

Detailed GST/HST Calculations and Return Respecting Taxable Real Property, Taxable Carbon Emission Allowances and Imported Taxable Supplies

General Information

Complete form FPZ-34.CD-V, *Detailed GST/HST Calculations and Return Respecting Taxable Real Property, Taxable Carbon Emission Allowances and Imported Taxable Supplies*, if you are registered for the GST/HST and required to file a *GST/HST Return* (form FPZ-34-V). Use it to calculate the goods and services tax (GST), the harmonized sales tax (HST) and input tax credits (ITCs), and to report the instalments you made and any tax adjustments for a reporting period. Complete Part 2 to report tax on the acquisition of taxable real property, taxable carbon emission allowances or imported taxable supplies.

The information in this document does not constitute a legal interpretation of the federal *Excise Tax Act* or its regulations. When in doubt, refer to the laws themselves.

For more information about consumption tax or the Quick Method of Accounting, see IN-203-V, *General Information Concerning the QST and GST/HST*, or Revenu Québec's website (revenuquebec.ca). You can also call Revenu Québec at 418 659-4692 (Québec City area), at 514 873-4692 (Montréal area) or at 1 800 567-4692 (toll-free).

If you collected or adjusted HST, you must add the amount of HST collected or adjusted to the corresponding amount of GST and enter the total in the appropriate box. In general, you can claim ITCs in respect of the GST or HST paid or payable on your eligible purchases and expenses.

Penalties and interest

Under the *Excise Tax Act*, you are liable to a penalty if you file a return late for a reporting period. The penalty is equal to 1% of the total amount payable for the period, plus an additional penalty of 0.25% of that amount for each month the return is late (up to 12 months). Furthermore, interest is charged on all outstanding amounts at the rate set by regulation.

Note that filing a falsified return is a serious offence rendering the offender liable to legal action.

Recordkeeping

If you carry on a business or are required to withhold or collect an amount under a fiscal law, you must keep registers and books of account and take an annual inventory. You must keep your registers, books of account and any supporting documents for six years after the end of the last year they cover. In addition, all digital or electronic registers must remain readable for the retention period. You must also take the necessary steps to ensure and maintain their integrity throughout their lifecycle. Failure to meet these obligations is an offence rendering you liable to legal action.

Signature

Returns must be signed by the registrant or by the registrant's authorized representative.

Confidentiality

Personal information reported in form FPZ-34.CD-V is protected under the *Privacy Act* and is maintained in Personal Information Bank CRA PPU 241.

Part 1 – Detailed GST/HST calculations

Complete Part 1 to calculate GST/HST and ITCs, and to report the instalments you paid and any tax adjustments for a reporting period.

Instructions

Line 101 – Enter the total value of the goods and services you supplied (excluding GST/HST and QST). This amount generally corresponds to the sales figure in your books of account.

Include the GST or HST if you use the Quick Method of Accounting.

Line 103 – Enter the total GST/HST that you collected, that is payable to you and that you are considered to have collected for the reporting period. Include the GST/HST you are considered to have collected on the self-supply of a residential complex. Do not include the GST/HST payable respecting your acquisitions of taxable real property, taxable carbon emission allowances or imported taxable supplies, which must be reported in Part 2 (lines 114 and 115).

Line 104 – Enter the total of the amounts that must be added to the GST/HST collectible for the purposes of calculating your net tax for the reporting period. Examples of such amounts include GST/HST derived from the recovery of a bad debt that has been written off or the difference between a full ITC claimed with respect to meals and entertainment expenses and the 50% allowed.

Line 106 – Enter the total of the ITCs claimed for the reporting period and any ITCs not claimed during a previous reporting period in respect of your eligible purchases and expenses to make taxable and zero-rated supplies. You can include the GST/HST giving entitlement to an ITC respecting an acquisition of taxable real property or taxable carbon emission allowances, which you reported separately on line 114. Do not include notional ITCs respecting used goods acquired (**except** in the case of used returnable containers).

You generally have four years to claim an ITC.

Line 107 – Enter the total of the amounts that may be added to the ITCs claimed on line 106. Examples of such amounts are GST/HST included in a bad debt that has been written off or, if you are a builder, GST credited as a GST rebate to a purchaser of new housing (where the purchaser is an individual). In the latter case, you must enclose the purchaser's rebate application (*GST-QST New Housing Rebate Application: Rebate Granted by a Builder* [FP-2190.C-V]) with your return. If you credited GST/HST to a non-resident respecting the supply of installation services in Canada, you may also include that amount. In this case, the non-resident's rebate application must be enclosed with your return.

If you completed form FP-2074-V, *Election or Revocation of Election Respecting the Quick Method of Accounting*, and have obtained written confirmation of your election, you can claim the 1% credit on the first \$30,000 of your taxable supplies (including GST/HST) for each fiscal year. However, you cannot claim ITCs on your operating expenses.

