which separate tickets or vouchers are issued;</p>

continuous outbound freight movement

Schedule VI, Part VII, section 1
ss 221(4)

in Part VII of Schedule VI and in section 221, means the transportation of tangible personal property by one or more carriers from a place in Canada

- (a) to a place outside Canada, or
- (b) to another place in Canada from which the property is to be exported,

where, after the shipper of the property transfers possession of the property to a carrier and before the property is exported, it is not further processed, transformed or altered in Canada, except to the extent that is reasonably necessary for its transportation;

convention

ss 123(1)

means a formal meeting or assembly that is not open to the general public, but does not include a meeting or assembly the principal purpose of which is

- (a) to provide any type of amusement, entertainment or recreation,
- (b) to conduct contests or games of chance, or
- (c) to transact the business of the convenor or attendees
 - (i) in the course of a trade show that is open to the general public, or
 - (ii) otherwise than in the course of a trade show;

convention facility

ss 123(1)

means real property that is acquired by way of lease, licence or similar arrangement by the sponsor or organizer of a convention for use exclusively as the site for the convention;

cooperative corporation

ss 123(1)

means a cooperative housing corporation and any other cooperative corporation within the meaning assigned by subsection 136(2) of the *Income Tax Act*;

cooperative housing corporation

ss 123(1)

means a corporation that was incorporated, by or under a law of Canada or a province providing for the establishment of the corporation or respecting the establishment of cooperative corporations, for the purpose of making supplies by way of lease, licence or similar arrangement of residential units to its members for the purpose of their occupancy as places of residence for individuals where

Section 1.5 page 11(Sep-94)

- (a) the statute by or under which it was incorporated, its charter, articles of association or by-laws or its contracts with its members require that the activities of the corporation be engaged in at or near cost after providing for reasonable reserves and hold forth the prospect that surplus funds arising from those activities will be distributed among its members in proportion to patronage,
- (b) none of its members (except other cooperative corporations) have more than one vote in the conduct of the affairs of the corporation, and
- (c) at least 90% of its members are individuals or other cooperative corporations and at least 90% of its shares are held by such persons;

cosmetic

Schedule VI, Part II, section 1

in Part II of Schedule VI, means a property, whether or not commercially known as a toilet article, preparation or cosmetic that is intended for use or application for toilet purposes or for use in connection with the care of the human body, or any part thereof, whether for cleansing,

deodorizing, beautifying, preserving or restoring, and includes a toilet soap, skin cream or lotion, mouth wash, oral rinse, toothpaste, tooth powder, denture cream or adhesive, antiseptic, bleach, depilatory, perfume, scent and any similar toilet article, preparation or cosmetic;

cost

Streamlined Accounting (GST)
Regulations
Part IV - Quick Method, section 15

in Part IV of these Regulations, "cost" to a registrant in a threshold period, of tangible personal property of a particular class or kind acquired by the registrant for a particular purpose, means the amount determined by the formula

where

$$(A + B + C) \times (365/D)$$

A is the total of all consideration that became due, or was paid without becoming due, by the registrant in the threshold period for taxable supplies made in Canada to the registrant of tangible personal property of that class or kind acquired by the registrant for that purpose,

B is the total value of all tangible personal property of that class or kind, determined in accordance with section 215 of the Act, imported by the registrant for that purpose,

C is the total of all tax under Divisions II and III that became payable by the registrant in the threshold period in respect of tangible personal property of that class or kind acquired or imported by the registrant for that purpose, and

D is the number of days in the threshold period;

coupon

ss 181(1)

in this section, includes a voucher, receipt, ticket or other device but does not include a gift certificate;

Section 1.5 page 12 (Sep-94)

courier

ss 123(1)

has the meaning assigned by subsection 2(1) of the *Customs Act*;

court of appeal

ss 295(1)

effective June 10, 1993, "court of appeal" in this section has the meaning assigned by the definition of that expression in section 2 of the *Criminal Code*;

court of appeal

ss 295(1)

prior to June 10, 1993, "court of appeal" in this section has the meaning assigned by paragraphs (a) to (j) of the definition "court of appeal" in section 2 of the *Criminal Code*;

credit note

ss 123(1)

means a credit note issued under subsection 232(3) of the Act;

credit union

ss 123(1)

has the meaning assigned by subsection 137(6) of the *Income Tax Act* and includes a corporation described in subparagraph 137.1(5)(a)(i) of that Act;

cumulative amount ss 238.1(1)	<p>in this section, and applying to reporting periods that start after March 1994, "cumulative amount" for a reporting period of a registrant means the total of</p> <p>(a) the amount that would be the registrant's net tax for the period if it were determined without reference to subsection (4) and if no input tax credits were claimed, and no amounts were deducted, in determining that net tax, and</p> <p>(b) the amount required under subsection (4) to be added in determining the net tax for the period;</p>
custodian ss 293(1)	in this section, means a person in whose custody a package is placed under subsection 293(3);
debit note ss 123(1)	means a debit note issued under subsection 232(3) of the Act;
debt security ss 123(1)	means a right to be paid money and includes a deposit of money, but does not include a lease, licence or similar arrangement for the use of, or the right to use, property other than a financial instrument;
Department ss 123(1)	means the Department of National Revenue;
Deputy Minister ss 123(1)	means the Deputy Minister of National Revenue;
designated activity Schedule V, Part VI, section 1	in Part VI of Schedule V, a "designated activity" of an organization means an activity in respect of which the organization is designated under section 259 of the Act or under section 22 or 23;
designated reporting period ss 238.1(1)	<p>in this section, and applying to reporting periods that start after March 1994, "designated reporting period" of a person means a reporting period of the person in respect of which a designation under subsection (2) is in effect, but does not include a reporting period in which the person ceases to be a registrant;</p>
designated supply <i>Streamlined Accounting (GST) Regulations</i> Part V - Special Quick Method for PSBs, section 19	<p>in Part V of these Regulations, means</p> <p>(a) a supply by way of sale of real property, capital assets or eligible capital property of the supplier,</p> <p>(b) a supply included in Part V of Schedule VI to the Act, and</p> <p>(c) a supply made to Her Majesty in right of a province unless Her Majesty in right of that province has agreed, under an agreement with Her Majesty in right of Canada, to pay</p>

the tax under Part IX of the Act in respect of the supply;

destination

Schedule VI, Part VII, section 1

in Part VII of Schedule VI, "destination" in respect of a continuous freight movement of property, means a place specified by the shipper of the property where possession of the property is transferred to the person to whom the property is consigned or addressed by the shipper;

determination of the tax status

ss 216(1)

in this section, "determination of the tax status" of goods means a determination, re-determination or further re-determination that the goods are, or are not, included in Schedule VII to the Act;

die

Schedule VI, Part V, section 14

in section 14 of Part V of Schedule VI, means a solid or hollow form used for shaping materials by stamping, pressing, extruding, drawing or threading;

direct cost

Schedule V, Part VI, section 1

in Part VI of Schedule V, "direct cost" of a film, slide show or similar presentation or of a supply of tangible personal property or a service means the total of all amounts each of which is the value of consideration paid or payable by the supplier

(a) of admissions in respect of the presentation, or

(b) of the property or service,

for an article or material (other than capital property of the supplier) that was purchased by the supplier, to the extent that the article or material is to be incorporated into or is to form a constituent or component part of the property or is to be consumed or expended directly in staging the presentation, supplying the service or in the process of manufacturing, producing, processing or packaging the property, and includes

Section 1.5 page 14 (Sep-94)

(c) in the case of a supply of property or a service that was previously purchased by the supplier, the value of consideration paid or payable by the supplier for the property or service, and

(d) in the case of a film, slide show or similar presentation, the total of all amounts each of which is the value of consideration paid or payable by the supplier of admissions in respect of the presentation for the rental of, or right to use, any film, slide or similar property or projector or similar equipment used for the presentation,

and, for the purposes of this definition, the consideration paid or payable by a supplier for property or a service shall be deemed to include the amount, if any, by which the tax payable by the supplier in respect of the property or service exceeds the total of all amounts each of which is an input tax credit of the supplier or a rebate under Part IX of the Act that the supplier has claimed or is entitled to claim in respect of the property or service;

direct seller

s 178.1

in this section and in sections 178.2 to 178.5, "direct seller" means a person who sells exclusive products of the person to independent sales contractors of the person;

distributor s 178.1	in this section and in sections 178.2 to 178.5, "distributor" of a direct seller means a person who is an independent sales contractor of the direct seller and who, in the course of the contractor's business, sells some or all of the exclusive products of the direct seller acquired by the contractor to other independent sales contractors of the direct seller;
distributor ss 188.1(1)	in this section, "distributor" of an issuer means a person who <ul style="list-style-type: none"> (a) as agent of the issuer, supplies rights of the issuer on behalf of the issuer, or (b) on the person's own behalf supplies rights of the issuer;
document ss 123(1)	includes money, a security and a record;
dwelling-house s 287	in sections 288 to 292 of the Act, means the whole or any part of a building or structure that is kept or occupied as a permanent or temporary residence, and includes <ul style="list-style-type: none"> (a) a building within the curtilage of a dwelling-house that is connected to it by a doorway or by a covered and enclosed passageway, and (b) a unit that is designed to be mobile and to be used as a permanent or temporary residence and that is being used as such a residence;
elementary or secondary school student Schedule V, Part III, section 1	<p style="text-align: right;">Section 1.5 page 15 (Sep-94)</p> <p>in Part III of Schedule V, means an individual who is enrolled in a school that is operated by a school authority in a province and in</p> <ul style="list-style-type: none"> (a) courses that are at the elementary level of education, or (b) courses for which credit may be obtained toward a diploma or certificate issued or approved by the government of the province or courses equivalent to such courses;
election <i>Streamlined Accounting (GST) Regulations</i>	in these Regulations means an election under subsection 227(1) (election for streamlined accounting) of the Act;
eligible capital property <i>Streamlined Accounting (GST) Regulations</i>	in these Regulations, "eligible capital property" of a person means property that is, or would be if the person were a taxpayer under the <i>Income Tax Act</i> , eligible capital property of the person within the meaning of that Act;
employee ss 123(1)	includes an officer;
employer ss 123(1)	in relation to an officer, means the person from whom the officer receives remuneration;

endeavour	of a person means for purposes of section 141.01 of the Act
ss 141.01(1)	<p>(a) a business of the person, other than a business in the ordinary course of which the person has not made, and does not intend to make, supplies,</p> <p>(b) an adventure or concern in the nature of trade of the person, or</p> <p>(c) the making of a supply by the person of real property of the person, including anything done by the person in the course of or in connection with the making of the supply;</p>
estimated federal sales tax	in this section, "estimated federal sales tax" for a residential complex means the prescribed amount in respect of the complex; (Note: the "prescribed amount" is the amount expressed in the previous definition given below; this definition, reworded, will be specified in an amendment to the <i>Federal Sales Tax New Housing Rebate Regulations</i> ,)
ss 121(1)	Section 1.5 page 16 (Sep-94)
estimated federal sales tax	for a specified single unit residential complex or a specified residential complex means the amount determined by the formula
ss 121(1)	$A \times B$ <p>where</p> <p>A is the amount prescribed for the purposes of this definition, in respect of specified single unit residential complexes or specified residential complexes, as the case may be, and</p> <p>B is the number of square metres of prescribed floor space in the specified single unit residential complex or specified residential complex, as the case may be;</p>
equity security	means a share of the capital stock of a corporation or any interest in or right to such a share;
ss 123(1)	
excisable goods	means any goods on which a duty of excise is imposed under the <i>Excise Act</i> or would be imposed under that Act if the goods were manufactured or produced in Canada;
ss 123(1)	
exclusive	means
ss 123(1)	<p>(a) in respect of the consumption, use or supply of property or a service by a person that is not a financial institution, all or substantially all of the consumption, use or supply of the property or service, and</p> <p>(b) in respect of the consumption, use or supply of property or a service by a financial institution, all of the consumption, use or supply of the property or service;</p>
exclusive product	in this section and in sections 178.2 to 178.5, "exclusive product" of a direct seller means (after March 1993) personal property that is acquired, manufactured or produced by the direct seller for sale, in the ordinary course of a business of the direct seller, to an independent sales contractor of the direct seller, with the expectation that the property would be ultimately sold, otherwise than as used property, by an independent sales contractor of the direct seller, in the
s 178.1	

ordinary course of a business of the contractor, for consideration to a person other than another independent sales contractor of the direct seller;

exclusive product

s 178.1

(before April 1993) "exclusive product" of a person means personal property (other than a sales aid) that is sold by the person to independent sales contractors of the person;

