



Canada Revenue
Agency

Agence du revenu
du Canada

Rebate for Tour Packages, Foreign Conventions, and Non-Resident Exhibitor Purchases

Includes forms GST115 and GST386

Before you start

Is this booklet for you?

This booklet is for you if you are:

- a non-resident tour operator that purchased and resold an eligible tour package or that purchased short-term accommodation or camping accommodation and resold it as part of an eligible tour package;
- a non-resident business, organization, or individual that purchased an eligible tour package and the short-term and/or camping accommodation included in the package was made available to a non-resident individual;
- a non-resident sponsor or a non-registered organizer of a foreign convention; or
- a non-resident, non-registered exhibitor at any convention.

The booklet includes Form GST115, *GST/HST Rebate Application for Tour Packages*, and Form GST386, *Rebate Application for Foreign Conventions*, and explains the conditions for claiming these rebates and how to apply.

If you are a Canadian travel service provider, such as a hotel, see Guide RC4036, *GST/HST Information for the Travel and Convention Industry*, for more information on paying or crediting the rebate for eligible tour packages or foreign conventions.

Internet

You can find information on GST/HST and many of our publications and forms at www.cra.gc.ca. For customs information, visit the Canada Border Services Agency Web site at www.cbsa.gc.ca.

How to contact us

If you need more information after reading this booklet, contact your tax services office. See the back cover of this booklet for the mailing address and telephone number of the tax services office for your location.

Forms and publications

You can view and order forms and publications at www.cra.gc.ca/forms. You can also order them by calling **1-800-959-2221** (from within Canada or the United States) or **613-952-3741** (from outside Canada and the United States).

La version française de cette brochure est intitulée *Remboursement pour les voyages organisés, les congrès étrangers et les achats des exposants, non-résidents*.

Table of contents

	Page
Terms used in this booklet	4
What is GST/HST?	4
Quebec sales tax (TVQ).....	5
What is an eligible tour package?	5
What qualifies as short-term accommodation?.....	5
What qualifies as a service?.....	6
What is an all-inclusive price?.....	6
Examples – eligible and non-eligible tour packages.....	7
Rebate for tour operators	8
Who is a tour operator?.....	8
When is a rebate available?.....	9
Does the package include business meetings?.....	10
Claiming the rebate.....	11
Short-term accommodation resold as part of a tour package.....	11
Tour package resold.....	11
Required documents.....	12
Amount of rebate paid or credited by Canadian suppliers.....	12
Rebate for non-resident businesses, organizations, and individuals	14
When is a rebate available?.....	14
Claiming the rebate.....	15
General calculation method.....	15
Quick calculation method.....	16
Required documents.....	17
Amount of rebate paid or credited by Canadian suppliers.....	17
Is someone else completing and filing your rebate application for you? ..	18
Rebate for foreign conventions	19
Who can claim a rebate?.....	19
Special rules for sponsors.....	19
What expenses are eligible for the rebate?.....	20
Goods and services not eligible for a rebate.....	22
Claiming the rebate.....	22
How to calculate the rebate.....	22
Required documents.....	23
Amount of rebate paid or credited by Canadian suppliers.....	23
Rebate for non-resident exhibitors	24
Need more information?	25

Terms used in this booklet

Convention is a formal meeting or assembly that is not open to the general public. However, a convention **does not include** a meeting or assembly mainly intended to:

- provide any type of amusement, entertainment, or recreation;
- conduct contests or games of chance; or
- conduct business, unless it is in the course of a trade show that is not open to the general public.

Convention facility is any premises leased or provided under a license to a sponsor or organizer of a convention for use exclusively as the site for the convention. It includes the sites that are made available to the exhibitors at the convention.

Organizer of a convention is a person who acquires the convention facility or related convention supplies and organizes the event for the sponsor.

Sponsor of a convention is the person who convenes the convention and supplies admissions to it.

Note

A business with an in-house planner as an employee, who organizes a business meeting or an incentive trip that includes a business meeting, can be a sponsor of a convention if the business meeting qualifies as a convention. If the convention is a foreign convention, the business has to follow the rebate rules that apply to sponsors of foreign conventions. See “Rebate for foreign conventions” on page 19 for more information.

What is GST/HST?

GST is a tax that applies on most supplies of goods and services made in Canada. The three participating provinces (Nova Scotia, New Brunswick, and Newfoundland and Labrador) harmonized their provincial sales tax with GST to create the harmonized sales tax (HST). HST applies to the same base of goods and services as GST.

Persons, including non-residents who come to Canada, pay either GST or HST, depending on where they make their purchase. Taxable purchases in a participating province are subject to the 14% HST rate. Taxable purchases in a non-participating province are subject to the 6% GST rate.

We offer a rebate for GST/HST paid on purchases of eligible tour packages by non-residents. For tour operators, a rebate may also be available on the purchase of short-term accommodation they resold as part of an eligible tour package.

We also offer a rebate to non-resident sponsors and non-registered organizers of foreign conventions held in Canada for the GST/HST paid on the convention facility and related convention supplies. In addition, non-resident, non-registered exhibitors can get a rebate for the GST/HST paid on exhibition space and related convention supplies rented or purchased from a registrant for any convention.

