



## ELECTION AND REVOCATION OF ELECTION BETWEEN AUCTIONEER AND PRINCIPAL

An auctioneer and a principal can use this form to jointly elect to have the principal collect and remit the GST/HST on taxable sales of prescribed goods made by the auctioneer on behalf of the principal. Both the auctioneer and the principal have to be registrants for GST/HST purposes.

For more information, see the back of this form.

### Part A – Identification of principal

Legal name		Business Number
Trading name (if different from legal name)		
Mailing address		
City	Province	Postal code

### Part B – Identification of auctioneer

Legal name		Business Number
Trading name (if different from legal name)		
Mailing address		
City	Province	Postal code

### Part C – Eligibility

Describe the goods to which this election applies (attach any additional information on a separate sheet)

**Answer all questions below by checking the appropriate box.**

1. Are both the auctioneer and the principal registrants for GST/HST purposes?  Yes  No
2. Are the goods described above prescribed goods? (See the back of this form for the definition of prescribed goods.)  Yes  No
3. Would the sale of the goods described above be taxable if it was made by the principal?  Yes  No

If you answered **Yes** to all questions, you are eligible to make this election. The election is in effect for each day of the duration you indicate below that 90% or more of the proceeds from the auctioneer's sales on the principal's behalf are attributable to sales of prescribed goods to which this election applies. If there is a day during the duration that this 90% test, or any of the other requirements of Part C, is not satisfied, the election does not apply **for that day**.

**Indicate the duration of this election (check one box only).**

- Single day:                      Date: \_\_\_\_\_
- Indefinite period:              From: \_\_\_\_\_ until you revoke the election by completing Part F.
- Specified period:              From: \_\_\_\_\_ to \_\_\_\_\_, unless you revoke the election earlier by completing Part F.

### Part D – Certification of election by principal

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

Signature of principal or authorized person	Title	Year	Month	Day
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### Part E – Certification of election by auctioneer

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

Signature of auctioneer or authorized person	Title	Year	Month	Day
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<b>Part F – Revocation of election</b>			
The parties agree to have the election revoked as of	Year	Month	Day
<b>Certification of revocation by principal</b>			
I, _____, certify that the information given on this form and in any attached documents is, to the best of my knowledge, true, correct, and complete in every respect, and that I am the principal or that I am authorized to sign on behalf of the principal revoking this election.			
Signature of principal or authorized person	Title	Year	Month Day
<b>Certification of revocation by auctioneer</b>			
I, _____, certify that the information given on this form and in any attached documents is, to the best of my knowledge, true, correct, and complete in every respect, and that I am the auctioneer or that I am authorized to sign on behalf of the auctioneer revoking this election.			
Signature of auctioneer or authorized person	Title	Year	Month Day

### GENERAL INFORMATION

#### General rule (without an election)

Under the general rule, the auctioneer is responsible for collecting and remitting GST/HST on all sales of goods (other than zero-rated goods) regardless of whether or not the principal is a GST/HST registrant. The auctioneer's services to the principal, which relate to the sale of the goods, such as appraisals, illustration of items to be auctioned, advertising, short-term storage, calling the auction, and providing a facility, are not subject to GST/HST.

#### Joint election for the principal to collect and remit tax

A principal and auctioneer may be able to jointly elect to have the principal collect and remit the GST/HST on the auctioneer's sale of prescribed goods on the principal's behalf. The election can be in effect for a duration of a day, an indefinite period, or a specified period, as you indicate in Part C of this form. Regardless of the duration of the election, you must assess whether all eligibility requirements in Part C are met for each day you want to use the election.

For the election to be effective on a particular day of the duration, the following must be true **for that day**:

- both the principal and the auctioneer are GST/HST registrants;
- the goods are prescribed goods (as defined below);
- the goods would be taxable if the principal sold them; and
- 90% or more of the proceeds from the auctioneer's sales on the principal's behalf for that day are attributable to sales of prescribed goods to which this election applies.

If any of these requirements is not met on a particular day of the duration, the election is not in effect **for that day** and you must use the general rules for that day.

#### Prescribed goods

The following goods are prescribed under the *Property Supplied by Auction (GST/HST) Regulations* for purposes of this election:

- (a) cut flowers and foliage, bedding plants, nursery stock, potted plants and plant bulbs and tubers;

- (b) horses;
- (c) motor vehicles designed for highway use;
- (d) machinery and equipment (other than office equipment) designed for use in
  - (i) the exploration for, or the development or production of, petroleum, natural gas, minerals or water;
  - (ii) mining, quarrying or logging;
  - (iii) the construction or demolition of capital works, buildings, structures, roads, bridges, tunnels or other projects;
  - (iv) the manufacture or production of goods, the development of manufacturing or production processes or the development of goods for manufacture or production;
  - (v) the treatment or processing of toxic waste or the detection, measurement, prevention, treatment, reduction or removal of pollutants;
  - (vi) carrying refuse or waste from, or exhausting dust and noxious fumes produced by, manufacturing or producing operations; or
  - (vii) the prevention of accidents in the workplace or the mitigation of their effects;
- (e) attachments for goods included in paragraph (d); and
- (f) repair or replacement parts for goods included in paragraph (d) or (e).

#### Books and records

Do not send us this form. The auctioneer and the principal must each keep a completed copy with their books and records while the election is in effect and for six years after the end of the year to which an election relates.

#### More information

If you would like more information, call our Business Enquiries line at **1-800-959-5525**.