Section 1.5 page 17 (Sep-94)

executor

ss 267(2)

of an individual, for purposes of section 267 of the Act, means the executor of the will of the individual, the administrator of the estate of the individual or any other person who is responsible under the appropriate law for the proper collection, administration and disposition of the property of the individual, for the payment of the debts of the individual to the extent of the proceeds of the disposition of that property and for the distribution of the property of the estate of the individual among the beneficiaries of the estate;

exempt supply

ss 123(1)

means a supply included in Schedule V to the Act;

export

ss 123(1)

means export from Canada;

fair market value

ss 123(1)

of property or a service supplied to a person means the fair market value of the property or service without reference to any tax excluded by section 154 of the Act from the consideration for the supply;

feed

ss 164.1(1)

(applies to supplies of property delivered to recipients after June 10, 1993) for purposes of this section, "feed" means

(a) grain, seed or fodder that is described in section 2 of Part IV of Schedule VI and used as feed for farm livestock that is ordinarily raised or kept to produce, or to be used as, food for human consumption or to produce wool,

(b) feed that is a complete feed, supplement, macro-premix, micro-premix or mineral feed (other than a trace mineral salt feed), the supply of which in bulk quantities of at least 20 kg would be a zero-rated supply included in Part IV of Schedule VI;

and

(c) by-products of the food processing industry and plant or animal products, the supply of which in bulk quantities of at least 20 kg would be a zero-rated supply included in Part IV of Schedule VI;

feed

ss 164.1(1)

(applies to supplies of property delivered to recipients before June 11, 1993) for purposes of this section, "feed" means

(a) grain, seed or fodder that is described in section 2 of Part IV of Schedule VI and used as feed for farm livestock that is ordinarily raised or kept to produce, or to be used as, food for human consumption or to produce wool, and

(b) feed that is a complete feed, supplement, macro-premix or micro-premix, the supply of which in bulk quantity of at least 20 kg would be a zero-rated supply;

Section 1.5 page 18 (Sep-94)

financial institution

at any time, means a person who is at that time a financial institution under section 149 of the

Act;

ss 123(1)

financial institution

ss 149(1)

for purposes of Part IX of the Act, a person is a financial institution throughout a particular taxation year of the person if

(a) the person is

(i) a bank,

(ii) a corporation that is licensed or otherwise authorized under the laws of Canada or a province to carry on in Canada the business of offering to the public its services as a trustee,

(iii) (effective April 1, 1991) a person whose principal business is as a trader or dealer in, or as a broker or salesperson of, financial instruments or money,

(iii) (prior to April 1, 1991) a person whose principal business is as a trader or dealer in financial instruments or as a broker or salesperson of financial instruments,

(iv) a credit union,

(v) an insurer or any other person whose principal business is providing insurance under insurance policies,

(vi) a segregated fund of an insurer,

(vii) the Canada Deposit Insurance Corporation,

(viii) a person whose principal business is the lending of money or the purchasing of debt securities or a combination thereof,

(ix) an investment plan,

(x) a person providing services referred to in section 158, or

(xi) a corporation deemed under section 151 to be a financial institution,

at any time in the particular year; or

(b) except where the person is, at the beginning of the particular year, a charity (within the meaning of subsection 259(1)), municipality, school authority, hospital authority, public college or university or is, on the last day of the taxation year of the person immediately preceding the particular year, a qualifying non-profit organization within the meaning of subsection 259(2),

(i) the total of all amounts each of which is an amount that is included in computing, for the purposes of the *Income Tax Act*, the person's income, or, where the person is an individual, the person's income from a business, for the taxation year of the person immediately preceding the particular year and that is interest, a dividend (other than a dividend in kind or a patronage dividend) or a separate fee or charge for a financial service

Section 1.5 page 19 (Sep-94)

exceeds either

(ii) 10% of the total of

(A) the amount that would, but for subsection (4), be the total described in subparagraph (i), and

(B) the total of all consideration that became due in that preceding taxation year, or that was paid in that preceding taxation year without becoming due, to the person for supplies (other than supplies by way of sale of capital property of the person or supplies of financial services) made by the person, or

(iii) the amount determined by the formula

$$\$10,000,000 \times A/365$$

where A is the number of days in that preceding taxation year;

financial instrument

means

ss 123(1)

- (a) a debt security,
- (b) an equity security,
- (c) an insurance policy,
- (d) an interest in a partnership or trust or any right in respect of such an interest,
- (e) a precious metal,
- (f) an option or a contract for the future supply of a commodity, where the option or contract is traded on a recognized commodity exchange,
- (g) a prescribed instrument, (Note: no regulations have as yet been promulgated)
- (h) a guarantee, an acceptance or an indemnity in respect of anything described in paragraph (a), (b), (d), (e) or (g), or
- (i) an option or a contract for the future supply of money or anything described in any of paragraphs (a) to (h);

financial service

means

ss 123(1)

- (a) the exchange, payment, issue, receipt or transfer of money, whether effected by the exchange of currency, by crediting or debiting accounts or otherwise,
- (b) the operation or maintenance of a savings, chequing, deposit, loan, charge or other account,
- (c) the lending or borrowing of a financial instrument,
- (d) the issue, granting, allotment, acceptance, endorsement, renewal, processing, variation, transfer of ownership or repayment of a financial instrument,
- (e) the provision, variation, release or receipt of a guarantee, an acceptance or an indemnity in respect of a financial instrument,

Section 1.5 page 20 (Sep-94)

(f) (after September 14, 1992) the payment or receipt of money as dividends (other than patronage dividends), interest, principal, benefits or any similar payment or receipt of money in respect of a financial instrument,

(f) (prior to September 15, 1992) the payment or receipt of dividends (other than dividends in kind and patronage dividends), interest, principal, claims, benefits or any other amount in respect of a financial instrument,

(f.1) (after September 14, 1992) the payment or receipt of an amount in full or partial satisfaction of a claim arising under an insurance policy,

(g) the making of any advance, the granting of any credit or the lending of money,

(h) the underwriting of a financial instrument,

(i) any service provided pursuant to the terms and conditions of any agreement relating to payments of amounts for which a credit card voucher or charge card voucher has been issued,

(j) the service of investigating and recommending the compensation in satisfaction of a

claim under an insurance policy where the service is supplied by an insurer or by another person who, except in the case of a claim under a marine insurance policy, is licensed under the laws of a province to provide such service,

(j.1) (after September 1992) the service of providing a person who supplies a service referred to in paragraph (j) in respect of property with an appraisal of the damage caused to the property, or in the case of a loss of the property, the value of the property, where the supplier of the appraisal inspects the property, or in the case of a loss of the property, the last-known place where the property was situated before the loss,

(j.1) (prior to October 1992) the service of providing a person who supplies a service referred to in paragraph (j) in respect of property with an appraisal of the damage, other than loss, caused to the property,

(k) any supply deemed by subsection 150(1) or section 158 to be a supply of a financial service,

(l) the agreeing to provide, or the arranging for, a service referred to in any of paragraphs (a) to (i), or

(m) a prescribed service,

(under the *Financial Services (GST) Regulations*, a prescribed service under paragraph (m) is:

Any service in relation to the clearing and settlement of cheques and other payment items under the national payments system of the Canadian Payments Association that is supplied by the Association or any of its members,)

Section 1.5 page 21 (Sep-94)

but does not include

(n) the payment or receipt of money as consideration for the supply of property other than a financial instrument or of a service other than a financial service,

(o) the payment or receipt of money in settlement of a claim (other than a claim under an insurance policy) under a warranty, guarantee or similar arrangement in respect of property other than a financial instrument or a service other than a financial service,

(p) the service of providing advice other than a service included in this definition because of paragraph (j) or (j.1),

(q) the provision of management or administrative services to a corporation, partnership or trust the principal activity of which is the investing of funds on behalf of shareholders, members or other persons,

(r) a professional service provided by an accountant, actuary, lawyer or notary in the course of a professional practice,

(r.1) (effective September 30, 1992) the arranging for the transfer of ownership of shares of a cooperative housing corporation,

(note that paragraph r.1 does not apply to such services supplied under an agreement in writing entered into on or before that date)

(s) any service the supply of which is deemed under Part IX of the Act to be a taxable supply, or

(t) a prescribed service;

For the purposes of paragraph (t) from the *Financial Services (GST) Regulations*:

4(1) "instrument" means money, an account, a credit card voucher, a charge card voucher, or a financial instrument;

"person at risk", in respect of an instrument in relation to which a service referred to in subsection (2) below is provided, means a person who is financially at risk by virtue of the acquisition, ownership, or issuance by that person of the instrument or of a guarantee, an

acceptance or an indemnity in respect of that instrument.

4(2) Subject to subsection (3), the following services, other than a service described in section 3 of the *Financial Services (GST) Regulations*, are prescribed for the purposes of paragraph (t) of the definition "financial service" in subsection 123(1) of the Act:

- (a) the transfer, collection or processing of information, and
- (b) any administrative service, including an administrative service in relation to the payment or receipt of dividends, interest, principal, claims, benefits or other amounts, other than solely the making of the payment or the taking of the receipt.

Section 1.5 page 22 (Sep-94)

4(3) A service referred to in subsection (2) is not a prescribed service for the purposes of paragraph (t) of the definition "financial service" in subsection 123(1) of the Act where the service is supplied with respect to an instrument by

- (a) a person at risk,
- (b) a person that is closely related to a person at risk, where the recipient of the service is not the person at risk or another person closely related to the person at risk, or
- (c) an agent, salesperson or broker who transfers ownership of the instrument for a person at risk or a person closely related to the person at risk.

first supplier

ss 163(3)

in section 163 of the Act and in Part VI of Schedule VI to the Act, "first supplier" of a tour package means the person who first supplies the package in Canada;

fiscal month

ss 123(1)

of a person means a period that is determined under section 243 of the Act to be the fiscal month of the person;

fiscal quarter

ss 123(1)

of a person means a period that is determined under section 243 of the Act to be the fiscal quarter of the person;

fiscal year

ss 123(1)

of a person means

- (a) where the person has made an election under section 244 that is in effect, the period that the person elected to be the fiscal year of the person, and
- (b) in all other cases, the taxation year of the person;

fixture

Schedule VI, Part V, section 14

for the purposes section 14 of Part V of Schedule VI to the Act means a device for holding goods in process while working tools are in operation that does not contain any special arrangement for guiding the working tools;

floating home

means a structure that is composed of a floating platform and a building designed to be occupied as a place of residence for individuals that is permanently affixed to the platform, but

ss 123(1) does not include any freestanding appliances or furniture sold with the structure or any structure that has means of, or is capable of being readily adapted for, self-propulsion;

Section 1.5 page 23 (Sep-94)

foreign convention

means a convention

- ss 123(1)
- (a) at least 75% of the admissions to which are, at the time the sponsor of the convention determines the amount to be charged as consideration therefor, reasonably expected to be supplied to non-resident persons, and
 - (b) the sponsor of which is an organization whose head office is situated outside Canada or, where the organization has no head office, the member, or majority of members, of which having management and control of the organization is or are non-resident;

foreign-based information or document

in this section, means any information or document that is available or located outside Canada and that may be relevant to the administration or enforcement of Part IX of the Act;

ss 292(1)

former spouse

of a particular individual includes an individual of the opposite sex with whom the particular individual cohabited in a conjugal relationship;

ss 123(1)

freight transportation service

in this section and Part VII of Schedule VI, means a particular service of transporting tangible personal property and, for greater certainty, includes