Quebec sales tax (TVQ)

In certain cases, a rebate may also be available for the TVQ paid on purchases for a foreign convention. See “Rebate for foreign conventions” on page 19 for more information.

What is an eligible tour package?

To be an eligible tour package for this rebate, a package must be sold for an all-inclusive price and **must include** the following:

- short-term accommodation in Canada; and
- at least one service.

It is very important to know what we mean by the terms short-term accommodation, service, and all-inclusive price. See the following two sections for definitions and examples. Also see “Examples – eligible and non-eligible tour packages” on page 7 for examples of packages that qualify as eligible tour packages, and packages that do not.

Note

Packages that include a convention facility or related convention supplies are not tour packages for this rebate. However, you may qualify for a rebate if you are a sponsor or organizer of a foreign convention. See “Rebate for foreign conventions” on page 19 for more information.

What qualifies as short-term accommodation?

For this rebate, short-term accommodation means the rental of an accommodation unit in Canada as a place of lodging for an individual who will occupy it continuously for a period of **less than one month** and that costs more than \$20 per night. For example, overnight or weeklong accommodation in any of the following would usually be considered short-term accommodation:

- hotels and motels;
- resorts and lodges; and
- bed-and-breakfast establishments.

Note

Throughout this booklet, **short-term accommodation includes camping accommodation.** Camping accommodation means a campsite at a

campground or recreational trailer park in Canada that is rented continuously as a place of lodging for periods of **less than one month** for the same individual. It includes water, electricity, and waste disposal services, if provided with the campsite and accessed by an outlet or hook-up at the campsite.

Short-term accommodation **does not include**:

- shelter on a train, trailer, boat, or other structure that could be self-propelled (for example, cruise-ship cabins, train berths, houseboats, travel trailers, and all recreational vehicles); and
- an accommodation unit supplied under a timeshare arrangement.

What qualifies as a service?

A service means anything other than property, money, and anything that is provided to an employer by an employee in the course of employment. Some examples of services include:

- guide or interpreter services;
- transportation services;
- sightseeing excursions; and
- ski lessons.

The following do not qualify as services as they are property:

- short-term (including camping) accommodation;
- meals;
- a right to enter or attend an event, such as tickets to a show or a hockey game;
- car rentals;
- ski rentals;
- ski lift tickets;
- golf green fees; and
- park passes.

Note

Property means any type of property and includes goods and a right or interest of any kind but does not include money.

What is an all-inclusive price?

Generally, an all-inclusive price means a single price for all property and services sold together in a package. However, in the tourism industry, sometimes prices for certain property or services are listed on an invoice for

information purposes. We would accept that such packages are sold for an all-inclusive price.

Examples – eligible and non-eligible tour packages

The following are examples of packages that **are** eligible tour packages for this rebate.

Example 1

A package includes round-trip air transportation, hotel accommodation in Canada, guided sightseeing tours, and meals sold for an all-inclusive price.

This package **is** an eligible tour package for this rebate because it includes both short-term accommodation in Canada and a service (both the air transportation and the sightseeing tours are services) sold for an all-inclusive price.

Example 2

A package includes accommodation at a bed and breakfast in Canada, bus transportation to and from an outlet shopping centre in a neighbouring city, and attendance at a festival sold for an all-inclusive price.

This package **is** an eligible tour package for this rebate because it includes short-term accommodation in Canada and a service (intercity bus transportation) sold for an all-inclusive price.

Example 3

A purchaser asks that an advertised package be altered to add theatre tickets and a car rental. The advertised package included hotel accommodation in Canada and round-trip air transportation. The altered package is sold for an all-inclusive price.

The altered package **is** an eligible tour package for this rebate as it includes short-term accommodation in Canada and a service (air transportation) and it is sold for an all-inclusive price.

Example 4

A tour operator offers customized packages to purchasers. The tour operator offers short-term accommodation in Canada, meals, air transportation, and admission ticket options. The purchasers build their own package by choosing one of each option. The package is sold for an all-inclusive price.

This package **is** an eligible tour package for this rebate because it includes short-term accommodation in Canada and a service (air transportation) for an all-inclusive price.

The following are examples of packages that **are not** eligible tour packages for this rebate.

Example 1

A package includes camping accommodation in Canada, meals, and admission to a heritage sight sold for an all-inclusive price.

This package **is not** an eligible tour package for this rebate. Although the package includes camping accommodation in Canada, it does not include a service (meals and admission are both property).

Example 2

A hotel in Canada provides a shuttle to and from a nearby casino. The shuttle is included in the **room price**.

This package **is not** an eligible tour package for this rebate because the shuttle is part of the accommodation. Therefore, this is accommodation only.

Example 3

A stay at an all-inclusive resort in Canada is sold. The price includes accommodation at the resort, meals at the resort, access to the resort swimming pool, access to the resort tennis court, and a spa service at the resort spa.

