

Tax Refund for Business Travel to Canada

**Government of Canada's
official brochure and form**

No processing fee

La version française de cette brochure est intitulée
*Remboursement de la taxe pour voyages d'affaires au
Canada.*

www.cra.gc.ca

This pamphlet is for you

This pamphlet is for you if you are a non-resident business and you or a non-resident representative of your business (such as an employee) came to Canada on behalf of the business and paid goods and services tax/harmonized sales tax (GST/HST) on eligible short-term accommodation (including camping accommodation).

This pamphlet is not for you

This pamphlet is **not** for you if you are a non-resident individual and one of the following situations applies to you:

- you came to Canada for non-business reasons (such as pleasure travel) and bought eligible goods or eligible short-term accommodation while visiting Canada;
- you bought goods for **personal use** while travelling on business in Canada; or
- you are the sole owner of your business (i.e., you and the business are the same person) and you bought eligible goods for personal use and eligible short-term accommodation while traveling on business in Canada.

If one of these situations applies to you, you have to use Form GST176, *Application for Visitor Tax Refund* to claim your refund. This form is included in the pamphlet called *Tax Refund for Visitors to Canada* (RC4031).

In addition, this pamphlet is not for you in the following situations:

- you are a non-resident business which is registered for GST/HST. For more information, see our guide called *Doing Business in Canada – GST/HST Information for Non-Residents* (RC4027);

- you are a non-resident who paid GST/HST on goods you exported from Canada for commercial purposes. For more information, see our guide called *General Application for GST/HST Rebates* (RC4033);
- you are one of the following: (for more information, see our booklet called *Tax Refund for Non-Resident Travel Organizers and Foreign Conventions* (RC4160))
 - a non-resident travel organizer or travel service provider (such as a tour operator, incentive travel organizer, or meeting planner);
 - an organizer or a sponsor of a foreign convention, or a non-resident convention exhibitor; or
 - a non-resident business that provides short-term accommodation or tour packages that includes short-term accommodation.

What is GST/HST?

The goods and services tax (GST) is a 7% tax that applies on most goods and services sold in Canada. Three participating provinces (Nova Scotia, New Brunswick, and Newfoundland and Labrador) harmonized their provincial sales tax with the GST to create the 15% harmonized sales tax (HST). Consumers and businesses, including non-resident visitors to Canada, pay either HST in the participating provinces or GST in the rest of Canada. As a non-resident business traveller to Canada, you may be able to claim a refund of the GST/HST you paid on **eligible** short-term accommodation.

Note

We do not refund any provincial sales tax (PST) paid on short-term accommodation.

Do you qualify for the refund?

You qualify for a refund of GST/HST if you meet the following conditions:

- your business is not a resident of Canada at the time you apply for the refund;
- you paid GST/HST on **eligible** short-term accommodation;
- the accommodation is made available to a non-resident individual;
- your total purchase amount (before taxes) of eligible short-term accommodation on which you paid GST/HST is at least **CAN\$200**;
- we receive your refund application within one year after the last date any GST/HST on the short-term accommodation became payable; and
- each accommodation unit was provided to a non-resident individual for less than one month of continuous occupancy.

If you are a business person who lives outside Canada and whom we deem to be resident in Canada under Canadian income tax laws, you do not qualify for a refund of the GST/HST you paid on eligible short-term accommodation while travelling on business in Canada.

What qualifies for the refund?

Eligible short-term accommodation

Eligible short-term accommodation means accommodation provided for continuous occupancy by an individual for less than one month and includes:

- hotels and motels;
- resorts and lodges;
- bed-and-breakfast establishments; and
- tent and similar structures provided as part of a tour package that includes food and the services of a guide for an all-inclusive price. An example of this type of package would be an outdoor adventure tour package.

