

Collect & Remit (tax) - Canada

[GUIDE.SUMMARY](#) For [CAFR](#), see [a](#)

https://cskb.qa.ebay.com/cskbapp/art?page_content&id=GUIDE1786&ViewLocale=en_US#RelatedLinks to download a translated version of this guide.

From July 1, 2022, eBay Canada is required to collect, report and remit GST/HST and PST/QST on:

- Intra-Canada transactions of taxable goods and services, and

- Digitally delivered goods ("DDG") sold to Canadian buyers (buyers registration address is Canada) from anywhere in the world

What

Due to legislative changes in Canada's tax laws, eBay will charge and collect Canadian GST/HST, QST, and PST on

applicable sales to Canada-based buyers, effective July 1, 2022. These changes will affect most e-commerce companies that operate in Canada.

The drafted rules reference "distribution platform operators," which include marketplace facilitators.

As a distribution platform operator, eBay will calculate, collect, and remit applicable taxes (GST/HST and

PST/QST) in all provinces.

When

This change is effective July 1, 2022, and buyers will begin to see sales taxes on their purchases starting on this date.

Who

Buyers based in Canada are impacted as they'll begin to see

Canadian sales taxes (GST/HST/QST/PST) on applicable purchases they make on eBay.

Additionally, sellers will be alleviated of the administrative burden to accurately charge and

collect sales taxes on taxable sales made through eBay.

Note that sales tax tables

were disabled from July 1, 2022 until April 6, 2023.

How

eBay will be responsible for the collection of applicable taxes on all transactions intra-Canada and will be

reporting the taxes collected on their registration number directly to the appropriate government

agencies using eBay's registered tax ID.

[GUIDE.RELATED_LINKS](#) Related pages

- [CAFR translation of](#)

- [GUIDE1786](#) (PDF)

https://ir.ebaystatic.com/cr/v/c01/cafr/CAFR_Collect_Remmit_Canada.pdf

c.com/cr/v/c01/cafr/CAFR_Collect_Remit_Canada.pdf Understand tax obligations that may affect you in Canada

href="https://pages.ebay.ca/salestax2022/">https://pages.ebay.ca/salestax2022/
Tax policy

href="https://www.ebay.ca/help/policies/selling-policies/tax-policy?id=4348">https://www.ebay.ca/help/policies/selling-policies/tax-policy?id=4348 Taxes and import charges

href="https://www.ebay.ca/help/selling/fees-credits-invoices/taxes-import-charges?id=4121">https://www.ebay.ca/help/selling/fees-credits-invoices/taxes-import-charges?id=4121
Paying tax on eBay purchase

href="https://www.ebay.ca/help/buying/paying-items/paying-tax-ebay-purchases?id=4771">https://www.ebay.ca/help/buying/paying-items/paying-tax-ebay-purchases?id=4771
eBay.ca User Agreement

href="https://www.ebay.ca/help/policies/member-behaviour-policies/user-agreement?id=4259">https://www.ebay.ca/help/policies/member-behaviour-policies/user-agreement?id=4259
Government of CA: Notification and information reporting

href="https://www.canada.ca/en/revenue-agency/services/tax/businesses/topics/gst-hst-businesses/digital-economy-gsthst/contact.html">https://www.canada.ca/en/revenue-agency/services/tax/businesses/topics/gst-hst-businesses/digital-economy-gsthst/contact.html
Billing Agent Authorization form
 English:
href="https://ir.ebaystatic.com/cr/v/c1/ca/pdf/Billing_Agent_Election_-_GST_HST_&_QST.pdf">https://ir.ebaystatic.com/cr/v/c1/ca/pdf/Billing_Agent_Election_-_GST_HST_&_QST.pdf

French:
href="https://ir.ebaystatic.com/cr/v/c1/ca/pdf/F_Billing_Agent_Election_-_GST_HST__QST_-_French_Final_May262022.pdf">https://ir.ebaystatic.com/cr/v/c1/ca/pdf/F_Billing_Agent_Election_-_GST_HST__QST_-_French_Final_May262022.pdf

https://cskb.qa.ebay.com/cskbapp/art?page_content&id=GUIDE1786&ViewLocale=en_US#CA Sellqanda Seller questions and answers

https://cskb.qa.ebay.com/cskbapp/art?page_content&id=GUIDE1786&ViewLocale=en_US#CA Buyqanda Buyer questions and answers

https://cskb.qa.ebay.com/cskbapp/art?page_content&id=GUIDE1786&ViewLocale=en_US#CA Generalqanda General questions and answers

[CA Sellqanda](#) Seller questions and answers Should I make any changes in my current listings?

