

NOTICE OF CHANGE

April 30, 2003

GST/HST Memorandum 4.3, *Basic Groceries*, November 1997.

Paragraph 86 and 87 should be replaced by the following:

Salads not canned or vacuum sealed Sch. VI, Part III, para 1(o.1)	86. The supply of salads except when they are canned or vacuum sealed is taxable at 7% or 15%.
	87. Salads are considered to include food containing ingredients such as chopped, shredded, diced, sliced, or pureed vegetables, meat, fish, egg, or other food supplied with a dressing and/or seasoning(s), <u>whether or not</u> the dressing is mixed with the other ingredients. <u>The only exceptions to this rule are fruit salads and gelatin salads that, generally, do not need a dressing. In addition,</u> a combination of one ingredient mixed with a dressing or seasoning(s), which is sold or represented as a salad is also considered to be a salad.

Paragraph 90 and 91 should be replaced by the following:

Ingredients for salads	90. A package which contains the ingredients for a salad where the ingredients are not mixed, such as a package containing lettuce, croutons and dressing (i.e., where the ingredients are in separate containers) and that require mixing by the consumer, is not considered to be a salad for purposes of the GST/HST.
Packages of salad ingredients are zero-rated	91. The supply of a package of salad ingredients as described in paragraph 90 above is considered to be a supply of basic groceries and is zero-rated.