This package **is not** an eligible tour package for this rebate because, in the case of an all-inclusive resort, items such as the meals, complimentary access to the resort swimming pool and tennis court, and a complimentary spa service at the resort spa are amenities that are part of the accommodation. Therefore, this is a supply of accommodation only.

Rebate for tour operators

Who is a tour operator?

Generally, a tour operator is a person who, in the ordinary course of business, packages tours for sale to either a group of travellers or an individual traveller. An outfitter or an owner of a resort, lodge, hotel, or motel may be a tour operator if the person packages tours for sale in the ordinary course of a business.

Travel agents, when they sell tour packages on behalf of a tour operator, are not tour operators for this rebate. A person who sells packages that include a convention facility or related convention supplies is also not a tour operator for this rebate.

When is a rebate available?

Before reading this section, see “What is an eligible tour package?” on page 5.

Due to changes to the law that took effect on April 1, 2007, a rebate for the tax paid on short-term accommodation is only available if you purchased the accommodation **and resold it as part of an eligible tour package in the ordinary course of your business.**

However, a refund will remain available for short-term accommodation that:

- was part of continuous accommodation at the same facility in Canada that started before April 1, 2007; or
- was purchased under a **written agreement** entered into before September 25, 2006, under which the first night of accommodation at the same facility in Canada is before April 1, 2009.

If one of these situations applies to you, use Form GST177, *Refund Application for Non-Resident Travel Organizers*.

Note

We would generally accept the following as evidence that a written agreement was entered into before September 25, 2006:

- documents outlining the details of the relationship between the parties (for example, information about the duration of the relationship, the properties and/or services that will be provided, and any operational procedures, such as those relating to booking, invoicing, payment, deposit, and cancellation); and
- a tariff or other itemized inventory that describes the properties and/or services available, the prices, and the time period(s) during which the prices apply.

We will not accept advertising materials such as catalogues, pamphlets, or brochures made available to the general public as a tariff or other inventory. However, we would accept a price list provided by a hotel to a tour operator for rooms available by season.

The documents must show the parties conducting business were aware of their rights and responsibilities for the properties and/or services provided and should contain information about the application of the GST/HST to these properties and/or services as of the date the documents were finalized. The documents could include electronic documents capable of being rendered into writing, such as emails.

If you are a non-resident tour operator and you are not registered for GST/HST, you may be eligible for a rebate if:

- you purchased an eligible tour package and resold it; or
- you purchased short-term accommodation in Canada and resold it as part of an eligible tour package.

To qualify for the rebate, you must meet **all** of the following conditions:

- You made the purchase in the ordinary course of your business of selling tour packages.
- You sold the eligible tour package to another non-resident person.
- The short-term accommodation included in the eligible tour package was made available to a non-resident individual.
- You receive payment for the eligible tour package outside Canada at your place of business or the place of business of your agent.
- You are a non-resident of Canada at the time the rebate application is filed.
- You paid a minimum of CAN\$12 in GST or CAN\$28 in HST on the eligible tour package(s) and/or on the short-term accommodation(s) you purchased and resold as part of an eligible tour package. If you paid both GST and HST on an eligible tour package and the amounts paid are less than the minimum CAN\$12 and CAN\$28, respectively, you have to get information from the supplier that the parts of the tour package that were taxed at 6% GST and 14% HST totalled at least CAN\$200.
- The short-term accommodation is for a period of continuous occupancy of less than one month for each unit used as a place of lodging, for each non-resident individual.
- You send us your rebate application within one year after the last day any tax to which the rebate relates became payable. Generally, the day the tax became payable is the day you paid the amount due, or the date of the invoice, whichever comes first.
- You provide the necessary documents to prove you are eligible for the rebate. See “Required documents” on page 12 for more information.

Note

You cannot claim a rebate if you sell or otherwise provide short-term accommodation to another business or to an individual.

If you purchase an eligible tour package, you may be able to get the amount of your rebate directly from your Canadian supplier. For more information, see “Amount of rebate paid or credited by Canadian suppliers” on page 12. If you purchase short-term accommodation only, the supplier of the accommodation **cannot** pay or credit you for the tax you have to pay.

Does the package include business meetings?

If you assemble an incentive trip that includes business meetings, these meetings may be a foreign convention and the trip will not be an eligible tour package. If so, the rules for claiming a rebate for a foreign convention will apply and you have to use Form GST386, *Rebate Application for Foreign Conventions*, to claim any rebate you may be entitled to.

To find out if you are eligible to claim a rebate for a foreign convention, see “Rebate for foreign conventions” on page 19. For more information, contact

your Canadian supplier or see Guide RC4036, *GST/HST Information for the Travel and Convention Industry*.

Claiming the rebate

As a non-resident tour operator that is not registered for GST/HST, use Form GST115, *GST/HST Rebate Application for Tour Packages*, to claim your rebate. This form is included in the middle of this booklet. Enter the total amount of your rebate claim in Part C, "Rebate claim."

