

Election or Revocation of the Election to Have Certain Supplies Made Between Members of a Closely Related Group That Includes a Listed Financial Institution Treated as Supplies of Financial Services

This form is for use by a member of a group of closely related corporations that includes at least one listed financial institution. It enables the member to make or revoke an election with another member of the group to have certain taxable supplies made between them treated as supplies of financial services.

Do not use this form if one of the members that wishes to make or revoke the election is a selected listed financial institution for GST/HST or QST purposes. Instead, use form RC7227, *Elections or Revocation of the Elections to Deem Certain Supplies to be Financial Services for GST/HST and QST Purposes for Selected Listed Financial Institutions*. To obtain the form or the definition of "selected listed financial institution," refer to the Canada Revenue Agency website at canada.ca/taxes.

Before completing this form, see "General information" on page 4.

Indicate why this form is being filed: Election Revocation of an election

If this form is being used to revoke an election, complete only parts 1 and 4. If all of the members of the closely related group do not wish to revoke the election, enter only the names of the members that wish to do so in Part 1 of the form.

1 Information on the corporations making or revoking the election

If you need more space, enter the requested information on a photocopy of page 2 and enclose it with this form.

GST/HST account number	Québec enterprise number (NEQ)	Identification number	File
R T			T Q
Name of corporation			
Commercial name (if different from above)			
Mailing address			Postal code
Contact person	Title	Area code Telephone	Extension
Is the corporation a listed financial institution? <input type="checkbox"/> Yes <input type="checkbox"/> No			
Certification			
I certify that the information provided on this form is, to the best of my knowledge, accurate and complete, and that I am authorized to sign on behalf of the above-mentioned corporation.			
Last name and first name of authorized person		Title	Signature
			Date

Personal information is collected under the Excise Tax Act to administer tax, rebates, and elections. It may also be used for any purpose related to the enforcement of the Act such as audit, compliance and collection activities. It may be shared or verified with other federal, provincial, territorial or foreign government institutions to the extent authorized by law. Failure to provide this information may result in interest payable, penalties or other actions. Under the Privacy Act, individuals have the right to: access their personal information; request corrections; or, file a complaint to the Privacy Commissioner of Canada regarding the handling of the individual's personal information. Refer to Personal Information Bank CRA PPU 241 on Info Source at canada.ca/cra-info-source.



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1 Information on the corporations making or revoking the election (cont.)

GST/HST account number	Québec enterprise number (NEQ)	Identification number	File
R T			T Q

Name of corporation			
Commercial name (if different from above)			
Mailing address			Postal code
Contact person	Title	Area code Telephone	Extension
Is the corporation a listed financial institution? <input type="checkbox"/> Yes <input type="checkbox"/> No			
Certification			
I certify that the information provided on this form is, to the best of my knowledge, accurate and complete, and that I am authorized to sign on behalf of the above-mentioned corporation.			
_____	_____	_____	_____
Last name and first name of authorized person	Title	Signature	Date

GST/HST account number	Québec enterprise number (NEQ)	Identification number	File
R T			T Q

Name of corporation			
Commercial name (if different from above)			
Mailing address			Postal code
Contact person	Title	Area code Telephone	Extension
Is the corporation a listed financial institution? <input type="checkbox"/> Yes <input type="checkbox"/> No			
Certification			
I certify that the information provided on this form is, to the best of my knowledge, accurate and complete, and that I am authorized to sign on behalf of the above-mentioned corporation.			
_____	_____	_____	_____
Last name and first name of authorized person	Title	Signature	Date

GST/HST account number	Québec enterprise number (NEQ)	Identification number	File
R T			T Q

Name of corporation			
Commercial name (if different from above)			
Mailing address			Postal code
Contact person	Title	Area code Telephone	Extension
Is the corporation a listed financial institution? <input type="checkbox"/> Yes <input type="checkbox"/> No			
Certification			
I certify that the information provided on this form is, to the best of my knowledge, accurate and complete, and that I am authorized to sign on behalf of the above-mentioned corporation.			
_____	_____	_____	_____
Last name and first name of authorized person	Title	Signature	Date



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2 Information on the listed financial institution(s)

Please provide the information requested below for any listed financial institution that is a member of the closely related group, but does not wish to make the election. It is not mandatory for the listed financial institution to be one of the members of the group making the election.