Schedule VI, Part VII, section 1
ss 343(3)

- (a) a service of delivering mail, and
- (b) any other property or service supplied to the recipient of the particular service by the person who supplies the particular service, where the other property or service is part of or incidental to the particular service, whether there is a separate charge for the other property or service,

but does not include a service provided by the supplier of a passenger transportation service of transporting an individual's baggage in connection with the passenger transportation service;

funeral services

in this section, includes the provision of a coffin, a headstone or any other property relating to the funeral, burial or cremation of an individual that is provided under an arrangement for the provision of funeral services;

ss 344(1)

game of chance

means a lottery or other scheme under which prizes or winnings are awarded by way of chance or by way of a mixture of chance and other factors where the result depends more on chance than on the other factors;

ss 123(1)

general retail sales tax rate

in these Regulations, "general retail sales tax rate" of a province means the rate of tax set out in

Taxes, Duties and Fees (GST)
Regulations

- (a) subsection 2(1) of the *Retail Sales Tax Act*, R.S.O. 1980, c. 454, in the case of the Province of Ontario,
- (b) section 6 of the *Retail Sales Tax Act*, R.S.Q. 1977, c. I-1, in the case of the Province of Quebec,

(c) paragraph 5(1)(c) of the *Health Services Tax Act*, R.S.N.S. 1989, c. 198, in the case of the Province of Nova Scotia,

(d) section 4 (other than paragraphs (a) to (d) thereof) of the *Social Services and Education Tax Act*, R.S.N.B. 1973, c. S-10, in the case of the Province of New Brunswick,

(e) section 2 of the *Retail Sales Tax Act*, CCSM c. R130, in the case of the Province of Manitoba,

(f) section 2 of the *Social Service Tax Act*, R.S.B.C. 1979, c. 388, in the case of the Province of British Columbia,

(g) section 4 of the *Revenue Tax Act*, R.S.P.E.I. 1988, c. R-14, in the case of the Province of Prince Edward Island,

(h) section 5 of the *Education and Health Tax Act*, R.S.S. 1978, c. E-3, in the case of the Province of Saskatchewan, and

(i) section 3 of the *Retail Sales Tax Act*, 1978, S.N. 1978, c. 36, in the case of the Province of Newfoundland;

goods has the same meaning as in the *Customs Act*;

ss 123(1)

government means Her Majesty in right of Canada or a province;

ss 123(1)

government funding in these regulations, "government funding" of a particular person means

Public Service Body Rebate (GST) Regulations

(a) an amount of money, including a forgivable loan but not including a refund or rebate of, or credit in respect of, tax, duties or fees imposed under any statute, that is readily measurable and is paid or payable to the particular person by a grantor

(i) for the purpose of financially assisting the particular person in carrying out the purposes of the particular person and not as consideration for supplies made by the particular person, or

(ii) as consideration for making property or services available for consumption or use by other persons (other than the grantor, individuals who are officers, employees, shareholders or members of the grantor, or persons related to the grantor or to such individuals), where supplies of the property or services made by the particular person to such other persons are exempt supplies, and

(b) an amount of money paid or payable to the particular person by an organization (in this paragraph referred to as the "intermediary") that received the amount from a grantor or by another organization that received the amount from an intermediary, where

(i) in the case of an amount that, after 1990, becomes payable or is paid to the particular person, the intermediary or the other organization, as the case may be, provides to the particular person, at the time the amount is paid to the particular person, a certificate in a form prescribed by the Minister certifying that the amount is government funding, and

(ii) the amount would be government funding of the particular person by reason of

paragraph (a) if the amount were paid by the grantor directly to the particular person;

grantor

in these Regulations, means

*Public Service Body Rebate (GST)
Regulations*

- (a) a government or municipality, other than a corporation all or substantially all of whose activities are commercial activities or the supply of financial services or any combination thereof,
- (b) a corporation that is controlled by a government or by a municipality and one of the main purposes of which is to fund charitable or non-profit endeavours,
- (c) a trust, board, commission or other body that is established by a government, municipality or corporation described in paragraph (b) and one of the main purposes of which is to fund charitable or non-profit endeavours, and
- (d) a band of Indians within the meaning of any Act of Parliament;

gross revenue

effective April 1, 1993, in this section, "gross revenue" of a person for a fiscal year of the person means the amount, if any, by which

s 148.1(1)

- (a) the total of all amounts each of which is
 - (i) a gift that is received or became receivable (depending on the method, in this paragraph referred to as the "accounting method", followed by the person in determining the person's revenue for the year) by the person during the fiscal year,
 - (ii) a grant, subsidy, forgivable loan or other assistance (other than a refund or rebate of, or credit in respect of, taxes, duties or fees imposed by an Act of Parliament or the legislature of a province) in the form of money that is received or becomes receivable (depending on the accounting method) by the person during the fiscal year from a government, municipality or other public authority,
 - (iii) revenue that is or would be, if the person were a taxpayer under the *Income Tax Act*, included for the purposes of that Act in determining the person's income for the fiscal year from property, a business, an adventure or concern in the nature of trade or other source and that is not included in subparagraph (ii),

Section 1.5 page 26 (Sep-94)

(iv) an amount that is or would be, if the person were a taxpayer under the *Income Tax Act*, a capital gain for the fiscal year for the purposes of that Act from the disposition of property of the person, or

(v) other revenue of any kind whatever (other than an amount that is or would be, if the person were a taxpayer under the *Income Tax Act*, included in determining the amount of a capital gain or loss of the person for the purposes of that Act) that is received or becomes receivable (depending on the accounting method) by the person during the fiscal year,

and that is not included in determining the total under this paragraph for a preceding fiscal year of the person,

exceeds

(b) the total of all amounts each of which is or would be, if the person were a taxpayer under the *Income Tax Act*, a capital loss for the fiscal year for the purposes of that Act from the disposition of property of the person;

health care facility

Schedule V, Part II, section 1

in Part II of Schedule V, means

- (a) a facility, or a part thereof, operated for the purpose of providing medical or hospital care, including acute, rehabilitative or chronic care,
- (b) a hospital or institution primarily for the mentally disordered, or
- (c) a facility, or a part thereof, operated for the purpose of providing residents of the facility who have limited physical or mental capacity for self-supervision and self-care with
 - (i) nursing and personal care under the direction or supervision of qualified medical and nursing care staff or other personal and supervisory care (other than domestic services of an ordinary household nature) according to the individual requirements of the residents,
 - (ii) assistance with the activities of daily living and social, recreational and other related services to meet the psycho-social needs of the residents, and
 - (iii) meals and accommodation;

homemaker service

Schedule V, Part II, section 1

effective April 1, 1991, in Part II of Schedule V, a "homemaker service" means a household or personal service, such as cleaning, laundering, meal preparation and child care, that is rendered to an individual who, due to age, infirmity or disability, requires assistance;

Note: Prior to April 1, 1991, the word "rendered" appeared as "provided", and the definition was in Part VI rather than Part II.

Section 1.5 page 27 (Sep-94)

hospital authority

ss 123(1)

effective June 10, 1993, "hospital authority" means an organization or that part of an organization that operates a public hospital and that is designated by the Minister as a hospital authority for the purposes of Part IX of the *Excise Tax Act*;

hospital authority

ss 123(1)

prior to June 10, 1993, "hospital authority" means an organization or that part of an organization that operates a public hospital that is certified as such by the Department of National Health and Welfare;

import

ss 123(1)

means import into Canada;

imported taxable supply

s 217

in Division IV of Part IX of the Act, means

- (a) a taxable supply (other than a zero-rated or prescribed supply) of a service made outside Canada to a person who is resident in Canada, other than a supply of a service that is
 - (i) acquired for consumption, use or supply exclusively in the course of commercial activities of the person or activities that are engaged in exclusively outside Canada by the person and that are not part of a business or an adventure or concern in the nature of trade engaged in by the person in Canada,
 - (ii) consumed by an individual exclusively outside Canada (other than a training service the supply of which is made to a person who is not a consumer),
 - (iii) in respect of real property situated outside Canada,
 - (iv) a service (other than a custodial or nominee service in respect of securities of the person) in respect of tangible personal property that is

(A) situated outside Canada at the time the service is performed, or
(B) exported as soon after the service is performed as is reasonable having regard to the circumstances surrounding the exportation and is not consumed, used or supplied in Canada after the service is performed and before the exportation of the property,

(v) a transportation service, or

(vi) a service rendered in connection with criminal, civil or administrative litigation outside Canada, other than a service rendered before the commencement of such litigation,

Note: Paragraph (a) applies to supplies for which consideration is paid or becomes due after September 1992, other than supplies for which consideration is paid or becomes due before October 1992; paragraph (a) of the definition of "imported taxable supplies" formerly read:

Section 1.5 page 28 (Sep-94)

(a) a taxable supply of personal property or a service that is made outside Canada to a recipient who is resident in Canada and that can reasonably be regarded as having been received by the recipient for use in Canada otherwise than exclusively in a commercial activity, other than

- (i) a zero-rated or prescribed supply,
- (ii) a supply in respect of which tax under Division II is payable,
- (iii) a supply of goods in respect of which tax under Division III is payable, or
- (iv) a supply of goods included in Schedule VII, or"

(b) a taxable supply (other than a zero-rated or prescribed supply) of tangible personal property made by a non-resident person who is not registered under Subdivision d of Division V to a recipient who is a registrant where

(i) physical possession of the property is transferred to the recipient in Canada by another registrant who

(A) made a supply in Canada of the property by way of sale, or a supply in Canada of a service of manufacturing or producing the property, to the non-resident person, or

(B) acquired physical possession of the property for the purpose of making a supply of a commercial service in respect of the property to the non-resident person,

(ii) the recipient gives the other registrant a certificate of the recipient described in paragraph 179(2)(c), and

Note: subparagraph (b)(ii) does not apply in respect of supplies of property the physical possession of which is transferred to the recipient after March 27, 1991, and before October 30, 1992.

(iii) the recipient is not acquiring the property for consumption, use or supply exclusively in the course of commercial activities of the recipient or the property is a passenger vehicle that the recipient is acquiring for use in Canada as capital property in commercial activities of the recipient and that has a capital cost to the recipient exceeding the amount deemed under paragraph 13(7)(g) or (h) of the *Income Tax Act* to be the capital cost of the vehicle to the recipient for the purposes of section 13 of that Act;

Note: paragraph (b) does not apply to supplies of property the physical possession of which is transferred to the recipient before March 28, 1991.

(b.1) a taxable supply (other than a zero-rated or prescribed supply) of tangible personal property made at a particular time by a non-resident person who is not registered under Subdivision d of Division V to a particular recipient who is resident in Canada, where

Section 1.5 page 29 (Sep-94)

- (i) the property is delivered or made available in Canada to the particular recipient and the particular recipient is not a registrant who is acquiring the property exclusively for consumption, use or supply in the course of commercial activities of the recipient, and
- (ii) the non-resident person previously made a taxable supply of the property by way of lease, licence or similar arrangement to a registrant who was not dealing at arm's length with the non-resident person or who was related to the particular recipient, the property was delivered or made available in Canada to the registrant, the registrant was entitled to claim an input tax credit in respect of the property or was not required to pay tax under this Division in respect of the supply only because the registrant acquired the property exclusively for consumption, use or supply in the course of commercial activities of the registrant, and that supply was the last supply of the property made before the particular time by the non-resident person to a registrant, or

Note: paragraph (b.1) applies to supplies for which consideration is paid or becomes due after 1992, other than supplies for which consideration is paid or becomes due before 1993.