Short-term accommodation resold as part of a tour package

If you are eligible to claim a rebate for the tax paid on short-term accommodation you purchased and resold as part of an eligible tour package, you can claim a rebate of the actual amount of GST/HST that you paid on the accommodation. (See page 5 for the definition of short-term accommodation and what it includes.)

Tour package resold

If you are eligible to claim a rebate for the tax paid on an eligible tour package you purchased and resold, you can claim a rebate for part of the tax you paid on the tour package.

The rebate for an eligible tour package is equal to 50% of the GST/HST paid on the package. The rebate calculation is based on the number of nights of short-term accommodation in Canada included in the package. However, the rebate is reduced if any of the nights of accommodation provided in Canada as part of the tour package are ineligible short-term accommodation. (See page 5 for the definition of short-term accommodation and what it includes.)

Example

An eligible tour package includes six days and five nights in Canada, with the first and last night of accommodation in a Canadian hotel and three nights on a train. GST of \$45 was paid on the tour package.

Only the two nights of accommodation in the hotel qualify as short-term accommodation. As the three nights of accommodation on the train are not short-term accommodation, the rebate is reduced. This means that the rebate equals 2/5 of 50% of the tax paid on the eligible tour package.

The rebate amount is \$9.00, calculated as follows:

$$2/5 \times (\$45 \times 50\%) = \$9.00$$

Required documents

If you do not provide all of the supporting documents with your rebate application, your rebate will be denied. Documents must be in either English or French, or you must provide a translation into English or French.

You have to send **all** of the following documents with your rebate claim:

- original invoices or receipts showing the GST/HST you paid; and
- itineraries or detailed descriptions for the eligible tour packages (group and individual). You can provide the itineraries on paper or CD. Call us at **1-902-432-5608** (from outside Canada) or **1-800-668-4748** (from within Canada) for other options.

You must also keep the following documents in your records and make them available if we ask for them:

- a list of names and addresses of the non-residents who purchased the tour packages;
- the name(s) of the agent(s) through whom you sold the tour packages (if applicable);
- copies of the original invoices issued to your clients; and
- a list of the names and addresses of the non-resident individuals who stayed in the accommodation.

We may accept other types of documents if those other documents allow us to confirm whether the eligibility requirements are met.

The information demonstrating that the eligibility requirements have been met does not have to be on separate documents. All of the necessary information may be contained in only one or two documents. These could include electronic documents capable of being rendered into writing.

You have to request permission to keep your records relating to your rebate claims outside Canada. For more information on books and records, see GST/HST Memoranda 15.1, *General Requirements for Books and Records*.

Amount of rebate paid or credited by Canadian suppliers

Due to changes to the law that took effect on April 1, 2007, suppliers **cannot** pay or credit the amount of a rebate for short-term accommodation they provide **separate** from an eligible tour package.

If you are a tour operator, complete and send us Form GST115, *GST/HST Rebate Application for Tour Packages*, to apply for a rebate of the tax you paid on short-term accommodation you purchased and resold as part of an eligible tour package.

If you purchase an eligible tour package, you may be able to get the amount of the rebate directly from the Canadian supplier.

Note

If the supplier pays or credits you with the amount of the rebate, you cannot apply to us for a rebate of that amount.

The amount of the rebate a supplier can pay or credit is the amount that you could have claimed if you had paid the GST/HST to the supplier and applied to us. The rebate for an eligible tour package is equal to 50% of the tax paid on the package. The rebate calculation is based on the number of nights of short-term accommodation in Canada included in the package. However, the rebate is reduced if any of the nights of accommodation provided in Canada as part of the tour package are ineligible short-term accommodation. (See page 11 for an example of when the amount of a rebate is reduced.)

Note

If you enter into an agreement with another person to complete and file your rebate application for you, this is a separate, private arrangement for which you need to provide a power of attorney. **It is not the same as someone paying or crediting you with the amount of your rebate.** See “Is someone else completing and filing your rebate application for you?” on page 18 for more information.

Example

On July 6, 2007, you purchased 15 eligible tour packages in the province of Ontario. You resold the tour packages to non-resident individuals for an all-inclusive price. The packages include the following items taxable at 6% GST:

- hotel accommodation (seven nights in Ontario);
- meals;
- a sightseeing tour; and
- admission to a performance.

Note

This package is an eligible tour package because it includes short-term accommodation and at least one service (a sightseeing tour) for an all-inclusive price.

The Canadian supplier who sold you the eligible tour packages charged you an all-inclusive price of CAN\$1,000 per person for each tour package and credited you with the amount of the rebate for each tour package.

Selling price	$(\$1,000 \times 15 \text{ persons})$	\$15,000
GST	$(\$15,000 \times 6\%)$	<u>900</u>
Subtotal		\$15,900
Minus credit for GST	$7/7 \times (\$900 \times 50\%)$	<u>(450)</u>
Amount you pay		<u>\$15,450</u>

If the Canadian supplier had not paid or credited you with the amount of the rebate, you could have applied to us for a rebate of CAN\$450 using Form GST115, *GST/HST Rebate Application for Tour Packages*. If the supplier does pay or credit you with the amount of the rebate, you cannot apply to us for a rebate of that amount.

