



## Election for GST/HST Reporting Period

Use this form if you want to change the reporting period for your GST/HST return.

You can also change your reporting period for your GST/HST return using the "File an election" online service at [www.cra.gc.ca/mybusinessaccount](http://www.cra.gc.ca/mybusinessaccount) or at [www.cra.gc.ca/representatives](http://www.cra.gc.ca/representatives). If you choose to make the change using this service, **do not** send us this form.

**Do not use** this form if you are a selected listed financial institution with a permanent establishment in Quebec. Instead, use Form RC7220, *Election for GST/HST and QST Reporting Period for a Selected Listed Financial Institution*. If you need help determining if you have a permanent establishment in Quebec, call **1-855-666-5166**.

**Note**  
If you are a listed financial institution and you want to revoke a previously made election, see "Duration of election" on page 3.

For more information, see pages 2 and 3.

### Part A – Identification

Legal name		Business number			
Operating, trading, or partnership name (if different from legal name)					
Contact person	Contact person's title	Telephone number for contact person	Extension		

### Part B – Eligibility

**Step 1** Indicate your current reporting period.  Monthly  Quarterly  Annual

**Note**  
If you are a charity, skip steps 2 to 4 and go to Part C.

**Step 2** Indicate the fiscal year immediately before the fiscal year in which this election will become effective.

From 

Year	Month	Day

 to 

Year	Month	Day

**Step 3** Calculate your threshold amount for this election using revenues for the fiscal year indicated in Step 2. Use the calculation on page 2 of this form to determine your threshold amount. \$ \_\_\_\_\_

**Step 4** Indicate the threshold amount that applies to your business. This will provide you with the reporting period options available to you.

Threshold amount	Reporting period options available
<input type="checkbox"/> \$1,500,000 or less	Annual, quarterly, or monthly
<input type="checkbox"/> More than \$1,500,000 but not more than \$6,000,000	Quarterly or monthly
<input type="checkbox"/> More than \$6,000,000	Monthly

### Part C – Election and certification

I meet the eligibility requirements and elect to use the following GST/HST reporting period:  Monthly  Quarterly  Annual

Effective date of election (before entering this date, see page 3): 

Year	Month	Day

I, \_\_\_\_\_, certify that the information given on this form and on any attached document is, to the best of my knowledge, true, correct, and complete in every respect, and that I am the registrant or that I am authorized to sign on behalf of the registrant.

Signature of registrant or authorized person	Year	Month	Day

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 administration or enforcement of the Act such as audit, compliance and the payment of debts owed to the Crown. It may be shared or verified with other federal, provincial/territorial 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 and request correction if there are errors or omissions. Refer to Info Source at [www.cra.gc.ca/gncy/tp/nfsrc/nfsrc-eng.html](http://www.cra.gc.ca/gncy/tp/nfsrc/nfsrc-eng.html), Personal Information Bank CRA PPU 241.

## General information

### GST/HST reporting periods

As a GST/HST registrant, the reporting period you use determines how often you prepare and send us your GST/HST returns. When you become a registrant, you can select, depending on your threshold amount, one of the three reporting periods. If you do not select a reporting period, we assign you the reporting period that requires the least frequent filing of GST/HST returns available for your threshold amount. For example, if your threshold amount is \$1,500,000 or less, we will assign you an annual reporting period. The reporting period assigned to you will remain as your filing period until you make an election to change it, or until your threshold amount exceeds the maximum for that reporting period.

If you are an eligible listed financial institution (as described in any of subparagraphs 149(1)(a)(i) to (x) of the *Excise Tax Act*), we will assign you an annual reporting period. The reporting period assigned to you will remain as your filing period until you make an election to change it.

Your reporting period applies to all of your branches and divisions.

### Who can change their reporting period?

You can make an election to change your reporting period if the reporting period you choose is an available option based on your threshold amount (see Part B on the first page).

#### Note

**Do not complete** this form if you are a selected listed financial institution and you have a permanent establishment in Quebec. Instead, complete Form RC7220, *Election for GST/HST and QST Reporting Period for a Selected Listed Financial Institution*.

If you are a charity, you can make an election to change your reporting period regardless of your threshold amount.

Charity means a registered charity or registered Canadian amateur athletic association for income tax purposes, but does not include a public institution.

A public institution is a registered charity that is also a school authority, a public college, a university, a hospital authority, or a local authority determined to be a municipality.

Municipality means:

- an incorporated city, town, village, metropolitan authority, township, district, county or rural municipality or other incorporated municipal body however designated; and
- such other local authority as the Minister may determine to be a municipality.

If you are a listed financial institution, you can also change your reporting period back to annual by revoking your election for monthly or quarterly reporting periods using Form GST20-1, *Notice of Revocation of an Election for GST/HST Reporting Period by a Listed Financial Institution*. In this situation, you are not subject to the \$1.5 million threshold amount.

### Threshold amount calculation

When calculating your threshold amount to determine your reporting period, include your annual taxable sales and revenues, including zero-rated sales and services made in Canada. Some revenues are excluded from this calculation (see the chart on this page).