(c) a taxable supply (other than a zero-rated or prescribed supply) of intangible personal property made outside Canada to a person who is resident in Canada, other than a supply of property that

- (i) is acquired for consumption, use or supply exclusively in the course of commercial activities of the person or activities that are engaged in exclusively outside Canada by the person and that are not part of a business or an adventure or concern in the nature of trade engaged in by the person in Canada,
- (ii) may not be used in Canada, or
- (iii) relates to real property situated outside Canada, to a service to be performed wholly outside Canada or to tangible personal property situated outside Canada;

Note: paragraph (c) applies to supplies for which consideration is paid or becomes due after September 1992, other than supplies for which consideration is paid or becomes due before October 1992.

improvement

ss 123(1)

in respect of capital property of a person, means any property or service that is supplied to, or goods that are imported by, the person for the purpose of improving the capital property, to the extent that the consideration paid or payable by the person for the property or service or the value of the goods is, or would be if the person were a taxpayer under the *Income Tax Act*, included in determining the adjusted cost base to the person of the capital property for the purposes of that Act;

Section 1.5 page 30 (Sep-94)

improvement

Schedule V, Part I, section 1

in Part I of Schedule V to the Act, "improvement" in respect of real property of a person, means any property or service supplied to, or goods imported by, the person for the purpose of improving the real property, to the extent that the consideration paid or payable by the person for the property or service or the value of the goods is, or would be if the person were a taxpayer under the *Income Tax Act*, included in determining the cost or, in the case of real property that is capital property of the person, the adjusted cost base to the person of the property for the purposes of that Act;

improvement

Streamlined Accounting (GST) Regulations

in these Regulations, "improvement" in respect of a capital asset or real property of a registrant, means any property or service that is supplied to, or goods that are imported by, the registrant for the purpose of improving the capital asset or real property, to the extent that the consideration paid or payable by the registrant for the property or service or the value of the goods is, or would be if the registrant were a taxpayer under the *Income Tax Act*, included in the adjusted cost base or cost, as the case may be, to the registrant of the capital asset or real property for the purposes of that Act;

independent sales

in this section and sections 178.2 to 178.5, an "independent sales contractor" of a direct seller means a person (other than an agent or employee of the direct seller or of a distributor of the

contractor direct seller) who

s 178.1

- (a) has a contractual right to purchase exclusive products of the direct seller from the direct seller or from a distributor of the direct seller,
- (b) purchases exclusive products of the direct seller for the purpose of resale to other independent sales contractors of the direct seller or to purchasers, and
- (c) does not solicit, negotiate or enter into contracts for the sale of exclusive products of the direct seller to purchasers primarily at a fixed place of business of the person other than a private residence;

individual means a natural person;

ss 123(1)

initial taxable percentage in section 163 of the Act and in Part VI of Schedule VI to the Act, "initial taxable percentage" of a tour package means the fraction determined, at the time the first supplier of the package determines the amount to be charged by that supplier for a supply of the package, by the formula

ss 163(3)

$$A / B$$

where

A is the part of that amount that is, at that time, reasonably attributable to the taxable portion of the package, and

B is that amount;

Section 1.5 page 31 (Sep-94)

institutional health care service

Schedule V, Part II, section 1

in Part II of Schedule V, means any of the following when provided in a health care facility:

- (a) laboratory, radiological or other diagnostic services,
- (b) drugs, biologicals or related preparations when administered, or a medical or surgical prosthesis when installed, in the facility in conjunction with the supply of a service included in any of paragraphs (a) and (c) to (g),
- (c) the use of operating rooms, case rooms or anaesthetic facilities, including necessary equipment or supplies,
- (d) medical or surgical equipment or supplies
 - (i) used by the operator of the facility in providing a service included in any of paragraphs (a) to (c) and (e) to (g), or
 - (ii) supplied to a patient or resident of the facility otherwise than by way of sale,
- (e) the use of radiotherapy, physiotherapy or occupational therapy facilities,
- (f) accommodation,
- (g) meals (other than meals served in a restaurant, cafeteria or similar eating establishment), and
- (h) services rendered by persons who receive remuneration therefor from the operator of the facility;

instrument (see paragraph t of the definition of "financial service")

insurance policy

ss 123(1)

means

(a) a policy or contract of insurance (other than a warranty in respect of the quality, fitness or performance of tangible property, where the warranty is supplied to a person who acquires the property otherwise than for resale) that is issued by an insurer, including

Note: the parenthetical exclusion for warranties in (a) is applicable to warranties supplied after 1990 in respect of personal property and warranties supplied after 1992 in respect of real property.

(i) a policy of reinsurance issued by an insurer,

(ii) an annuity contract issued by an insurer, or a contract issued by an insurer that would be an annuity contract except that the payments under the contract

(A) are payable on a periodic basis at intervals that are longer or shorter than one year, or

(B) vary in amount depending on the value of a specified group of assets or on changes in interest rates, and

Section 1.5 page 32 (Sep-94)

(iii) a contract issued by an insurer all or part of the insurer's reserves for which vary in amount depending on the value of a specified group of assets, and

(b) a policy or contract in the nature of accident, sickness or dental insurance, whether the policy is issued, or the contract is entered into, by an insurer;

insured person

Schedule V, Part II, section 1

in Part II of Schedule V, has the same meaning as in the *Canada Health Act*;

insurer

ss 123(1)

means a person who is licensed or otherwise authorized under the laws of Canada or a province to carry on in Canada an insurance business or under the laws of another jurisdiction to carry on in that other jurisdiction an insurance business;

international flight

Schedule VI, Part VII, section 1

means any flight of an aircraft, other than a flight originating and terminating in Canada, that is operated by a person in the course of a business of supplying passenger air transportation services;

inventory

ss 221.1(1)

in this section, means tangible personal property of the person acquired in Canada or imported by the person for supply by way of sale in the ordinary course of a business carried on by the person in Canada;

investment plan

ss 149(5)

in this section, means

(a) a trust governed by

- (i) a registered pension plan,
- (ii) an employees profit sharing plan,
- (iii) a registered supplementary unemployment benefit plan,
- (iv) a registered retirement savings plan,
- (v) a deferred profit sharing plan,
- (vi) a registered education savings plan,
- (vii) a registered retirement income fund,
- (viii) an employee benefit plan,
- (ix) an employee trust,
- (x) a mutual fund trust,
- (xi) a pooled fund trust,

Section 1.5 page 33 (Sep-94)

- (xii) a unit trust, or
- (xiii) a retirement compensation arrangement,

as each of those terms is defined for the purposes of the *Income Tax Act* or the *Income Tax Regulations*,

- (b) an investment corporation, as that term is defined for the purposes of that Act,
- (c) a mortgage investment corporation, as that term is defined for the purposes of that Act,
- (d) a mutual fund corporation, as that term is defined for the purposes of that Act,
- (e) a non-resident owned investment corporation, as that term is defined for the purposes of that Act, and
- (f) a corporation exempt from tax under that Act by reason of paragraph 149(1)(o.1) or (o.2) of that Act;

invoice

ss 123(1)

includes a statement of account, a bill and any other similar record, regardless of its form or characteristics, and a cash register slip or receipt;

issuer

ss 188.1(1)

in this section, means a registrant who is a prescribed registrant for the purposes of subsection 188(5) of the Act; see *Games of Chance (GST) Regulations*

jig

Schedule VI, Part V, section 14

in section 14 of Part V of Schedule VI, means a device used in the accurate machining of goods in process by holding the goods firmly and guiding tools exactly to position;

judge

s 287, ss 293(1)

in sections 288 to 292 and in section 293, means a judge of a superior court having jurisdiction in the province where the matter arises or a judge of the Federal Court;

lawyer in this section means, in the Province of Quebec, an advocate, lawyer or notary and, in any other province, a barrister or solicitor;
ss 293(1)

legal aid plan in this section, means a legal aid plan administered under the authority of the government of a province;
ss 258(1)

listed financial institution means a person referred to in paragraph 149(1)(a) of the Act;
ss 123(1)

local municipality in Part VI of Schedule V, a "local municipality" of a regional municipality means a municipality that has jurisdiction over an area that is within the area over which the regional municipality has jurisdiction;
Schedule V, Part VI, section 1

Section 1.5 page 34 (Sep-94)

medical device in these Regulations, "medical device" of a registrant means property acquired or imported by the registrant for the purpose of making a supply of the property that is included in Part II of Schedule VI to the Act;
Streamlined Accounting (GST) Regulations

medical practitioner in Part II of Schedule V, means a person who is entitled under the laws of a province to practise the profession of medicine or dentistry;
Schedule V, Part II, section 1

membership includes a right granted by a particular person that entitles another person to services that are provided by, or to the use of facilities that are operated by, the particular person and that are not available, or are not available to the same extent or for the same fee or charge, to persons to whom such a right has not been granted, and also includes such a right that is conditional on the acquisition or ownership of a share, bond, debenture or other security;
ss 123(1)

mineral includes petroleum, natural gas and related hydrocarbons and sand and gravel;
ss 123(1)

Minister means the Minister of National Revenue;
ss 123(1)

mobile home means a unit that is not less than three metres wide and eight metres long, that is equipped with complete plumbing, electrical and heating facilities and that is designed to be towed on its own

ss 123(1) chassis on wheels to a site for installation on a foundation and connection to service facilities at that site and to be occupied for residential purposes, but does not include any free-standing appliances or furniture sold with the unit or any travel trailer, motor home, camping trailer or other vehicle or trailer for recreational use;

money
ss 123(1) includes any currency, cheque, promissory note, letter of credit, draft, traveller's cheque, bill of exchange, postal note, money order, postal remittance and other similar instrument, whether Canadian or foreign, but does not include currency the fair market value of which exceeds its stated value as legal tender in the country of issuance or currency that is supplied or held for its numismatic value;

month
ss 123(1) means a period beginning on a particular day in a calendar month and ending on
(a) the day immediately before the day in the next calendar month that has the same calendar number as the particular day, or
(b) where the next calendar month does not have a day that has the same calendar number as the particular day, the last day of that next calendar month;

month in these Regulations, means a calendar month and any portion of a calendar month;

Value of Imported Goods (GST) Regulations

Section 1.5 page 35 (Sep-94)

motor vehicle
Income Tax Act
ss 248(1) under the *Income Tax Act* and in section 174, section 253, subsection 337(7) and section 16 of Part II of Schedule VI to the Act, means an automotive vehicle designed or adapted to be used on highways and streets but does not include
(a) a trolley bus, or
(b) a vehicle designed or adapted to be operated exclusively on rails;

mould
Schedule VI, Part V, section 14 in section 14 of Part V of Schedule VI, means a hollow form, matrix or cavity into which materials are placed to produce goods of desired shapes;

multiple unit residential complex means a residential complex that contains more than one residential unit, but does not include a condominium complex;

ss 123(1)

municipality
ss 123(1) means
(a) an incorporated city, town, village, metropolitan authority, township, district, county or rural municipality or other incorporated municipal body however designated, or
(b) such other local authority as the Minister may determine to be a municipality for the purposes of Part IX of the *Excise Tax Act*;

municipality
ss 259(1) in section 259 and in the *Streamlined Accounting (GST) Regulations* Part V - Special Quick Method for PSBs, section 19, "municipality" includes a person designated by the Minister, for the purposes of section 259 of the Act, to be a municipality, but only in respect of activities,

specified in the designation, that involve the making of supplies (other than taxable supplies) by the person of municipal services;

municipal body

in Part VI of Schedule V means a municipality or a provincially established designated body;

Schedule V, Part VI, section 1

municipal transit service

in Part VI of Schedule V means a public passenger transportation service (other than a charter service or a service that is part of a tour) that is supplied by a transit authority all or substantially all of whose supplies are of public passenger transportation services provided within a particular municipality and its environs;

Schedule V, Part VI, section 1

mutual insurance federation

means a corporation each member of which is a mutual insurance corporation that is required, under an Act of the legislature of a province, to be a member of the corporation, but does not include a corporation the main purpose of which is

ss 123(1)