Note

In the example above, if the items in the tour package were provided in Nova Scotia, New Brunswick, or Newfoundland and Labrador, 14% HST would have been charged instead of 6% GST. The rebate would be 50% of the HST paid.

Rebate for non-resident businesses, organizations, and individuals

The information in this section does not apply to tour operators. If you are a non-resident tour operator, see “Rebate for tour operators” on page 8.

Due to changes to the law that took effect on April 1, 2007, a refund is no longer available for the tax paid on short-term accommodation unless the accommodation:

- was part of continuous accommodation at the same facility in Canada that started before April 1, 2007; or
- was purchased under a **written agreement** entered into before September 25, 2006, under which the first night of accommodation at the same facility in Canada is before April 1, 2009.

If one of these situations applies, use the following form that applies to you to claim a refund:

- Form GST176, *Application for Visitor Tax Refund* (this form is for individuals);
- Form GST510, *Application for Business Travel Tax Refund*; or
- Form GST177, *Refund Application for Non-Resident Travel Organizers*.

When is a rebate available?

Before reading this section, see “What is an eligible tour package?” on page 5.

You may be able to claim a rebate for up to 50% of the tax paid on the purchase of an eligible tour package if you are:

- a non-resident individual visiting Canada; or
- a non-resident business or organization that is not registered for GST/HST and you purchase the eligible tour package for use by an employee or client

(for example, if you are sending an employee to Canada on business travel or you are giving it to an employee as an incentive trip).

To qualify, you must meet **all** of the following conditions:

- The short-term accommodation included in the eligible tour package was made available to a non-resident individual. (Short-term accommodation includes camping accommodation but does not include, for example, shelter on a boat or train. See “What qualifies as short-term accommodation?” on page 5 for more information.)
- You **did not** purchase the eligible tour package to resell in the ordinary course of a business of selling tour packages.
- You are a non-resident of Canada at the time the rebate application is filed.
- You paid a minimum of CAN\$12 in GST or CAN\$28 in HST on the eligible tour package(s). If you paid both GST and HST on an eligible tour package and the amounts paid are less than the minimum CAN\$12 and CAN\$28, respectively, you have to get information from the supplier that the parts of the tour package that were taxed at 6% GST and 14% HST totalled at least CAN\$200.
- You send us your rebate application within one year after the last day any tax to which the rebate relates became payable. Generally, the day the tax became payable is the day you paid the amount due or the date of the invoice, whichever comes first.
- You provide the necessary documents to prove you are eligible for the rebate. See “Required documents” on page 17 for more information.

Claiming the rebate

Use Form GST115, *GST/HST Rebate Application for Tour Packages*, to claim your rebate. The form is included in the middle of this booklet. Enter the total amount of your rebate claim in Part C, “Rebate claim.” You can choose **one** of the following methods to calculate your rebate claim:

- general calculation method; or
- quick calculation method.

Note

Depending on your situation, the result of one of these calculations may be higher than the other. You may want to do both calculations to find out what your rebate would be using each method. You can claim the higher amount.

General calculation method

Using this method, the rebate for an eligible tour package is equal to 50% of the tax paid on the package. The rebate calculation is based on the number of nights of short-term accommodation in Canada included in the package. However, the rebate is reduced if any of the nights of accommodation provided in Canada as part of the tour package are ineligible short-term accommodation.

(See page 5 for the definition of short-term accommodation and what it includes.)

Example

An eligible tour package sold to a non-resident individual includes six days and five nights in Canada, with the first and last night of accommodation in a Canadian hotel and three nights on a train. GST of \$45 was paid on the tour package.

Only the two nights of accommodation in the hotel qualify as short-term accommodation. As the three nights of accommodation on the train are not short-term accommodation, the rebate is reduced. This means that the rebate equals 2/5 of 50% of the tax paid on the eligible tour package.

The rebate amount is \$9.00, calculated as follows:

$$2/5 \times (\$45 \times 50\%) = \$9.00$$

Quick calculation method

For an eligible tour package that includes short-term accommodation **other than** camping accommodation, you can claim a flat rate of CAN\$5 per night using the quick calculation method.

If the eligible tour package includes camping accommodation, you can claim a flat rate of CAN\$1 per night. However, do not use the flat rate of CAN\$1 for camping accommodation that is supplied as part of an eligible tour package **that also includes** food and the services of a guide for an all-inclusive price (for example, an outdoor adventure tour package). Instead, use the flat rate of CAN\$5.

Note

If you are an individual consumer (that is, you made the purchase for your own personal use and enjoyment or that of another individual) that purchased more than one eligible tour package from the same person and those eligible tour packages include short-term accommodation in Canada **on the same nights**, you can only claim a rebate for one of those tour packages if you use the quick calculation method.

Maximum claim using the quick calculation method

For each rebate claim:

- a non-resident individual can receive a maximum rebate of \$75 for all eligible tour packages; and
- a non-resident business can receive a maximum rebate of \$75 for each individual to whom the short-term accommodation was made available.

