

ELECTION CONCERNING THE ACQUISITION OF A BUSINESS OR PART OF A BUSINESS

A supplier and a recipient should use this form to jointly elect so that GST/HST does not apply to the supply of a business or part of a business.

For information on eligibility, see the back of the form or contact us at 1-800-959-5525.

If the supplier is a GST/HST registrant and the recipient is not a registrant, this election cannot be used.

Part A – Identification (recipient)			
Legal name		Business Number	
Trading name (if different from legal name)			
Mailing address			
City	Province	Postal code	Telephone number ()
Contact person	Title		Type of business

Part B – Identification (supplier)			
Legal name		Business Number	
Trading name (if different from legal name)			
Mailing address			
City	Province	Postal code	Telephone number ()
Contact person	Title		Type of business

Part C – Eligibility	
1. Does the property supplied by the supplier and described in part D below constitute a business or part of a business?	<input type="checkbox"/> Yes <input type="checkbox"/> No
2. Does the recipient, under the agreement with the supplier, acquire the ownership, possession, or use of all or substantially all of the property required to carry on the business or part of the business?	<input type="checkbox"/> Yes <input type="checkbox"/> No
If the supplier answered Yes to question 1 and the recipient answered Yes to question 2 above, they can jointly elect to have the supply of the business or part of a business described in part D below not subject to GST/HST.	

Part D – Election													
Description of property acquired (if necessary, add on a separate sheet of paper)													
Enter the recipient's GST/HST reporting period in which the acquisition occurred:	From <table border="1"> <tr> <td>Year</td> <td>Month</td> <td>Day</td> </tr> <tr> <td> </td> <td> </td> <td> </td> </tr> </table> To <table border="1"> <tr> <td>Year</td> <td>Month</td> <td>Day</td> </tr> <tr> <td> </td> <td> </td> <td> </td> </tr> </table>	Year	Month	Day				Year	Month	Day			
Year	Month	Day											
Year	Month	Day											
Enter the date the property was acquired by the recipient:	<table border="1"> <tr> <td>Year</td> <td>Month</td> <td>Day</td> </tr> <tr> <td> </td> <td> </td> <td> </td> </tr> </table> <input type="checkbox"/> We, the recipient and the supplier, jointly elect to have the supply of the business or part of the business described above not subject to GST/HST.	Year	Month	Day									
Year	Month	Day											
Note: This election is subject to the exclusions specified on the back of this form.													

Certification (recipient)							
I, _____, certify that the information given on this form and in any attached documents with respect to the person identified in Part A is, to the best of my knowledge, true, correct, and complete in every respect, and that I am the recipient or that I am authorized to sign on behalf of the recipient.							
Position	Signature <table border="1"> <tr> <td>Year</td> <td>Month</td> <td>Day</td> </tr> <tr> <td> </td> <td> </td> <td> </td> </tr> </table>	Year	Month	Day			
Year	Month	Day					

Certification (supplier)							
I, _____, certify that the information given on this form and in any attached documents with respect to the person identified in Part B is, to the best of my knowledge, true, correct, and complete in every respect, and that I am the supplier or that I am authorized to sign on behalf of the supplier.							
Position	Signature <table border="1"> <tr> <td>Year</td> <td>Month</td> <td>Day</td> </tr> <tr> <td> </td> <td> </td> <td> </td> </tr> </table>	Year	Month	Day			
Year	Month	Day					

General information

Definitions

all or substantially all generally means 90% or more.

business includes a profession, calling, trade, manufacture or undertaking of any kind whatever, whether the activity or undertaking is engaged in for profit, and any activity engaged in on a regular or continuous basis that involves the supply of property by way of lease, licence or similar arrangement, but does not include an office or employment.

property means any property, whether real or personal, movable or immovable, tangible or intangible, corporeal or incorporeal, and includes a right or interest of any kind, a share and a chose in action, but does not include money.

recipient of a supply of property or a service means

- (a) when an amount is payable for the supply, the person who pays or agrees to pay for the amount;
- (b) when no amount is payable for the supply, and
 - i) the property is sold, the person to whom the property is delivered or made available;
 - ii) the property is not sold (e.g., leased, rented, etc.), the person using the property, or who could use it, or to whom it is made available; or
 - iii) a service is rendered, the person to whom the service is rendered.

As a general rule, the recipient is the person to whom a supply is made.

registrant means a person who is registered, or who is required to be registered for GST/HST.

supplier (e.g., vendor) means the person making the supply.

supply means the provision of property or a service in any manner, including sale, transfer, barter, exchange, licence, rental, lease, gift, or disposition.

Eligibility

The supplier and the recipient can jointly make this election, so that the supplier does not have to collect and the recipient does not have to pay GST/HST on the supply of a business or part of a business, when they meet the following conditions:

- The supplier makes a supply of a business or part of it that was established or carried on by the supplier, or that was established or carried on by another person and acquired by the supplier.
- The recipient acquires ownership, possession, or use of at least 90% of the supplier's property necessary for the recipient to carry on the business or part of it.
- The supplier and the recipient are both registrants, non-registrants, or the supplier is a non-registrant and the recipient is a registrant.

Exclusions

This election does not apply to the following supplies:

- a taxable supply of a service to be rendered by the supplier;
- a taxable supply by way of lease, licence or similar arrangement; and
- a taxable sale of real property, if the recipient is not a GST/HST registrant.

Filing the election

A recipient who is a GST/HST registrant has to file this election form together with the GST/HST return for the reporting period in which the acquisition was made to the address specified on the GST/HST return.

Otherwise, this election form has to be kept with the recipient's records.