

Galaxy Tax

Is HST Mandatory for your Business?

The Harmonized Sales Tax, better known as HST, is a consumption tax that the Canadian government expects businesses to have on their products/services. HST is mandatory for specific businesses but not required for all. To determine if you must register for HST see below:

Business Type	Mandatory? (Y/N)	Explanation
Small Regular Business (\$30,000 revenue or lower in 4 consecutive calendar quarters)	No	Revenue is too low to mandate tax
Large Regular Business (\$30,001 revenue or higher in 4 consecutive calendar quarters)	Yes	Revenue is high enough to mandate tax
Small Charities and Public Institutions (First fiscal year, or revenue is \$250,000 or lower)	No	Revenue is too low to mandate tax
Large Charities and Public Institutions (Revenue is \$250,001 or higher)	Yes	Revenue is high enough to mandate tax
Non-Residents	Yes	Must file for HST unless you do not carry on business in Canada
Taxi Operator or Commercial Ride-Sharing Driver	Yes	All commercial drivers must file for HST

https://www.gst-hst.com/?gclid=Cj0KCQjw5eX7BRDQARIsAMhYLP8kajXH3kIukoNxy4AmGCerWILJYTXwcK3s9_yHBmcq3HLzLPPftqlaApvLEALw_wcB or you can apply through mail/fax or telephone. You will need the following information to apply:

1. Determine if you must register
2. Know your fiscal year - this is almost always the same as your tax year
3. Know your total annual revenue
4. Have your personal information on hand - (Social Insurance Number, Date of Birth, Postal Code)

***If your business is selling services/products from Ontario to other provinces and the United States, HST becomes much more expensive and complex.

To learn more contact us for a **free consultation*****