Required documents

If you do not provide all of the supporting documents with your rebate application, your rebate will be denied.

You have to send **all** of the following documents with your rebate claim:

- the original invoice(s) or receipt(s) showing the amount of GST/HST you paid on the eligible tour package(s); and
- the itinerary or detailed description for the eligible tour package(s).

Amount of rebate paid or credited by Canadian suppliers

If you purchase an eligible tour package, you may be able to get the amount of the rebate from the Canadian supplier.

Note

If the supplier pays or credits you with the amount of your rebate, you cannot apply to us for a rebate of that amount.

The supplier can pay or credit the amount of the rebate to you as long as you would be eligible for a rebate if you had paid the GST/HST and filed a claim with us (see “When is a rebate available?” on page 14 for eligibility information) **and** one of the following applies:

- you pay for the eligible tour package at a place outside Canada where the registrant (or its agent) normally conducts business; or
- you pay a deposit of at least 20% of the total price of the tour package at least 14 days before the first day any short-term accommodation included in the eligible tour package is made available to you under the agreement.

The deposit can be made by credit card, cheque, bank draft, or any other bill of exchange but must be drawn on an account of an institution **outside** Canada. Where a credit card is used, the day the supplier’s account is credited by the card company is the day the deposit is made.

The amount of the rebate a supplier can pay or credit for an eligible tour package is the amount that you could have claimed if you had paid the GST/HST to the supplier and applied to us **using the general calculation method**. The rebate calculation is based on the number of nights of short-term accommodation in Canada included in the package. However, the rebate is reduced if any of the nights of accommodation provided in Canada as part of the tour package are ineligible short-term accommodation. See page 16 for an example of when the amount of a rebate has to be reduced.

The Canadian supplier cannot use the quick calculation method to pay or credit the amount of a rebate.

Note

If you enter into an agreement with another person to complete and file your rebate application for you, this is a separate, private arrangement for which

you need to provide a power of attorney. **It is not the same as someone paying or crediting you with the amount of your rebate.** See the next section for more information.

Is someone else completing and filing your rebate application for you?

If you enter into an agreement with someone else to complete and file your rebate application for you, this is a separate, private arrangement between you and the other person. In this case, you have to pay the full amount of GST/HST due to the supplier and wait to get the rebate from us (after the person you agreed to have file your application has done so). This arrangement is not the same as a supplier paying or crediting you with the amount of your rebate.

Note

Depending on your agreement, the person that files the rebate application for you may give you an amount equal to the estimated amount of the rebate out of their own funds, so you do not have to wait for your funds. Sometimes they may charge you a fee for filing the application.

If you enter into an agreement for someone else to file your rebate application for you, you still have to provide all of the required documents (listed on page 12 for tour operators and on page 17 for businesses, organizations, and individuals) to validate the rebate claim. You also have to provide proof that you have authorized the person to file the rebate application on your behalf, such as a power of attorney.

We cannot accept and act on a power of attorney unless it contains all of the following:

- a statement that the authorized person is not affiliated with the Government of Canada or the Canada Revenue Agency;
- complete and upfront disclosure of any fees the authorized person charges you to complete and file the rebate application for you;
- a statement that you authorize the other person to act on your behalf;
- a statement that the power of attorney is for a rebate of GST/HST under the Foreign Convention and Tour Incentive Program;
- your name, address, telephone number, email address (if you have one), and your signature; and
- the name, address, telephone and fax numbers, and email address (if there is one) of the person you are authorizing.

Rebate for foreign conventions

A **foreign convention** is a convention where:

- it is reasonably expected that at least 75% of the admissions are to be provided to **non-residents** of Canada when the sponsor of the convention determines the amount to be charged for the admissions; and
- the sponsor of the convention is an organization whose head office is situated outside Canada or, if the organization has no head office, the member or majority of members managing and controlling the organization is, or are, non-resident.

To determine if your convention qualifies as a foreign convention, you have to determine the percentage of Canadian delegates you can reasonably expect to attend. You can use the percentage of Canadian delegates:

- who attended previous conventions;
- who are usually invited to attend the convention;
- who are listed as members of the association; or
- another reasonable method.

You have to keep documents to support how you determined the percentage of Canadian and non-resident delegates. You have to make this information available to us on request.

Note

If you determined that a convention is a foreign convention because Canadian delegates will likely make up less than 25% of the total of those attending, and you discover later that there were more than 25% Canadian delegates at the convention, the convention is still a foreign convention.

Who can claim a rebate?

A rebate of GST/HST and Quebec sales tax (TVQ) may be available to:

- sponsors of foreign conventions; and
- organizers of foreign conventions, including incentive houses, who are not registered for GST/HST.

For definitions of sponsor and organizer, see “Terms used in this booklet” on page 4.

Special rules for sponsors

If you are a sponsor and your event qualifies as a foreign convention, you cannot register for GST/HST for this specific event.

Note

If you sell books, posters, educational material, or other goods at the foreign convention, you may have to register for GST/HST for these sales. For more information on registering, collecting, and remitting GST/HST, see Guide RC4036, *GST/HST Information for the Travel and Convention Industry*, and Guide RC4027, *Doing Business in Canada – GST/HST Information for Non-Residents*.

