Canada Revenue Agency    Agence du revenu du Canada

# The Special Quick Method of Accounting for Public Service Bodies

RC4247(E) Rev. 06

Canada

# Before you start

## What's new

Effective July 1, 2006, under proposed legislation, the GST rate will be reduced from 7% to 6%, and the HST rate from 15% to 14%. This booklet contains this proposed change to law which was current at the time of publication.

The Special Quick Method remittance rates have also changed effective July 1, 2006; the new rates were used in revising this booklet. You can find the old and the new remittance rates in the Appendices at the end of this booklet.

## Is this booklet for you?

This booklet is for you if you are a municipality, university, public college, school authority, hospital authority, external supplier, facility operator, qualifying non-profit organization, or specified facility operator and you would like to use the Special Quick Method. It explains how this method works and how to use it to calculate your net tax and complete your GST/HST return.

> **Note**
> If you are a charity, this election is available to you **only** if you meet certain criteria. See the section "Who can make this election?" on page 7 for details.

## Internet

You can find information on GST/HST and many of our publications and forms at **www.cra.gc.ca**. You may want to bookmark this address for easier access to our Web site in the future.

## How to contact us

If you need more information about the Special Quick Method or any other GST/HST matter, call our Business Enquiries line at **1-800-959-5525**.

## Forms and publications

You can order, view, download, or access forms and publications at **www.cra.gc.ca/forms** or you can order them by calling us at **1-800-959-2221**.

## GST/HST and Quebec

In Quebec, Revenu Québec administers the GST/HST. If you operate a business in Quebec, contact Revenu Québec at **1-800-567-4692**.

La version française de cette publication est intitulée *La méthode rapide spéciale de comptabilité pour les organismes de services publics.*

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# Terms we use in this booklet

**Charity** means a registered charity or a registered Canadian amateur athletic association for income tax purposes, but does not include a public institution.

**Commercial service** performed on goods generally means any service performed on the goods, other than:

- a service of shipping the goods when a carrier provides the shipping; and
- a financial service.

**Designated charity** is a charity, one of whose main purposes is to provide employment or employment-related assistance to individuals with disabilities, that is designated because it applied to have certain exempt services it provides made taxable.

**Election** is a way to choose various options available to a person to make it easier to comply with the GST/HST. These options allow you to adapt the administrative requirements of the GST/HST to your own activities. Each election has its own eligibility criteria.

**External supplier** means a charity, a public institution or a qualifying non-profit organization (other than a hospital authority or a facility operator), that makes ancillary supplies, facility supplies, or home medical supplies. For more information, call our Business Enquiries line at **1-800-959-5525**.

**Facility operator** means a charity, a public institution, or a qualifying non-profit organization (other than a hospital authority), that operates a qualifying facility.

**Hospital authority** means an organization that operates a public hospital and that is designated by the Minister as a hospital authority for GST/HST purposes.

**Municipality**, for purposes of the Special Quick Method, means:

- an incorporated city, town, village, metropolitan authority, township, district, county or rural municipality, or other incorporated municipal body however designated;
- a local authority determined by the Minister to be a municipality; and
- a person designated by the Minister to be a municipality for municipal services it provides, but only for those services.

**Non-participating province** means a province, territory, or any other area in Canada that is outside the participating provinces.

**Non-profit organization** means a person (other than an individual, estate, trust, charity, public institution, municipality, or government) that:

- was organized and is operated for non-profit purposes only; and
- does not distribute or make available any of its income for the personal benefit of any proprietor, member, or shareholder, unless the proprietor, member or shareholder is a club, society, or association whose primary purpose and function is the promotion of amateur athletics in Canada.

**Participating province** means the province of Nova Scotia, New Brunswick, or Newfoundland and Labrador.

> **Note**
> The HST rate in participating provinces is 14% and the GST rate in non-participating provinces is 6%.

**Permanent establishment** of a person generally means:

- a fixed place of business where the person supplies property and services, including a place of management, a branch, an office, a factory, a workshop; or
- a fixed place of business of someone else (other than a broker or an agent) who is acting in Canada for the person and through whom the person supplies property and services in the ordinary course of business.

**Person** means an individual, a partnership, a corporation, the estate of a deceased individual, a trust, or a body that is a society, union, club, association, commission, or other organization of any kind.