(a) related to automobile insurance,

Section 1.5 page 36 (Sep-94)

(b) to provide compensation to insurance policy holders of, or claimants on, insolvent insurers, or

(c) to establish and manage a guarantee fund, cash reserve fund, mutual aid fund or similar fund for the benefit of its members and to provide financial assistance with regard to losses sustained on the winding-up or dissolution of its members;

mutual insurance group

means a group that consists of

ss 123(1)

(a) a mutual insurance federation and its members,

(b) where the members of the mutual insurance federation are the sole investors in an investment fund, that fund, and

(c) where there exists a mutual reinsurance corporation each member of which is a member of the mutual insurance federation and is not entitled to obtain reinsurance from any other reinsurance corporation, that mutual reinsurance corporation;

non-creditable tax charged

in this section, in respect of property or a service for a claim period of a person, means the amount, if any, by which

ss 259(1)

(a) the total (in this section referred to as "the total tax charged in respect of the property or service") of all amounts each of which is

(i) tax in respect of the supply or importation of the property or service that became payable by the person during the period or that was paid by the person during the period without having become payable (other than tax deemed to have been paid by the person or in respect of which the person is not entitled to claim an input tax credit only because of subsection 226(4)),

(ii) tax deemed under subsection 129(6), 129.1(4) or 171(3) or 183(4), (5) or (6), section 191 or subsection 200(2) or 211(2) or (4) to have been collected during the

period by the person in respect of the property or service,

(iii) tax, calculated on the amount of an allowance in respect of the property or service, that is deemed under section 174 to have been paid during the period by the person,

(iv) tax deemed under section 175 or 180 to have been paid during the period by the person in respect of the property or service, or

(v) an amount in respect of the property or service that is required under subsection 129(7) or paragraph 171(4)(b) to be added in determining the net tax of the person for the period,

Section 1.5 page 37 (Sep-94)

exceeds

(b) the total of all amounts included in the total determined under paragraph (a) that are included in determining an input tax credit of the person in respect of the property or service for the period;

non-profit organization

ss 123(1)

(after September 1992) means a person (other than an individual, an estate, a trust, a charity, a municipality or a government) that was organized and is operated solely for a purpose other than profit, no part of the income of which is payable to, or otherwise available for the personal benefit of, any proprietor, member or shareholder thereof unless the proprietor, member or shareholder is a club, a society or an association the primary purpose and function of which is the promotion of amateur athletics in Canada;

non-profit organization

ss 123(1)

(before October 1992) means a person (other than an individual, an estate, a trust, or a charity) that was organized and is operated solely for a purpose other than profit, no part of the income of which is payable to, or otherwise available for the personal benefit of, any proprietor, member or shareholder thereof unless the proprietor, member or shareholder is a club, a society or an association the primary purpose and function of which is the promotion of amateur athletics in Canada;

non-profit organization

ss 259(1)

in this section, includes a prescribed government organization;

non-resident

ss 123(1)

means not resident in Canada;

officer

ss 123(1)

includes

(a) a member of the board of directors, board of management or other governing board of a corporation, society, union, club, association, organization or any other body of any kind whatever,

(b) a judicial officer or a member of a judicial, quasi-judicial or administrative board, tribunal or body,

(c) a Minister of the Crown in right of Canada or a province,

(d) a member of the Senate or House of Commons of Canada,

(e) a member of a legislature of a province, and

(f) the incumbent of any other office who is elected or appointed to act as a representative of a group or persons;

officer in this section, means a person acting under the authority conferred by any of sections 276 and 288 to 291 of the Act;
ss 293(1)

Section 1.5 page 38 (Sep-94)

officer in these Regulations, means an officer within the meaning of the *Customs Act*;
Non-Taxable Imported Goods (GST) Regulations Under the *Customs Act*, "officer" means a person employed in the administration or enforcement of this Act or the *Special Import Measures Act* and includes any member of the Royal Canadian Mounted Police;

official (effective June 10, 1993) in section 295 and section 328, means a person who is employed in the service of, who occupies a position of responsibility in the service of, or who is engaged by or on behalf of, Her Majesty in right of Canada or a province, or a person who was formerly so employed, who formerly occupied such a position or who formerly was so engaged;
ss 295(1)
ss 328(3)

official (before June 10, 1993) in section 295 and section 328 means any person who is employed or who occupies a position of responsibility in the service of Her Majesty in right of Canada or a province, or any person who was formerly so employed or who formerly occupied such a position;
ss 295(1)
ss 328(3)

organizer of a convention means a person who acquires the convention facility or related convention supplies and who organizes the convention for another person who is the sponsor of the convention;
ss 123(1)

origin in Part VII of Schedule VI means

Schedule VI, Part VII, section 1

- (a) in respect of a continuous freight movement, the place where the first carrier that engaged in the continuous freight movement takes possession of the property being transported, and
- (b) in respect of a continuous journey, the place where the passenger transportation service that is included in the continuous journey and that is first provided begins;

original supplier in this section, "original supplier" of tangible personal property or a service means a person who makes a taxable supply of the property or service to another person who, in turn, supplies the property or service by way of a pass-through supply;
ss 178.6(1)

overpayment of net tax in this section, "overpayment of net tax" of a person for a reporting period of the person means the amount, if any, by which the total of

ss 296(8)

- (a) all amounts remitted by the person on account of net tax for the period, and
- (b) where the net tax for the period is negative, the net tax refund for the period,

exceeds the total of

- (c) where the net tax for the period is positive, the net tax for the period, and
- (d) all amounts paid to the person as a net tax refund for the period;

Section 1.5 page 39 (Sep-94)

para-municipal organization

Schedule V, Part VI, section 1

in Part VI of Schedule V, a "para-municipal organization" of a municipal body means an organization (other than a government) that is owned or controlled by the municipal body and that

- (a) where the municipal body is a municipality,
 - (i) is designated under section 259 of the Act, or under section 22 or 23, to be a municipality for the purposes of that section, or
 - (ii) is established by the municipal body and determined, under paragraph (b) of the definition "municipality" in subsection 123(1) of the Act, to be a municipality for the purposes of Part IX of the Act, or
- (b) where the municipal body is a provincially established designated body, is determined under that paragraph to be a municipality for the purposes of that Part,

and for the purposes of this definition, an organization is owned or controlled by a municipal body if

- (c) all or substantially all of the shares of the organization are owned by the municipal body or all or substantially all of the assets held by the organization are owned by the municipal body or are assets the disposition of which is controlled by the municipal body so that, in the event of a winding-up or liquidation of the organization, those assets are vested in the municipal body, or
- (d) the organization is required to submit to the municipal body the periodic operating and, where applicable, capital budget of the organization for approval and a majority of the members of the governing body of the organization are appointed by the municipal body;

passenger vehicle

ss 123(1)

has the meaning assigned by subsection 248(1) of the *Income Tax Act*;

passenger vehicle

Income Tax Act
ss 248(1)

means an automobile acquired after June 17, 1987 (other than an automobile acquired after that date pursuant to an obligation in writing entered into before June 18, 1987) and an automobile leased under a lease entered into, extended or renewed after June 17, 1987;

pass-through supply

ss 178.6(1)

in this section, means a taxable supply of tangible personal property or a service made by a person for consideration that is equal to the consideration paid or payable by the person to the supplier who supplied the property or service to the person;

patronage dividend

ss 123(1)

means an amount that is deductible under section 135 of the *Income Tax Act* in computing, for the purposes of that Act, the income of the person paying the amount;

Section 1.5 page 40 (Sep-94)

percentage of government funding

ss 259(1)

in this section, "percentage of government funding" of a person for a fiscal year of the person means the percentage determined in prescribed manner; (see *Public Service Body Rebate (GST) Regulations*)

permanent establishment

ss 123(1)

in respect of a particular person, means

- (a) a fixed place of business of the particular person, including
 - (i) a place of management, a branch, an office, a factory or a workshop, and
 - (ii) a mine, an oil or gas well, a quarry, timberland or any other place of extraction of natural resources,
 through which the particular person makes supplies, or
- (b) a fixed place of business of another person (other than a broker, general commission agent or other independent agent acting in the ordinary course of business) who is acting in Canada on behalf of the particular person and through whom the particular person makes supplies in the ordinary course of business;

person means an individual, partnership, corporation, trust or estate, or a body that is a society, union, club, association, commission or other organization of any kind;
 ss 123(1)

person at risk (see paragraph t of the definition of "financial service")

*Financial Services (GST)
 Regulations*

person resident in Canada for the purposes of Part IX of the Act, a person shall be deemed to be resident in Canada at any time

ss 132(1)

- (a) in the case of a corporation, if the corporation is incorporated or continued in Canada and not continued elsewhere,
- (b) in the case of a partnership, an unincorporated society, a club, an association or an organization, or a branch thereof, if the member, or a majority of the members, having management and control thereof is or are resident in Canada at that time, or
- (c) in the case of a labour union, if it is carrying on activities as such in Canada and has a local union or branch in Canada at that time;

personal property means property that is not real property;

ss 123(1)

pharmacist in Part I of Schedule VI, means a person who is entitled under the laws of a province to practise the profession of pharmacy;

Schedule VI, Part I, section 1

Section 1.5 page 41 (Sep-94)

place of amusement means any premises or place, whether or not enclosed, at or in any part of which is staged or held any

ss 123(1)

- (a) film, slide show, sound and light or similar presentation,
- (b) artistic, literary, theatrical, musical or other performance, entertainment or exhibition,
- (c) fair, circus, menagerie, rodeo or similar event, or

(d) race, game of chance, athletic contest or other contest or game,

and includes a museum, historical site, zoo, wildlife or other park, place where bets are placed and any place, structure, apparatus, machine or device the purpose of which is to provide any type of amusement or recreation;

place outside Canada

Schedule VI, Part VII, section 1

in Part VII of Schedule VI, a "place outside Canada" in respect of a freight transportation service, includes at a particular time a place in Canada if, at that time, the property being transported has been imported but has not been released and the property is being transported in compliance with the *Customs Act* or any other Act of Parliament that prohibits, controls or regulates the importation of goods;

practitioner

Schedule V, Part II, section 1

in Part II of Schedule V, a "practitioner" in respect of a supply of optometric, chiropractic, physiotherapy, chiropodic, podiatric, osteopathic, audiological, speech-therapy, occupational therapy, or psychological services, means a person who

(a) is licensed or otherwise certified to practise the profession of optometry, chiropractic, physiotherapy, chiropody, podiatry, osteopathy, audiology, speech-therapy, occupational therapy or psychology in the province in which the service is supplied, or

(b) where the person is not required to be licensed or otherwise certified to practise the profession of the person in the province in which the service is supplied, has the qualifications equivalent to those necessary to be so licensed or otherwise certified in another province, and

(c) in respect of the supply of psychological services, is registered in the Canadian Register of Health Service Providers in Psychology,

and practises the profession of optometry, chiropractic, physiotherapy, chiropody, podiatry, osteopathy, audiology, speech-therapy, occupational therapy, or psychology, as the case may be;

practitioner

Schedule VI, Part I, section 1

in Part I of Schedule VI, means a person who is entitled under the laws of a province to practise the profession of medicine or dentistry;

practitioner

Schedule VI, Part II, section 1

in Part II of Schedule VI, means a person who is entitled under the laws of a province to practise the profession of medicine;

Section 1.5 page 42 (Sep-94)

precious metal

ss 123(1)

means a bar, ingot, coin or wafer that is composed of gold, silver or platinum and that is refined to a purity level of at least

(a) 99.5% in the case of gold and platinum, and

(b) 99.9% in the case of silver;

prescribed

ss 123(1)

means

(a) in the case of a form or the manner of filing a form, authorized by the Minister,

(b) in the case of the information to be given on a form, specified by the Minister,

(c) in the case of the manner of making or filing an election, authorized by the Minister, and