If you are already registered for GST/HST because you carry on other business in Canada, the foreign convention is not part of your commercial activities. This means that you cannot claim any input tax credits for the GST/HST paid on a convention facility and related convention supplies. However, you may claim a rebate for that tax using Form GST386, *Rebate Application for Foreign Conventions*.

What expenses are eligible for the rebate?

A non-resident sponsor and a non-registered organizer of a foreign convention may claim a rebate for the GST/HST and TVQ paid for the convention facilities and related convention supplies, with some exceptions. See “Goods and services not eligible for a rebate” on page 22 for these exceptions.

Related convention supplies are goods and services purchased exclusively for consumption, use, sale, or to be given away in connection with a convention, **and that are included in the admission charge for the convention**. They also include goods and services that are provided for a separate charge, but only if they are acquired exclusively to be consumed or used by the purchaser in promoting its business, services, or goods at the convention.

The following is a list of examples of related convention supplies.

Audio-visual

- audio, audio-visual, and video services, and both equipment and labour associated with technical services

Business equipment

- computers, photocopiers, desks, and chairs

Convention materials

- banners, flags, signs, papers, shields, floral arrangements, stand decorations, backdrops and other decorations, and office supplies

Convention show services

- equipment, furnishings, and labour to install such items as carpeting, tables, chairs, exhibit booths, decorative plants, draping, banners, displays, and signs

Destination management companies

- local planning management and co-ordination services in organizing elements of the convention for the incoming organization

Electrical services

- equipment and labour for electrical services

Food, beverages, and catering services

- 50% of the tax paid for food, beverages, and catering services related to the convention

Note

The 50% rebate on food, beverages, and catering services is not available to exhibitors.

Memorabilia

- lapel buttons, billfolds, key cases, pens, pencils, corsages, T-shirts, scarves, mugs, jewellery, badges, and similar promotional items

Moving services

- labour and equipment to deliver exhibit materials to the assigned space, including the storage of crates during the convention

On-site services

- personnel for on-site office work such as the staffing of the registration desk, photographic services, and security services

Printed matter

- identification badges;
- information bulletins, on-site newsletters, booklets, programs, and memoranda relating to a convention or to products displayed at a convention

Professional services

- customs brokerage, legal, accounting, and freight forwarders' fees

Simultaneous interpretation equipment

- simultaneous interpretation and audio-related equipment and labour

Speakers and educational seminars

- facilitators and course materials

Telecommunications

- telephone, fax, video, audio, or computer link-ups

Translators and interpreters

- individuals who translate and interpret the languages being used

Transportation services between venues

- chartered group transportation services used solely to transport delegates of the convention between any of the convention facilities, places of lodging for the delegates, or transportation terminals (for example, airport shuttle services)

Goods and services not eligible for a rebate

The following goods and services **are not** eligible for a rebate:

- transportation services (other than the chartered transportation services described above);
- entertainment such as theme nights or city tours; and
- goods or services provided to the delegates of the convention and charged separately from the admission fee, such as souvenirs, books, and videos sold during the convention.

Claiming the rebate

Use Form GST386, *Rebate Application for Foreign Conventions*, to claim your rebate. This form is included in the middle of this booklet. Mail it to the address shown on the back of the form along with all required documents.

Note

Under certain conditions, a Canadian supplier can pay or credit you with the amount of your rebate. See “Amount of rebate paid or credited by Canadian suppliers” on page 23 for more information.

How to calculate the rebate

See the back of Form GST386 for instructions on how to calculate your rebate. Calculate each tax type—GST/HST and Quebec sales tax (TVQ)—separately.

The following chart shows an example of the rebate for the sponsor of a foreign convention held in British Columbia. All taxable purchases in this example were subject to GST at the rate of 6%.

Example

Item	Charge	GST	Rebate
Meals/catering	\$8,000	\$480	\$240
Meeting rooms	2,000	120	120
Exhibit space	10,000	600	600
Exhibit decorations	<u>2,500</u>	<u>150</u>	<u>150</u>
Total	<u>\$22,500</u>	<u>\$1,350</u>	<u>\$1,110</u>

The sponsor can apply for a CAN\$1,110 rebate of GST.

Note

Only 50% of the tax paid for meals and catering is eligible for a rebate.

Required documents

If you do not provide the required supporting documents with the rebate application, your rebate will be denied.

We must receive your application no later than one year after the day the convention ends. **Be sure to attach the following supporting documents:**

- a convention agenda, itinerary, or event program;
- copies of invoices or receipts showing the GST/HST/TVQ paid; and
- complete hotel folios (that is, the entire hotel bill).

Amount of rebate paid or credited by Canadian suppliers

Non-resident sponsors or non-registered organizers of a foreign convention may be able to receive the amount of the rebate directly from the following registrant Canadian suppliers:

- an organizer, for example an incentive travel company or destination management company (that is, a company providing local management expertise and services in organizing a convention for an incoming organization);
- a supplier of short-term accommodation (for example, a hotel) that is not the organizer of the convention, if the accommodation is used exclusively in connection with the convention; or
- an operator of convention facilities that is not the organizer of the convention.