No, there is no further action required by sellers with active listings.

eBay has collected taxes on my sale, why did I only get the net amount?

eBay is responsible for collecting the Canadian sales taxes (GST/HST/QST/PST) and remitting the tax to the appropriate tax authorities on behalf of all Canada-based sellers and non-resident sellers in Canada.

My buyers are saying that an incorrect rate was charged (or that they are exempt)

In Canada, certain products are exempt from tax on the federal level (GST/HST) and/or the provincial level (QST/PST). Some common examples of exempt goods and services include basic groceries and healthcare services.

Some goods and services that are exempt from the federal GST/HST may not be exempt at the provincial level (QST/PST).

eBay has mapped categories to a taxability matrix in Vertex so that the software will exempt (or tax) items based on the item and the ship-to location.

Note: Vertex is a 3rd party tax calculation and invoice software eBay uses to provide tax services to our Premium sellers.

Upon the launch of this sales tax implementation, eBay won't be able to support and accept exemptions for buyers who qualify for exemptions, including resale exemptions, provincial government entities, First Nations or others. Buyers who qualify for exemptions can apply for a rebate from the respective tax authorities for taxes on their exempt purchases.

Internal Information

Buyers may reach out directly to eBay if they are concerned about an incorrect rate of tax

charged on items. Teammates can send an email to _US_GCX_IST@ebay.com (internal DL only).

In your subject line, write 'Canadian GST/PST Inquiries'

Please include this in the body of your email:

- User ID:
- Item Number:
- Ship to State:
- Issue Description:
- Transaction Date:

The team will reply to you within 2 business days.

What are the requirements for sellers who were previously required to collect the tax and now eBay is?

For sellers who previously were required to be registered to collect and remit the tax, please consult with your tax advisor on your monthly filing requirements going forward.

Will eBay be issuing detailed tax information to sellers on a monthly or quarterly basis or will it be done yearly?

Detailed seller reporting information will be provided monthly indicating the eBay collected tax. This will indicate the Federal and Provincial taxes collected from buyers on your sales and the tax that will be remitted by eBay Canada Limited directly to the appropriate taxing authorities. There are no new requirements for sellers who were not previously required to collect and remit. For those sellers who were required to be registered and collecting, this does represent a mid-year change. However, the administrative burden will be eBay's beginning on July 1, 2022.

How can a seller ensure tax is not charged on tax exempt items listed?

Beginning July 1, 2022, eBay will be responsible for the configuration and taxation of all items sold to purchasers in Canada including exempt items. If an error is made, eBay will refund the buyer any tax over-collected and will be responsible for any tax under-collected. eBay is utilizing third party software and taxability rules to ensure the proper tax treatment of all items listed on the site.

When will eBay send the billing agent authorization form for me to complete? And, what is the CRA form number?

The email to all sellers with the billing agent authorization form was sent on Tuesday May 31, 2022. Please feel free to request a copy by emailing: CanadaGST/PST@ebay.com

What authorizations are

required for sellers registered in certain Provinces? For the PST statutes in British Columbia, Manitoba and Saskatchewan, the legislation makes the platform operator responsible to collect taxes without any election, even for registered vendors. The election form provided is for GST/HST and QST-registered vendors only. There's nothing specific to sign in connection with the PST registrations. Sellers outside of Canada who may have a collection responsibility and their tax tables were disabled: Beginning July 1, 2022, eBay is responsible for collecting Canadian sales taxes on applicable sales made intra-Canada and sales of digital goods sold to Canadian buyers. For certain sellers with merchandise located outside Canada there may be instances where the seller is responsible and required to collect and remit taxes. Sellers with eBay sales tax tables were unable to utilize these tables from July 1, 2022 until the fix to re-activate the seller tax tables on April 6, 2023. Information on the re-activated tax tables can be found on the Taxes and import charges page. Depending on individual seller tax collection requirements, some sellers may have been impacted. Please contact the eBay Indirect Tax Team to understand how this will impact your individual/business Canadian sales tax obligations: CanadaGST/PST@ebay.com Buyer questions and answers Why are you charging tax on my purchases? Due to legislative changes in Canada's tax laws, eBay will charge and collect Canadian GST/HST, QST, and PST on applicable sales to Canada-based buyers, effective July 1, 2022. These changes will affect most e-commerce companies that operate in Canada. Will tax be refunded if I return the item? If you return a purchase, you'll also be refunded the sales tax accordingly. Will the tax I paid be refunded if I win a claim for an "item not received" or if I request to cancel the transaction? If your order was canceled, please check your payment method (e.g. PayPal, Credit card). Up to 10 days after your request, you should be able to see the full refund of item price,