(d) in any other case, prescribed by regulation or determined in accordance with rules

prescribed by regulation;

prescription

Schedule VI, Part I, section 1

in Part I of Schedule VI, means a written or verbal order, given to a pharmacist by a practitioner, directing that a stated amount of any drug or mixture of drugs specified in the order be dispensed for the individual named in the order;

prescription drug

*Streamlined Accounting (GST)
Regulations*

in these Regulations, a "prescription drug" of a registrant means property acquired or imported by the registrant for the purpose of making a supply of the property that is included in Part I of Schedule VI to the Act;

property

ss 123(1)

means 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;

property

ss 325(5)

in this section, property includes money.

provincial sales tax

*Input Tax Credit Information
Regulations*

in these Regulations, means a tax prescribed by paragraph 3(b) of the *Taxes, Duties and Fees (GST) Regulations*;

provincial sales tax paid or payable

*Input Tax Credit Information
Regulations*

in these Regulations, means provincial sales tax that became payable or, if it had not become payable, was paid;

Section 1.5 page 43 (Sep-94)

provincially established designated body

Schedule V, Part VI, section 1

in Part VI of Schedule V means a body that is established by Her Majesty in right of a province and designated, under section 259 of the Act, to be a municipality for the purposes of that section;

public college

ss 123(1)

means an organization or that part of an organization that operates a post-secondary college or post-secondary technical institute

(a) that is funded by a government or a municipality, and

(b) the primary purpose of which is to provide programs of instruction in one or more fields of vocational, technical or general education;

public sector body

ss 123(1)

means a government or a public service body;

public service body ss 123(1)	means a non-profit organization, a charity, a municipality, a school authority, a hospital authority, a public college or a university;
purchaser s 178.1	in this section and sections 178.2 to 178.5, a "purchaser" of an exclusive product of a direct seller means a person who is the recipient of a supply of the product and who is not acquiring the product for the purpose of supplying it for consideration;
qualifying non-profit organization ss 259(2)	in section 259 and in the <i>Streamlined Accounting (GST) Regulations</i> Part V - Special Quick Method for PSBs, section 19, a person is a qualifying non-profit organization at any time in a fiscal year of the person if, at that time, the person is a non-profit organization and the percentage of government funding of the person for the year is at least 40%;
qualifying subsidiary ss 123(1)	<p>of a particular corporation means another corporation resident in Canada not less than 90% of the value and number of the issued and outstanding shares of the capital stock of which, having full voting rights under all circumstances, are owned by the particular corporation, and includes</p> <ul style="list-style-type: none"> (a) a corporation that is a qualifying subsidiary of a qualifying subsidiary of the particular corporation, (b) where the particular corporation is a credit union, every other credit union, and (c) where the particular corporation is a member of a mutual insurance group, every other member of that group;
quarter <i>Interest Rate (Excise Tax Act) Regulations</i>	in these Regulations, means any period of three consecutive months beginning on January 1, April 1, July 1 or October 1;
real property ss 123(1)	<p>includes</p> <ul style="list-style-type: none"> (a) in respect of property in the Province of Quebec, immovable property and every lease thereof, (b) 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, and (c) a mobile home, a floating home and any leasehold or proprietary interest therein;
receiver ss 266(1)	<p>in section 266 and section 270, and applicable to receivers who are vested with authority or appointed after 1992 means a person who</p> <ul style="list-style-type: none"> (a) under the authority of a debenture, bond or other debt security, of a court order or of an Act of Parliament or of the legislature of a province, is empowered to operate or manage a business or a property of another person, (b) is appointed by a trustee under a trust deed in respect of a debt security to exercise the authority of the trustee to manage or operate a business or a property of the debtor under

the debt security,

(c) is appointed by a bank to act as agent of the bank in the exercise of the authority of the bank under subsection 426(3) of the *Bank Act* in respect of property of another person,

(d) is appointed as a liquidator to liquidate the assets of a corporation or to wind up the affairs of a corporation, or

(e) is appointed as a committee, guardian or curator with authority to manage and care for the affairs and assets of an individual who is incapable of managing those affairs and assets,

and includes a person who is appointed to exercise the authority of a creditor under a debenture, bond or other debt security to operate or manage a business or a property of another person but, where a person is appointed to exercise the authority of a creditor under a debenture, bond or other debt security to operate or manage a business or a property of another person, does not include that creditor;

receiver

ss 266(2)

prior to 1993, the definition of "receiver" was given in subsection 266(2) and means

(a) a receiver or receiver-manager who is appointed under a debenture, bond or other debt security agreement or under a court order to manage or operate the business or property of a person,

(b) a liquidator who is appointed to liquidate the assets of a corporation or to wind up the affairs of the corporation, and

(c) a committee, guardian or curator who is appointed to manage and care for the affairs and assets of an individual who is incapable of managing those affairs and assets;

Section 1.5 page 45 (Sep-94)

recipient

ss 123(1)

of a supply of property or a service means

(a) where consideration for the supply is payable under an agreement for the supply, the person who is liable under the agreement to pay that consideration,

(b) where paragraph (a) does not apply and consideration is payable for the supply, the person who is liable to pay that consideration, and

(c) where no consideration is payable for the supply,

(i) in the case of a supply of property by way of sale, the person to whom the property is delivered or made available,

(ii) in the case of a supply of property otherwise than by way of sale, the person to whom possession or use of the property is given or made available, and

(iii) in the case of a supply of a service, the person to whom the service is rendered,

and any reference to a person to whom a supply is made shall be read as a reference to the recipient of the supply;

record

ss 123(1)

includes a book, an account, a statement, a voucher, an invoice, a letter, a telegram, an agreement and a memorandum, whether recorded in writing or in some other manner and whether or not some process must be applied to the record to make it readily intelligible;

registered party

ss 164(2)

for the purposes of subsection 164(1) means a party (including any regional or local association of the party), a candidate or a referendum committee governed by an Act of Parliament or a law of a province that imposes requirements relating to election finances or referendum expenses;

registrant

means a person who is registered, or who is required to be registered, under Subdivision d of

Division V of Part IX of the Act;

ss 123(1)

registration number in these Regulations, means the registration number assigned to a person pursuant to section 241 of the Act;

Publications Supplied by a Non-Resident Registrant Regulations

regulatory body in Part III of Schedule V, means a body that is constituted or empowered by an Act of Parliament or of the legislature of a province to regulate the practice of a profession or trade by setting standards of knowledge and proficiency for practitioners of the profession or trade;

Schedule V, Part III, section 1

Section 1.5 page 46 (Sep-94)

related convention supplies means property or services acquired or imported by a person exclusively for consumption, use or supply by the person in connection with a convention, but does not include

ss 123(1)

- (a) transportation services, other than a chartered service acquired by the person solely for the purpose of transporting attendees of the convention between any of the convention facilities, places of lodging of the attendees or transportation terminals,
- (b) food, beverages or entertainment,
- (c) property or services that are supplied to the person under a contract for catering, or
- (d) property or services supplied by the person in connection with the convention for consideration that is separate from the consideration for the admission to the convention, unless the recipient of the supply is acquiring the property or services exclusively for consumption or use in the course of promoting, at the convention, property or services supplied by, or a business of, the recipient;

related persons persons are related to each other for the purposes of Part IX of the Act if, by reason of subsections 251(2) to (6) of the *Income Tax Act*, they are related to each other for the purposes of that Act;

ss 126(2)

relation for purposes of the GST new housing rebate, a "relation" of a particular individual means another individual who is related to the particular individual or who is a former spouse of the particular individual;

s 254, 254.1, 255 and 256

release has the same meaning as in the *Customs Act*;

ss 123(1)

relevant assets in this section, "relevant assets" of a receiver means

ss 266(1)

- (a) where the receiver's authority relates to all the properties, businesses, affairs and assets of a person, all those properties, businesses, affairs and assets, and
- (b) where the receiver's authority relates to only part of the properties, businesses, affairs or assets of a person, that part of the properties, businesses, affairs or assets, as the case may be;

remaining duties payable in these Regulations, "remaining duties payable" in respect of any goods, means the total of all customs duties, excise duties and excise taxes (other than tax under Part IX of the Act) in respect of the goods to the extent that they have not been remitted, removed, relieved or reduced;

Value of Imported Goods (GST) Regulations

reporting period of a person means the reporting period of the person as determined under sections 245 to 251 of the Act;

ss 123(1)

Section 1.5 page 47 (Sep-94)

reporting period in Division IV of Part IX of the Act, "reporting period" of a recipient means

s 217

- (a) where the recipient is a registrant, a reporting period of the recipient as determined under sections 245 to 251 of the Act, and
- (b) in any other case, a calendar quarter;

representative in this section, means

ss 270(1)

- (a) a person, other than a trustee in bankruptcy or a receiver, who is administering, winding up, controlling or otherwise dealing with any property, business, commercial activity or estate of a registrant, and
- (b) an executor, within the meaning assigned by subsection 267(2) of the Act, of an individual who is a registrant;

residential complex means

ss 123(1)

- (a) that part of a building in which one or more residential units are located, together with
 - (i) that part of any common areas and other appurtenances to the building and the land immediately contiguous to the building that is reasonably necessary for the use and enjoyment of the building as a place of residence for individuals, and
 - (ii) that proportion of the land subjacent to the building that that part of the building is of the whole building,
- (b) that part of a building that is
 - (i) the whole or part of a semi-detached house, rowhouse unit, residential condominium unit or other similar premises that is, or is intended to be, a separate parcel or other division of real property owned, or intended to be owned, apart from any other unit in the building, and
 - (ii) a residential unit,together with that proportion of any common areas and other appurtenances to the building and the land subjacent or immediately contiguous to the building that is attributable to the unit and that is reasonably necessary for its use and enjoyment as a place of residence for individuals,
- (c) the whole of a building described in paragraph (a), or the whole of a premises described in subparagraph (b)(i), that is owned by or has been supplied by way of sale to an individual and that is used primarily as a place of residence of the individual, an individual related to the individual or a former spouse of the individual, together with
 - (i) in the case of a building described in paragraph (a), any appurtenances to the building, the land subjacent to the building and that part of the land immediately

contiguous to the building, that are reasonably necessary for the use and enjoyment of the building, and

Section 1.5 page 48 (Sep-94)

(ii) in the case of a premises described in subparagraph (b)(i), that part of any common areas and other appurtenances to the building and the land subjacent or immediately contiguous to the building that is attributable to the unit and that is reasonably necessary for the use and enjoyment of the unit,

(d) a mobile home, together with any appurtenances to the home and, where the home is affixed to land (other than a site in a residential trailer park) for the purpose of its use and enjoyment as a place of residence for individuals, the land subjacent or immediately contiguous to the home that is attributable to the home and is reasonably necessary for that purpose, and

(e) a floating home,

but not including a building, or that part of a building, that is a hotel, a motel, an inn, a boarding house, a lodging house or other similar premises, or the land and appurtenances attributable to the building or part, where the building is not described in paragraph (c) and all or substantially all of the supplies of residential units in the building or part by way of lease, licence or similar arrangement are, or are expected to be, for periods of less than sixty days;

residential condominium unit

ss 123(1)

means a residential complex that is, or is intended to be, a bounded space in a building designated or described as a separate unit on a registered condominium or strata lot plan or description, or a similar plan or description registered under the laws of a province, and includes any interest in land pertaining to ownership of the unit;

residential trailer park

ss 123(1)

of a person means the land that is included in a trailer park of the person or, where the person has two or more trailer parks that are immediately contiguous to each other, the land that is included in those contiguous trailer parks, and any buildings, fixtures and other appurtenances to the land that are reasonably necessary for

(a) the use and enjoyment of sites in the trailer parks by individuals residing in or occupying mobile homes, or travel trailers, motor homes or similar vehicles or trailers, situated or to be situated on those sites, or

(b) the purpose of engaging in the business of supplying those sites by way of lease, licence or similar arrangement,

but does not include such land and appurtenances or any part of them unless the land encompasses at least two sites and all or substantially all of the sites in the trailer parks