The effect of the payment or credit is that you do not have to pay GST/HST or TVQ when you purchase convention-related supplies, and you cannot complete and mail the rebate application.

To pay or credit the amount of the rebate is a voluntary option on the part of the Canadian supplier and has to be negotiated between the two of you. Before giving you a payment or a credit equal to the amount of the rebate, the Canadian supplier may ask you to certify that your event qualifies for a rebate.

Only those suppliers listed in this section can pay or credit the amount of the rebate. If you purchase goods and services from other suppliers like display companies, you have to pay the tax and apply for your rebate using Form GST386.

Rebate for non-resident exhibitors

Non-resident exhibitors who are not registered for GST/HST can claim a rebate for the GST/HST and TVQ paid on the lease or rental of space and related convention supplies for foreign and domestic conventions. A domestic convention is a convention that does not meet the definition of a foreign convention. See page 20 for a list of related convention supplies.

To be eligible for the rebate, exhibitors must lease or rent the space exclusively for use as a site at a convention for promoting the exhibitor's business, services, or goods. To claim a rebate, non-registered, non-resident exhibitors should complete Form GST386, *Rebate Application for Foreign Conventions*. The application must be filed within one year after the last day of the convention.

Note

Canadian suppliers cannot pay or credit GST/HST directly to non-resident exhibitors. However, for domestic conventions, registrant sponsors do not charge the GST/HST for leased or rented space exclusively for use as a site at a convention for the promotion of the exhibitor's business, services, or goods. They also do not charge tax on related convention supplies except on food or beverages or items supplied under a contract for catering. If you paid GST/HST on these items, you can ask the sponsor to refund or credit you the amount of the tax. If you cannot get a refund or credit from your supplier, see Guide RC4033, *General Application for GST/HST Rebates*.

Need more information?

If you would like more information on how GST/HST applies to tourism, contact one of the tax services offices listed on the back cover of this booklet. If you have questions after reading this booklet, you can contact us at:

- **1-800-66VISIT (1-800-668-4748)** from anywhere in Canada; or
- **902-432-5608** from outside Canada.

You can also write to:

Summerside Tax Centre
Canada Revenue Agency
Summerside PE C1N 6C6
CANADA

Form GST115, *GST/HST Rebate Application for Tour Packages*, and Form GST386, *Rebate Application for Foreign Conventions*, as well as many of our publications are available on our Web site at www.cra.gc.ca.

Your opinion counts!

We review our publications each year. If you have any comments or suggestions to help us improve the information in this booklet, we would like to hear from you.

Please send your comments to:

Taxpayer Services Directorate
Canada Revenue Agency
750 Heron Road
Ottawa ON K1A 0L5
CANADA

Tax services offices

Tax services office	United States	Outside United States
<p>Vancouver Tax Services Office 1166 West Pender Street Vancouver BC V6E 3H8 Telephone: 604-691-4308</p>	<p>Alaska, Arizona, California, Hawaii, Idaho, Nevada, Oregon, Utah, Washington</p>	<p>Asia, Australia</p>
<p>Calgary Tax Services Office 220-4th Avenue S.E. Calgary AB T2G 0L1 Telephone: 902-426-5150</p>	<p>Colorado, Montana, New Mexico, Oklahoma, Texas, Wyoming</p>	
<p>Winnipeg Tax Services Office 325 Broadway Street Winnipeg MB R3C 4T4 Telephone: 902-426-5150</p>	<p>Arkansas, Iowa, Kansas, Louisiana, Minnesota, Missouri, Nebraska, North Dakota, South Dakota</p>	
<p>Windsor Tax Services Office 185 Ouellette Avenue P.O. Box 1655 Windsor ON N9A 7G7 Telephone: 519-252-4705</p>	<p>Alabama, Florida, Georgia, Illinois, Indiana, Kentucky, Michigan, Mississippi, New York, North Carolina, Ohio, Pennsylvania, South Carolina, Tennessee, Virginia, West Virginia, Wisconsin</p>	
<p>Halifax Tax Services Office 1557 Hollis Street P.O. Box 638 Halifax NS B3J 2T5 Telephone: 902-426-5150</p>	<p>Maine</p>	<p>Albania, Austria, Belgium, Bulgaria, Czech Republic, Denmark, Finland, Germany, Greece, Hungary, Ireland, Italy, the Netherlands, Norway, Poland, Portugal, Romania, Russia, Spain, Sweden, United Kingdom</p>
<p>Ottawa Tax Services Office 333 Laurier Avenue West Ottawa ON K1A 0L9 Telephone: 613-598-3942</p>	<p>Connecticut, Delaware, District of Columbia, Maryland, Massachusetts, New Hampshire, New Jersey, Rhode Island, Vermont</p>	<p>Africa, Central America, France, Luxembourg, Middle East and Gulf States, South America, Switzerland, West Indies, all other countries</p>

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