If a pension entity and the qualifying employers of a pension plan jointly elect to transfer all or part of the pension entity's rebate to one or more qualifying employers, each qualifying employer can claim an adjustment in respect of its shared portion in its tax return. To calculate the amount of the adjustment, each qualifying employer must complete Part 5 or 6 of form FP-4607-V, *GST/HST and QST Pension Entity Rebate Application and Election*.

Line 110 – If you file annually and you paid GST/HST in instalments, enter your instalments on this line.

Line 111 – You can enter the rebate you claimed on one of the following forms to reduce an amount payable:

- *GST/HST and QST Public Service Bodies' Rebate Application* (FP-2066-V)
- *General GST/HST Rebate Application* (FP-189-V)
- *New Residential Rental Property GST Rebate Application* (FP-524-V)
- *GST/HST and QST Pension Entity Rebate Application and Election* (FP-4607-V)

If you enter an amount on this line, you must attach a copy of the rebate application that you filed to your return. However, you must mail the application if you are required to file your return online. You can file some of the above forms using Revenu Québec's online services that are available on its website.

Note that you can enter an amount on line 111 only to reduce a positive amount entered on line 109.

Line 113 – Carry the amount from line 113 to the corresponding box of the detachable part of form FPZ-34-V and add the amounts, taking into account the plus (+) and minus (–) signs. If the result is positive, enter it in the "Amount payable" box. If it is negative, enter it in the "Refund claimed" box.

Part 2 – Return respecting taxable real property, taxable carbon emission allowances and imported taxable supplies

Complete Part 2 to report the tax on the acquisition of taxable real property or taxable carbon emission allowances that you acquired for use or supply **primarily** (more than 50%) in the course of your commercial activities, or to report imported taxable supplies.

Carbon emission allowance

A "carbon emission allowance" is an allowance, credit or similar instrument that:

- is issued or created by, or on behalf of:
 - a government, a government of a foreign country, a government of a political subdivision of a country, a supranational organization or an international organization (hereafter a "regulator"),
 - a board, commission or other body established by a regulator, or
 - an agency of a regulator;
- can be used to satisfy a requirement under a scheme or arrangement implemented by, or on behalf of, a regulator to regulate greenhouse gas emissions, or a prescribed scheme or arrangement; **and**
- represents a **specific** quantity of greenhouse gas emissions expressed as carbon dioxide equivalent (for example, a metric ton of carbon dioxide equivalent).

An allowance, credit or similar instrument that does not represent a specific quantity of greenhouse gas emissions does not satisfy the third criterion above even if it otherwise meets the requirements of a scheme that seeks to regulate greenhouse gas emissions. For example, an instrument that is required to undertake certain manufacturing activities that generate

greenhouse gas emissions but that does not represent a specific quantity of emissions does not meet this third criterion. Note that a carbon emission allowance can also be a prescribed property. However, no property is currently prescribed by regulation.

Filing deadline

You must file the return (parts 2 and 3 of the form) with Revenu Québec no later than one month after the last day of the reporting period or, if you file annually, no later than three months after the end of the business's fiscal year.

If you are an individual in business, you file annually and your reporting period ends on December 31, the filing deadline is June 15 of the following year. However, if you have to pay GST/HST, the payment deadline is April 30.

If the filing deadline for the return falls on a Saturday, Sunday or statutory holiday and Revenu Québec receives it and your payment the following business day, Revenu Québec will consider them to have been filed on time.

Date a return is received

Your return is considered to be received on:

- the date of the Revenu Québec stamp if you deliver the return in person; or
- the date of the postmark if you mail the return.

Date a payment is received

Your payment is considered to be received on the date it was made at a financial institution using a teller, the institution's online payment service or an automated teller machine (ATM). If the return was mailed with a cheque or money order, your payment is considered to be received on the date of the Revenu Québec stamp. If you make your payment with a postdated cheque, your payment is considered to be received on the date the cheque can be cashed.

If you did not enclose a cheque or money order with the return, your payment is considered to be received on the date on which Revenu Québec stamps the cheque or money order.

Instructions

Line 113 – Enter the amount from line 113 of Part 1, if applicable.

Line 114 – Determine the value of the taxable real property or taxable carbon emission allowances you acquired for use or supply **primarily** in the course of your commercial activities. Calculate the GST or HST you are required to report and pay by multiplying the value of the real property or carbon emission allowances by the GST or HST rate in effect at the time of acquisition. Enter the result.

Line 115 – Determine the value of the consideration for imported taxable supplies of services or intangible personal property you imported or of certain goods subject to the drop-shipment rules. Calculate the GST or HST you are required to report and pay by multiplying the value of the supplies by the GST or HST rate. If you are a financial institution, you may have to self-assess GST/HST under special import rules.

Line 116 – Add lines 113 to 115 and enter the result, taking into account the plus (+) and minus (–) signs. Carry the amount from line 116 to box 113 of the detachable part of form FPZ-34-V and add the amounts, taking into account the plus (+) and minus (–) signs. If the result is positive, enter it in the "Amount payable" box. If it is negative, enter it in the "Refund claimed" box.