(c) are supplied, or are intended to be supplied, by way of lease, licence or similar arrangement for a period of at least

(i) one month, in the case of a mobile home or other residential unit, and

(ii) twelve months, in the case of a travel trailer, motor home or similar vehicle or trailer that is not a residential unit, and

Section 1.5 page 49 (Sep-94)

(d) if the sites were occupied by mobile homes, would be suitable for use by individuals as places of residence throughout the year;

residential unit

means

ss 123(1)

(a) a detached house, semi-detached house, rowhouse unit, condominium unit, mobile home, floating home or apartment,

(b) a suite or room in a hotel, a motel, an inn, a boarding house, a lodging house or a residence for students, elderly persons, infirm persons or other individuals, or

(c) any other similar premises,

or that part thereof that

(d) is occupied by an individual as a place of residence or lodging,

(e) is supplied by way of lease, licence or similar arrangement for the occupancy thereof as a place of residence or lodging for individuals,

(f) is vacant, but was last occupied or supplied as a place of residence or lodging for individuals, or

(g) has never been used or occupied for any purpose, but is intended to be used as a place of residence or lodging for individuals;

retail establishment

*Streamlined Accounting (GST)
Regulations*

in these Regulations, a "retail establishment" of a registrant means a shop or store of the registrant at which the registrant primarily carries on the business of making supplies of property or services to consumers thereof attending at the shop or store;

returnable container

ss 226(1)

in this section, means a beverage container (other than a usual container for a beverage the supply of which is included in Part III of Schedule VI) of a class that

(a) is ordinarily acquired by consumers,

(b) when acquired by consumers, is ordinarily filled and sealed, and

(c) is ordinarily supplied empty by consumers for consideration;

right

ss 188.1(1)

in this section, "right" of an issuer means a right to play or participate in a game of chance conducted by the issuer;

sale

ss 123(1)

in respect of property, includes any transfer of the ownership of the property and a transfer of the possession of the property under an agreement to transfer ownership of the property;

Section 1.5 page 50 (Sep-94)

sales aid

s 178.1

(in effect after March 1993) in this section and in sections 178.2 to 178.5, "sales aid" of a person who is a direct seller or an independent sales contractor of a direct seller means a customized business form or a sample, demonstration kit, promotional or instructional item, catalogue or other personal property that is acquired, manufactured or produced by the person for sale to assist in the promotion, sale or distribution of exclusive products of the direct seller, but does not include an exclusive product of the direct seller or property that is sold, or held for sale, by the person to an independent sales contractor of the direct seller who is acquiring the property for use as capital property;

sales aid

(in effect before April 1993) in this section and in sections 178.2 to 178.5, "sales aid" means personal property that is supplied by a direct seller or an independent sales contractor of the

s 178.1

direct seller to assist in the promotion, sale or distribution of exclusive products of the direct seller and includes a sample, demonstration kit, promotional or instructional item, catalogue and customized business form;

school authority

ss 123(1)

means an organization or that part of an organization that operates in a province an elementary or secondary school in which it provides instruction that meets the standards of educational instruction established by the government of the province;

secured creditor

ss 317(4)

in subsection 317(3), means a particular person who has a security interest in the property of another person or who acts for or on behalf of the particular person with respect to the security interest, and includes a trustee appointed under a trust deed relating to a security interest, a receiver or receiver-manager appointed by a secured creditor or by a court on the application of a secured creditor, a sequestrator and any other person performing a similar function;

security interest

ss 317(4)

in subsection 317(3), means any interest in property that secures payment or performance of an obligation, and includes an interest created by or arising out of a debenture, mortgage, hypothec, lien, pledge, charge, deemed or actual trust, assignment or encumbrance of any kind whatever, however or whenever arising, created, deemed to arise or otherwise provided for;

segregated fund

ss 123(1)

of an insurer means a specified group of properties that is held in respect of insurance policies all or part of the reserves for which vary in amount depending on the fair market value of the properties;

selected public service body

ss 259(1)

in section 259 and in the *Streamlined Accounting (GST) Regulations* Part V - Special Quick Method for PSBs, section 19, "selected public service body" means

- (a) a hospital authority,
- (b) a school authority that is established and operated otherwise than for profit,
- (c) a university that is established and operated otherwise than for profit,

Section 1.5 page 51 (Sep-94)

- (d) a public college, or
- (e) a municipality;

service

ss 123(1)

means anything other than

- (a) property
- (b) money, and
- (c) anything that is supplied to an employer by a person who is or agrees to become an employee of the employer in the course of or in relation to the office or employment of that person;

shareholder

under the *Income Tax Act* and in sections 123, 170, 172, 173 and section 12, Part I, Schedule V

Income Tax Act
ss 248(1)

to the Act. "shareholder" includes a member or other person entitled to receive payment of a dividend;

shipper

Schedule VI, Part VII
ss 221(4)
ss 343(3)

in subsection 221(3), section 343 and Part VII of Schedule VI, a "shipper" of tangible personal property means the person who, in respect of a continuous freight movement or a continuous outbound freight movement, transfers possession of the property being shipped to a carrier at the origin of the freight movement and, for greater certainty, does not include a person who is a carrier of the property to which the freight movement relates;

short-term accommodation

ss 123(1)

means a residential complex or a residential unit that is supplied by way of lease, licence or similar arrangement for the purpose of its occupancy by an individual as a place of residence or lodging, where the complex or unit is occupied by the same individual for a period of less than a month;

short-term accommodation

ss 252.1(1)

in sections 252.1 and 252.2, "short-term accommodation" includes any type of overnight shelter (other than shelter on a train, trailer, boat or structure that has means of, or is capable of being readily adapted for, self-propulsion) when supplied as part of a tour package that also includes meals, or food therefor, and the services of a guide, but does not include short-term accommodation that is included in that part of a tour package that is not the taxable portion of the tour package within the meaning of subsection 163(3) of the Act;

single unit residential complex

ss 123(1)

means a residential complex that does not contain more than one residential unit, but does not include a residential condominium unit;

single unit residential complex

s 254, 254.1, 256

(for the purposes of the GST new housing rebate) includes a multiple unit residential complex that does not contain more than two residential units (such as a duplex);

Section 1.5 page 52 (Sep-94)

small supplier

ss 123(1)

(effective April 1, 1993) at any time, means a person who is at that time a small supplier under section 148 or 148.1 of the Act;

small supplier

ss 123(1)

(effective before April 1, 1993) at any time, means a person who is at that time a small supplier under section 148 of the Act;

small supplier division

ss 129(1)

in sections 129 and 129.1, "small supplier division" of a public service body, at any time, means a branch or division of the body that, at that time,

(a) is a branch or division designated by the Minister as an eligible division for the purposes of this section, and

(b) (effective April 1, 1993) would be a small supplier under section 148 if

(b) (before April 1, 1993) would be a small supplier if

(i) the branch or division were a person separate from the body and its other branches or divisions,

(ii) the branch or division were not associated with any other person, and

(iii) every supply made by the body through the branch or division were made by the branch or division;

software in these Regulations, means instructions or data to be processed by data processing equipment;

*Value of Imported Goods (GST)
Regulations*

software products in these Regulations, means computer carrier media including the instructions or data stored thereon, but not including sound or image recordings, integrated circuits, semi-conductors and similar devices or articles incorporating such recordings, circuits, semi-conductors or devices;

*Federal Sales Tax Inventory Rebate
Regulations*

solicitor-client privilege in this section, means the right, if any, that a person has in a superior court in the province where the matter arises to refuse to disclose an oral or documentary communication on the ground that the communication is one passing between the person and the person's lawyer in professional confidence, except that, for the purposes of section 293 of the Act, an accounting record of a lawyer, including any supporting invoice, voucher or cheque, shall be deemed not to be such a communication;

ss 293(1)

Section 1.5 page 53 (Sep-94)

specified amount in this section, "specified amount", in respect of a patronage dividend paid by a person in a fiscal year of the person, means the amount determined by the formula

ss 233(1)

$$A \times (B + D) / (C + D)$$

where

A is the amount of the patronage dividend,

B is the total value of all consideration that became due, or was paid without having become due, in the immediately preceding fiscal year of the person while the person was a registrant for taxable supplies (other than supplies by way of sale of capital property of the person and zero-rated supplies) made in Canada by the person,

C is the total value of all consideration that became due, or was paid without having become due, in the immediately preceding fiscal year of the person for taxable supplies (other than supplies by way of sale of capital property of the person) made in Canada by the person, and

D is the total of all tax that became payable, or was paid without having become payable, in the immediately preceding fiscal year of the person in respect of taxable supplies (other than supplies by way of sale of capital property of the person) made by the person;

specified Crown agent means a prescribed agent of Her Majesty in right of Canada;

ss 123(1)

specified member in this section, "specified member" of a closely related group means a corporation

ss 156(1)

(a) that is a member of the group,

- (b) that is not a party to an election under subsection 150(1) of the Act, and
- (c) all or substantially all of the property of which (other than financial instruments) was last manufactured, constructed, produced, acquired or imported by the corporation for consumption, use or supply exclusively in the course of commercial activities of the corporation or, where the corporation has no property (other than financial instruments), all or substantially all of the supplies made by which are taxable supplies;

specified property in section 230.2 means goods described in section 1 of Part XIV of Schedule III;
ss 230.2(1)

specified property in subsection 337(7), means property in respect of which a person would be required to pay tax under paragraph 50(1)(a) of the Act if the person were a licensed manufacturer of the property under Part VI and the person had sold and delivered the property to a consumer in Canada in 1990;
ss 337(8)

Section 1.5 page 54 (Sep-94)

specified property in Part IV of these Regulations, "specified property" in respect of a person, means property of the person other than real property, capital assets and eligible capital property of the person;
Streamlined Accounting (GST) Regulations
Part IV – Quick Method, section 15

specified property in Part V of these Regulations, "specified property" in respect of a registrant, means capital assets and eligible capital property of the registrant;
Streamlined Accounting (GST) Regulations
Part V – Special Quick Method for PSBs, section 19

specified registrant in Part IV of these Regulations, "specified registrant" at any time, means a registrant who
Streamlined Accounting (GST) Regulations
Part IV – Quick Method, section 15

- (a) throughout the four fiscal quarters of the registrant immediately preceding the fiscal quarter of the registrant that includes that time,
 - (i) was not a listed financial institution,
 - (ii) did not render a legal, accounting or actuarial service in the course of a professional practice of the registrant, and
 - (iii) did not render a book-keeping, financial consulting, tax consulting or tax return preparation service in the course of a commercial activity of the registrant,
- (b) at that time, is not a charity or selected public service body within the meaning of section 259 of the Act, and
- (c) is not a qualifying non-profit organization, within the meaning of section 259 of the Act,
 - (i) at the beginning of the reporting period of the registrant that includes that time, where that reporting period is the fiscal month or fiscal quarter of the registrant, and
 - (ii) at the end of the reporting period of the registrant that includes that time, in any other case;

specified residential complex in this section, means

- (a) a multiple unit residential complex containing more than two residential units where the construction or substantial renovation of the complex began before 1991 and

ss 121(1)

subsection 191(3) of the Act did not apply and, notwithstanding subsections 191(6) and (7) of the Act, would not have applied, after the construction or substantial renovation began and before 1991, to deem a supply of the complex to have been made, or

Section 1.5 page 55 (Sep-94)

(b) a residential condominium unit where the construction or substantial renovation of the condominium complex in which the unit is situated began before 1991 and neither subsection 191(1) nor (2) of the Act applied, after the construction or substantial renovation began and before 1991, to deem a supply of the unit to have been made;

specified share

*Closely Related Corporations
(GST) Regulations*

in these Regulations, means an issued and outstanding share of the capital stock of a corporation having full voting rights under all circumstances;

**specified single unit
residential complex**

ss 121(1)

in this section, means a residential complex (other than a floating home or a mobile home)