If other persons are associated with you, also include the annual taxable sales of these associates in the calculation of your total annual taxable sales. You are considered to be associated if you meet **any** of the following conditions:

- If you are a corporation, you and another corporation are associated if you are associated for income tax purposes.
- If you are **not** a corporation, you and a corporation are associated if you control the corporation, or you are a member of a group that controls the corporation and each member of that group is associated with each other member.
- You are associated with a partnership if the total of your share of the partnership's profits and the share of all the persons with whom you are associated is more than half of the total of the partnership's profits or would be more than half if the partnership had profits.
- You are associated with a trust if the total value of your interest in the trust, and the interest in the trust of all the persons with whom you are associated, is more than half the total value of all interests in the trust.
- You are associated with another person if you are each associated with the same third person.

Use the chart below to determine your threshold amount for a fiscal year.

#### Threshold amount calculation chart

Enter your total taxable sales and revenues (paid to you or that became due) for your immediately preceding fiscal year. Do not include amounts collected as GST/HST or provincial sales tax.	\$ _____	(1)
Amounts included on line 1 that are for:		
Goodwill	\$ _____	(2)
Financial services	_____	(3)
Sales of capital real property	_____	(4)
Zero-rated exports	_____	(5)
Supplies made outside Canada	_____	(6)
Add lines 2 through line 6	_____	(7)
Line 1 minus line 7	_____	(8)
Line 8 divided by the number of days in that fiscal year	_____	(9)
<b>Threshold amount</b> (line 9 multiplied by 365)	\$ _____	(10)

#### Note

If you have no associates, the amount on line 10 is your threshold amount for the fiscal year. If you have associates, the above calculation has to be repeated for each associate using the preceding fiscal year-end of the associate that ends on or before your last fiscal year-end. The line 10 total for all associates has to be added to your line 10 total to get your threshold amount for the current fiscal year.

## Effective date of the election

Once you make an election, your reporting period will take effect on:

- the day you become a registrant;
- the first day of your fiscal year, if you are already a registrant; or
- the first day of a fiscal quarter, if your election for annual filing ceases to be valid on the first day of that quarter (for example, you exceed the \$1,500,000 threshold amount in your second or third quarter) and you are electing to file monthly instead of quarterly.

## Due date for filing your election

If you are electing to change from quarterly to annual filing, file your election no later than three months after the beginning of the fiscal year in which the election is to take effect.

If you are a new registrant, make an election to change your reporting period on or before the effective date of your GST/HST registration when the election is to take effect on that day.

In all other cases, file your election no later than two months after the day the election is to take effect.

## Duration of election

The reporting period election remains in effect until the earlier of:

- the day an election for a different reporting period takes effect;
- the day that your threshold amount for the fiscal year or a particular fiscal quarter in that year exceeds the maximum for the reporting period you have elected (this does not apply to charities); or
- if you are a listed financial institution, the day on which a revocation of the election becomes effective using Form GST20-1, *Notice of Revocation of an Election for GST/HST Reporting Period by a Listed Financial Institution*.

## Instalment payments for annual filers

If you file your GST/HST returns annually, you may also have to make quarterly instalment payments if your annual net tax for your previous fiscal year was \$3,000 or more. These quarterly payments are due one month after the end of each of your fiscal quarters and are generally based on the lesser of the following two amounts:

- 25% of your annual net tax from the previous year; or
- 25% of the estimated annual net tax for the current fiscal year, if you expect that your net tax for the current fiscal year will be less than it was for the previous fiscal year.

### Note

You **do not** have to make quarterly instalment payments if your net tax for the current year will be less than \$3,000.

The GST/HST return you file at the end of your fiscal year will reconcile your instalment payments with your total annual net tax.

## Definitions

**Listed financial institution** – A person is a listed financial institution throughout a particular tax year if at any time in the particular year the person is:

- a bank;
- a corporation that is in the business of offering its services as a trustee to the public;
- a person whose principal business is as a trader, dealer or broker of financial instruments or money;
- a credit union;
- an insurer;
- a segregated fund of an insurer;
- the Canada Deposit Insurance Corporation;
- a person whose principal business is lending money or purchasing debt;
- an investment plan;
- a tax discounter; or
- a corporation deemed under section 151 of the *Excise Tax Act* to be a financial institution.

For more information, see GST/HST Memorandum 17.6, *Definition of "Listed Financial Institution."*

**Selected listed financial institution (SLFI)** – a financial institution would generally be considered to be an SLFI throughout a reporting period in a fiscal year that ends in a particular tax year of the financial institution if it is a listed financial institution described in any of subparagraphs 149(1)(a)(i) to (x) of the *Excise Tax Act* at any time in the particular tax year, and the financial institution has a permanent establishment in a participating province and a permanent establishment in any other province, at any time in the tax year.

### Note

For purposes of this definition, the meaning of permanent establishment is expanded such that the existence of a permanent establishment is generally determined based on the location of the financial institution's clients, operations, unit holders, and/or plan members.

## Where do you send this form?

Send this form to your tax centre. To get the address of your tax centre, go to [www.cra.gc.ca/tso](http://www.cra.gc.ca/tso) or call 1-800-959-5525.

### Note

If you choose to change your reporting period using the "File an election" online service at [www.cra.gc.ca/mybusinessaccount](http://www.cra.gc.ca/mybusinessaccount) or at [www.cra.gc.ca/representatives](http://www.cra.gc.ca/representatives), do not send us this form.

## What if you need help?

For more information, go to [www.cra.gc.ca/gsthst](http://www.cra.gc.ca/gsthst) or call 1-800-959-5525.

To get our forms or publications, go to [www.cra.gc.ca/gsthstpub](http://www.cra.gc.ca/gsthstpub) or call 1-800-959-5525.