Name of the listed financial institution			
Québec enterprise number (NEQ)	Identification number	File	GST/HST account number
		T Q	R T

Name of the listed financial institution			
Québec enterprise number (NEQ)	Identification number	File	GST/HST account number
		T Q	R T

3 Eligibility

Are the corporations named in Part 1 members of the same closely related group? Yes No

Is at least one of the members of the closely related group a listed financial institution? Yes No

If you answered **Yes** to both of the questions above, the corporations may make the election.

4 Election or revocation of election

The corporations that are members of the closely related group and that are named in Part 1 jointly make or revoke the election to have certain taxable supplies made between the corporations treated as exempt supplies (that is, as supplies of financial services).

Effective date of the election Effective date of the revocation of the election

Note: The election may be revoked only if it has been in effect for at least 365 days.



General information

Effect of the election

Once the election has been made by at least two members of a group of closely related corporations, supplies of services and supplies of property by way of lease, licence or similar arrangement between the members having made the election are treated as supplies of financial services. Such supplies are considered to be exempt from the GST/HST and the QST. The tax status of all other supplies remains unchanged.

The election does not apply to the following supplies:

- property held or services rendered by a member of the group as a participant in a joint venture with another person while an election made jointly by the member and the other person under section 273 of the *Excise Tax Act* (ETA) and section 346 of the *Act respecting the Québec sales tax* (AQST) is in effect;
- imported taxable supplies as defined in section 217 of the ETA and section 18 of the AQST;
- certain supplies of services in relation to the clearing or settlement of cheques and other payment items described in paragraph 150(2)(c) of the ETA and subparagraph 3 of the first paragraph of section 297.0.2.2 of the AQST.

While such an election is in effect, each member that made the election is considered to be a financial institution.

Election or revocation of election

The election must be made jointly by the corporations and filed with Revenu Québec no later than the date they are required to file their GST/HST and QST return for the period during which the election takes effect.

The election may be revoked only if it has been in effect for at least 365 days. Revocation takes effect on the date entered in Part 4. If no notice of the revocation is sent to us, the election ceases to be in effect on the earlier of the following dates:

- the date on which one of the members ceases to be a member of the group of closely related corporations; or
- the date on which the group of closely related corporations ceases to include as one of its members a listed financial institution (other than a corporation that is a financial institution solely pursuant to section 151 of the ETA and section 297.0.2.6 of the AQST).

When the election ceases to be in effect, the members that made the election may not make a new election without the written consent of Revenu Québec.

Filing the form

Send the form to Revenu Québec at one of the following addresses:

- 3800, rue de Marly, Québec (Québec) G1X 4A5
- C.P. 3000, succursale Place-Desjardins, Montréal (Québec) H5B 1A4

Additional information

For additional information, visit our website at revenuquebec.ca or call our client services, toll-free, at 1 800 567-4692.

Definitions and explanations

Closely related group

A group of corporations, each member of which is a registrant resident in Canada and is closely related, within the meaning of section 128 of the ETA and section 330 of the AQST, to every other member of the group.

Note

A non-resident insurer that has a permanent establishment in Canada is deemed to be resident in Canada.

Listed financial institution

A person is a listed financial institution throughout the taxation year if the person is, at any time in the particular year,

- a bank;
- a corporation authorized to carry on a business that provides trustee services in Canada;
- a person whose principal business is as a dealer or trader in, or a broker or salesperson of, financial instruments or money;
- a credit union;
- an insurer or any other person whose principal business is providing insurance products;
- the segregated fund of an insurer;
- the Canada Deposit Insurance Corporation;
- a person whose principal business is the lending of money or the purchasing of debt securities or a combination thereof;
- an investment plan;
- a person who provides tax discounting services;
- a corporation deemed to be a financial institution because it made the election to have certain supplies treated as exempt supplies of financial services and the election is in effect.