Eligible short-term accommodation **does not include** the following:

- services and incidentals such as room service and telephone charges;
- cruise-ship cabins and train berths;
- houseboats;
- rentals of travel trailers and all recreational vehicles;
- accommodation under timeshare arrangement; and
- accommodation included in the non-taxable part of a tour package.

Note

When we mention **short-term accommodation** in this pamphlet, we also mean **camping accommodation** (including any charges for hookups).

What you can claim

You can claim a refund of the GST/HST you paid on eligible short-term accommodation. If charges are included in the fixed price of the accommodation (such as for breakfast), you can claim a refund of the tax you paid on the total fixed price.

Travel tour packages

Travel tour packages usually combine short-term accommodation and other services (such as meals, transportation, sightseeing tours, and recreational fees) for an all-inclusive price.

If the tour package includes short-term accommodation, claim **one half** of the full amount of GST/HST paid per tour package.

However, if the tour package does not include eligible short-term accommodation in Canada for every night that the non-resident individual is to be in Canada as part of the package, you have to adjust the refund.

Example

A tour package consists of a six-day/five-night package in Canada, with the two first and the two last nights of accommodation in a Canadian hotel and one night on a train. Only the four nights of accommodation in the hotel are eligible for a tax refund. The night of accommodation on the train is not considered to be short-term accommodation and is consequently not eligible for the refund. Therefore, the refund is 4/5 of 50% of the tax paid on the tour package.

Note

In many cases, your travel organizer has already credited the GST/HST refund in the price of the tour package. In this case, you cannot claim the tax refund. Be sure to check with your travel organizer to find out if the refund has already been credited to you.

Quick calculation option

You can use the quick calculation option to calculate your GST/HST refund for purchases of tour packages **only**. You can claim a flat rate of \$5 per room per night, up to a maximum of \$75 per individual. You can also use the quick calculation option to claim a refund of the GST/HST you paid on camping accommodation that is part of a tour package. You can claim a flat rate of \$1 for each night the campsite was made available to an individual, up to the maximum of \$75 per individual.

Note

If your camping accommodation is part of a tour package that also included food and the services of a guide at an all-inclusive price, such as an outdoor adventure package, use the quick calculation rate of \$5 per night, up to the maximum of \$75 per individual.

How to get the refund

To claim a refund, complete Form GST510, *Application for Business Travel Tax Refund*, which is included in this pamphlet and mail it to us.

To avoid delays in processing your application, be sure to do the following:

- Sign your application.
- **Attach photocopies of your receipts.** We do not accept credit or debit card receipts and we do not return your documents.
- Send us the complete hotel folio. We do not accept summary sheets.
- Attach a list of all the individuals who used the short-term accommodation. You have to certify that the individuals are non-residents of Canada and are representatives of your non-resident business.
- Each receipt must show the number of nights of short-term accommodation in each unit of a lodging establishment made available to the non-resident individual.

We must receive your application within one year of the last day any GST/HST on the eligible short-term accommodation became payable. We will only mail refund cheques to your address outside Canada. We do not deposit refund cheques to your bank account or credit them to your credit card account.

Note

A number of private companies may offer to submit the refund application on your behalf. These companies act as your agent and may charge you a fee for their services. These companies are not associated with the Government of Canada or the Canada Customs and Revenue Agency.

How to contact us

Mail your refund application to:

Visitor Rebate Program
Summerside Tax Centre
Canada Customs and Revenue Agency
Suite 104, 275 Pope Road
Summerside PE C1N 6C6
CANADA

It will take about four to six weeks to process your application.

Enquiries about your tax refund

1-800-668-4748 (within Canada)

(902) 432-5608 (outside Canada)

Email address

visitors@ccra-adrc.gc.ca

Internet

www.ccra.gc.ca/visitors

See our Web site for any changes that may have occurred since the pamphlet was printed.

Order forms

Internet:

www.ccra.gc.ca/forms

Telephone:

From Canada and the United States:

1-800-959-2221

From outside Canada and the United States:

(613) 952-3741

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