additional costs, and sales tax. I should not pay tax as I am exempted
Upon the launch of this sales tax implementation, eBay won't be able to support and accept exemptions for buyers who qualify for exemptions, including resale exemptions, provincial government entities, First Nations or others. Buyers who qualify for exemptions can apply for a rebate from the respective tax authorities for taxes on their exempt purchases.
 General questions and answers Is the tax % applied to net price or including shipping costs? Is this the same in all provinces?
Shipping and handling costs for intra-Canada transactions are generally subject to sales taxes in Canada. The tax rate used is determined by the buyer's delivery address or place of supply. Why is eBay collecting the tax as of July 1, 2022? This new tax requirement is legislated by the Canadian government. eBay will remit all taxes collected to the appropriate taxing authorities as legally required. What about taxes collected prior to July 1, 2022? Prior to July 1, 2022, eBay is not currently collecting any GST/HST/PST/QST on transactions to Canadian buyers. There are some sellers who may be required to collect the tax who were collecting on their sales to Canadian buyers. Any issues with tax collection prior to July 1, 2022 should be directed to the sellers on these transactions.

</h2></h2>GUIDE.DETAILED_INFORMATION		Collect		& remit glossary			
href="https://cskb.qa.ebay.com/cskbapp/art?page_content&id=GUIDE1786&ViewLocale=en_US#refunds">Refunds		Collect		& remit decision making:			
name="glossary"> Collect		& remit glossary			
<table border="1" cellpadding="2" cellspacing="0"> <tbody> <tr> <td>GST</td> <td>Federal Goods &					
Services tax (TPS on CAFR site) GST is only collected in Alberta, Northwest Territories,					

Nunavut, Yukon

HST	Harmonized Sales Tax (TVH on CAFR site)
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HST is only collected in the following provinces: Newfoundland & Labrador, Prince Edward Island, Nova Scotia, New Brunswick and Ontario

HST replaces the QST and GST in certain provinces:	https://www.revenuquebec.ca/en/businesses/consumption-taxes/gsthst-and-qst/
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PST	Provincial Sales Tax (TVP on CAFR site)
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PST is only collected in British Columbia, Manitoba, Saskatchewan (PST)

QST	Quebec Sales Tax (TVQ on CAFR site)
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Provincial Rates for Quebec (QST)

TVQ	Taxe de vente du Québec (also known as QST)
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TPS	La taxe sur les produits et services (GST on CA site)
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TPP	Tangible Personal Property = tangible goods
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RST	Retail Sales Tax
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CRA	Canada Revenue Agency
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RMM	Reverse Money Movement
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DDG	Digitally Delivered Good = intangible goods delivered by electronic means
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Refunds No refunds will be offered to buyers In instances where eBay has incorrectly charged tax or charged an incorrect rate of tax, eBay will need to refund the tax. For exemptions, buyers will have to reach out to Canada Tax authorities to seek a refund of taxes charged. Internal Information If a non-exempt Canada buyer says a particular item should have been tax exempt or if they indicate they were overcharged rate of tax on a purchase, please report examples to

mailto:_US_GCX_IST@ebay.com (internal DL only).

In your subject line, write Canadian GST/PST Inquiries' Please

include this in the body of your email: User ID: Item Number: Ship to State: Issue Description: Transaction Date: The team will reply to you within 2 business days. Collect & remit decision making Physical goods (taxable items):

Example	sneakers	
Physical Goods (tax exempt items):	Example	grocery

Digitally delivered goods (DDG): Example - non-fungible token (NFT)

<h2>GUIDE.INSTRUCTIONSSTEPS_TO_RESOLVE Invoices Seller's view

 Buyers check out experience

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