- (a) that is a single unit residential complex or a multiple unit residential complex containing not more than two residential units,
- (b) the construction or substantial renovation of which began before 1991, and
- (c) that was not occupied by any individual as a place of residence or lodging after the construction or substantial renovation began and before 1991;

specified supply

*Streamlined Accounting (GST)
Regulations*
Part IV – Quick Method, section 15

in Part IV of these Regulations, means a taxable supply other than

- (a) a supply by way of sale of real property, capital assets or eligible capital property of the supplier,
- (b) a supply of a financial service,
- (c) a supply deemed under section 172 or 173 of the Act to have been made, and

[Notice of Ways and Means
Motion, June 1, 1993]

- [effective June 1, 1993
- (d) a zero-rated supply,
- (e) a supply made outside Canada, and
- (f) a supply in respect of which the recipient is not required to pay tax because of an Act of Parliament unless, in the case of a supply to Her Majesty in right of a province, Her Majesty in right of that province has agreed, under an agreement with Her Majesty in right of Canada, to pay the tax under Part IX of the Act in respect of the supply;]

specified supply
*Streamlined Accounting (GST)
Regulations*
Part V – Special Quick Method for
PSBs, section 19

in Part V of these Regulations, in respect of a registrant, means

- (a) a supply by way of sale of real property,
- (b) a supply by way of sale of a specified property that has a fair market value at the time of the supply of at least \$10,000,
- (c) a supply made by the registrant by way of sale of a specified property where the registrant has claimed, or is entitled to claim, an input tax credit in respect of the last supply to, or importation by, the registrant of the property,

Section 1.5 page 56 (Sep-94)

(d) a supply deemed under subsection 172(2), 173(1) or 183(3) of the Act to have been made by the registrant,

[Notice of Ways and Means
Motion, June 1, 1993]
[effective June 1, 1993]

(e) a zero-rated supply,

(f) a supply made outside Canada, and

(g) a supply in respect of which the recipient is not required to pay tax because of an Act of Parliament unless, in the case of a supply to Her Majesty in right of a province, Her Majesty in right of that province has agreed, under an agreement with Her Majesty in right of Canada, to pay the tax under Part IX of the Act in respect of the supply.]

specified tangible personal property

ss 123(1)

means property that is, or is an interest in,

(a) a print, an etching, a drawing, a painting, a sculpture or other similar work of art,

(b) jewellery,

(c) a rare folio, a rare manuscript or a rare book,

(d) a stamp,

(e) a coin, or

(f) prescribed personal property; see *Specified Tangible Personal Property (GST) Regulations*.

specified tax rate

Taxes, Duties and Fees (GST)
Regulations

in these Regulations, "specified tax rate" of a province means the rate that is the greater of

(a) 12%, and

(b) the general retail sales tax rate of the province plus 4%;

sponsor

ss 123(1)

of a convention means the person who convenes the convention and supplies admissions to it;

status

Input Tax Credit Information
Regulations

in these Regulations means, in respect of a supply,

(a) exempt,

(b) taxable and zero-rated, or

(c) taxable and not zero-rated;

Section 1.5 page 57 (Sep-94)

stopover

Schedule VI, Part VII, section 1

in Part VII of Schedule VI, "stopover" in respect of a continuous journey of an individual or a group of individuals, means any place at which the individual or group embarks or disembarks a conveyance used in the provision of a passenger transportation service included in the continuous journey, for any reason other than transferring to another conveyance to allow for servicing or refuelling of the conveyance;

substantial completion ss 191(9)	in section 191, the construction or substantial renovation of a multiple unit residential complex or a condominium complex, or the construction of an addition to a multiple unit residential complex, shall be deemed to be substantially completed not later than the day all or substantially all of the residential units in the complex or addition are occupied after the construction or substantial renovation is begun;
substantial renovation ss 123(1)	of a residential complex means the renovation or alteration of a building to such an extent that all or substantially all of the building that existed immediately before the renovation or alteration was begun, other than the foundation, external walls, interior supporting walls, floors, roof and staircases, has been removed or replaced where, after completion of the renovation or alteration, the building is, or forms part of, a residential complex;
suggested retail price s 178.1	in this section and in sections 178.2 to 178.5, "suggested retail price" at any time of an exclusive product of a direct seller means the lowest price published by the direct seller applicable to supplies of the product made at that time to purchasers, but does not include any amount on account of tax;
supplier ss 123(1)	in respect of a supply, means the person making the supply;
supply ss 123(1)	means, subject to sections 133 and 134 of the Act, the provision of property or a service in any manner, including sale, transfer, barter, exchange, licence, rental, lease, gift or disposition;
supporting documentation <i>Input Tax Credit Information Regulations</i>	<p>in these Regulations, means the form in which information prescribed by section 3 of these Regulations is contained, and includes</p> <ul style="list-style-type: none"> (a) an invoice, (b) a receipt, (c) a credit-card receipt, (d) a debit note, (e) a book or ledger of account, (f) a written contract or agreement, <p style="text-align: right;">Section 1.5 page 58 (Sep-94)</p> <ul style="list-style-type: none"> (g) any record contained in a computerized or electronic retrieval or data storage system, and (h) any other document validly issued or signed by a registrant in respect of a supply made by the registrant in respect of which there is tax paid or payable;
tax ss 123(1)	means tax payable under Part IX of the Act (Goods and Services Tax);

taxable percentage in section 163 and in Part VI of Schedule VI, "taxable percentage" at a particular time, of a tour package means
ss 163(3)

- (a) where the difference between the base fraction at that time of the package and the initial taxable percentage of the package or the base fraction of the package at an earlier time is more than 10%, the base fraction of the package at the particular time, and
- (b) in any other case, the initial taxable percentage of the package;

taxable portion in section 163 and in Part VI of Schedule VI, "taxable portion" of a tour package means all property and services included in the tour package and in respect of which tax under Division II would be payable if the property or service were supplied otherwise than as part of a tour package;
ss 163(3)

taxable supply means a supply that is made in the course of a commercial activity;
ss 123(1)

taxation area in Part VII of Schedule VI means Canada, the United States (except Hawaii) and the islands of St. Pierre and Miquelon;
Schedule VI, Part VII, section 1

taxation year (effective June 10, 1993) of a person means
ss 123(1)

- (a) where the person is a taxpayer, within the meaning of that term in the *Income Tax Act* (other than an unincorporated person exempt because of subsection 149(1) of that Act from tax under Part I of that Act on all or part of the person's taxable income), the taxation year of the person for the purposes of that Act, and
- (b) in any other case, the period that would be the taxation year of the person for the purposes of that Act if the person were a corporation;

taxation year (effective before June 10, 1993) of a person means
ss 123(1)

- (a) where the person is a taxpayer within the meaning of that term in the *Income Tax Act*, the taxation year of the person for the purposes of that Act, and
- (b) in any other case, the period that would be the taxation year of the person for the purposes of that Act if the person were a corporation;

Section 1.5 page 59 (Sep-94)

tax benefit in this section means a reduction, an avoidance or a deferral of tax or other amount payable under Part IX of the Act or an increase in a refund or rebate of tax or other amount under this Part;
ss 274(1)

Tax Court means the Tax Court of Canada;
ss 123(1)

tax consequences ss 274(1)	in this section, "tax consequences" to a person means the amount of tax, net tax, input tax credit, rebate or other amount payable by, or refundable to, the person under Part IX of the Act, or any other amount that is relevant to the purposes of computing that amount;
tax fraction ss 123(1)	means 7/107;
tax paid or payable <i>Input Tax Credit Information Regulations</i>	in these Regulations, means tax that became payable or, if it had not become payable, was paid;
taxi business ss 123(1)	means a business carried on in Canada of transporting passengers by taxi for fares that are regulated under the laws of Canada or a province;
termination Schedule VI, Part VII, section 1	in Part VII of Schedule VI, "termination" of a continuous journey means the place where the passenger transportation service that is included in the continuous journey and that is last provided ends;
tool Schedule VI, Part V, section 14	in section 14 of Part V of Schedule VI, means a device for use in, or attachment to, production machinery that is for the assembling of materials or the working of materials by turning, milling, grinding, polishing, drilling, punching, boring, shaping, shearing, pressing or planing;
tour package ss 163(3)	in section 163 and in Part VI of Schedule VI means a combination of two or more services, or of property and services, that includes transportation services, accommodation, a right to use a campground or trailer park, or guide or interpreter services, where the property and services are supplied together for an all-inclusive price;
tour package ss 252.1(1)	in sections 252.1 and 252.2, "tour package" has the meaning assigned by subsection 163(3) of the Act, but does not include a tour package that includes a convention facility or related convention supplies;
trailer park ss 123(1)	of a person means a piece of land that is owned by or leased to the person and that is exclusively composed of <ul style="list-style-type: none"> (a) one or more sites each of which is, or is intended to be, supplied by the person by way of lease, licence or similar arrangement to the owner, lessee or person in occupation or possession of a mobile home, or a travel trailer, motor home or similar vehicle or trailer, situated or to be situated on the site, and (b) other land that is reasonably necessary for <ul style="list-style-type: none"> (i) the use and enjoyment of the sites by individuals residing in or occupying mobile homes, or travel trailers, motor homes or similar vehicles or trailers, situated or to be

situated on those sites, or

(ii) the purpose of engaging in the business of supplying the sites by way of lease, licence or similar arrangement;

transaction in this section, includes an arrangement or event;

ss 274(1)

transit authority in Part VI of Schedule V means

Schedule V, Part VI, section 1

(a) a division, department or agency of a government, municipality or school authority, the primary purpose of which is to supply public passenger transportation services, or

(b) a non-profit organization that

(i) receives funding from a government, municipality or school authority to support the supply of public passenger transportation services, or

(ii) is established and operated for the purpose of providing public passenger transportation services to disabled individuals;

ultimate recipient in this section means a recipient of a pass-through supply;

ss 178.6(1)

university means a recognized degree-granting institution and an organization or that part of an organization that operates a college affiliated with such an institution or that operates a research body of such an institution;

ss 123(1)

used tangible personal property and used specified tangible personal property means tangible personal property that has, at any time, been used in Canada and used specified tangible personal property means specified tangible personal property unless satisfactory evidence is available to establish that

ss 123(1)

(a) where the property is a print, an etching, a drawing, a painting, a sculpture or other similar work of art, it has been held in Canada solely for supply in the ordinary course of business by a registrant since the latest of

(i) the day the person who created the property first made a supply by way of sale of the property,

Section 1.5 page 61 (Sep-94)

(ii) the beginning of January 1, 1991, and

(iii) the day the property was last imported, and

(b) where the property is property not referred to in paragraph (a), it has been held in Canada solely for supply in the ordinary course of business by a registrant since the later of

(i) the beginning of January 1, 1991, and

(ii) the day the property was last imported;

value for consideration ss 153(1)	<p>subject to Division I of the Act, the value of the consideration, or any part thereof, for a supply shall, for the purposes of Part IX of the Act, be deemed to be equal to</p> <p>(a) where the consideration or that part is expressed in money, the amount of the money, and</p> <p>(b) where the consideration or that part is other than money, the fair market value of the consideration or that part at the time the supply was made;</p>
value for duty <i>Value of Imported Goods (GST) Regulations</i>	<p>in these Regulations means value for duty within the meaning of the <i>Customs Act</i>;</p>
vessel <i>Value of Imported Goods (GST) Regulations</i>	<p>in these Regulations means a vessel within the meaning of the <i>Vessel Duties Reduction or Removal Regulations</i>;</p>
vocational school Schedule V, Part III, section 1	<p>in Part III of Schedule V means an organization that is established and operated primarily to provide students with</p> <p>(a) correspondence courses, or</p> <p>(b) instruction in courses</p> <p>that develop or enhance students' occupational skills and includes an educational institution that is certified by the Minister of Employment and Immigration for the purposes of subsection 118.5(1) of the <i>Income Tax Act</i>;</p>
zero-rated supply ss 123(1)	<p>means a supply included in Schedule VI to the Act.</p>

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