**Public college** means an organization that operates a post-secondary college or post-secondary technical institute:

- that receives funds from a government or a municipality to assist in the ongoing provision of educational services to the general public; and
- whose primary purpose is to provide programs of instruction in one or more fields of vocation, technical, or general education.

**Public institution** means a registered charity for income tax purposes that is a school authority, public college, university, hospital authority, or local authority determined to be a municipality.

**Public service body** means a non-profit organization, charity, municipality, school authority, hospital authority, public college, or university.

**Qualifying non-profit organization** means a non-profit organization that, in a particular fiscal year, receives at least 40% of its revenues for the year from government funding.

**School authority** means an organization that operates an elementary or secondary school in which it provides instruction that meets the standards of educational instruction established by the government of the province or territory in which the school is operated.

**Selected public service body** means:

- a hospital authority, external supplier, or facility operator;
- a school authority, university, or public college established and operated otherwise than for profit; or
- a municipality.

**Specified facility operator** means a non-profit organization operating, other than for profit, a facility, or that part of a facility, that provides residents of the facility who have limited mental or physical capacity for self-supervision and self-care with:

- nursing and personal care under the direction or supervision of qualified medical and nursing care staff, or other personal and supervisory care (other than domestic services of an ordinary household nature), as required by each resident on an individual basis;
- assistance with the activities of daily living and social, recreational, and other related services to meet the psycho-social needs of the residents; and
- meals and accommodation.

**Supply** generally means providing property or a service in any manner, such as by sale, transfer, barter, exchange, licence, rental, lease, gift, or disposition.

**University** means a recognized degree-granting institution or an organization that operates a college affiliated with, or a research body of, such an institution.

# The Special Quick Method

The Special Quick Method is a simplified accounting option available to selected public service bodies, qualifying non-profit organizations, specified facility operators, and certain charities. This method reduces paperwork and makes it easier to calculate GST/HST remittances and file GST/HST returns because it eliminates the need to keep track of the actual GST/HST paid on most purchases and to separate purchases that are for commercial activities and making exempt supplies.

When you use the Special Quick Method, you still collect 6% GST or 14% HST on the goods or services you supply. However, to calculate the amount of GST/HST to be remitted, multiply the amount of your GST/HST-included supplies for the reporting period by the remittance rate, or rates, that apply in your situation.

The Special Quick Method remittance rates are less than the 6% or 14% rates of tax that you collect. This means that you remit only a part of the tax you collect. Since you cannot claim input tax credits on most of your purchases when you use this method, the part of the tax that you keep accounts for the approximate value of the input tax credits you would normally have claimed.

**Note**
Whether the Special Quick Method will be more beneficial for you to use compared to the regular method depends upon your specific situation.

## Who can make this election?

You have to be a registrant to elect to use the Special Quick Method. You must also qualify as one of the following:

- a municipality;
- a school authority, university, or public college established and operated otherwise than for profit;
- a hospital authority, external supplier, or facility operator;
- a specified facility operator;
- a qualifying non-profit organization; or
- a designated charity, one of whose main purposes is to provide employment or employment-related assistance to individuals with disabilities, and that is designated because it applied to have certain exempt services it provides made taxable.

You **cannot** make this election if you are a provincial gaming authority or a listed financial institution.

### Divisions and departments

Generally, your Special Quick Method election applies to all your divisions and departments whether or not they file separate GST/HST returns. However, the election does not apply to separate divisions or departments of your organization that are in the business of providing telephone services, electricity, or natural gas. If you have separate divisions or departments with these business activities, their net tax has to be calculated using the regular method.

## When can you make the election?

If you file monthly or quarterly GST/HST returns, you have to make your election on or before the day that the return in which you begin using the Special Quick Method is due.

If you file annual GST/HST returns, you have to make the election on or before the first day of your second fiscal quarter.

You may start using the Special Quick Method on the effective date you indicate to us; however, it has to be the first day of a GST/HST reporting period.

If you previously elected to use the Special Quick Method and had revoked that election, you have to wait a minimum of one year from the date the revocation became effective before you can make the election again.

## How do you elect to use the Special Quick Method?

To elect to use the Special Quick Method, call us at **1-800-959-5525**, or complete Form GST287, *Election or Revocation of the Election by Public Service Bodies to Use the Special Quick Method of Accounting*, and send it to your tax services office.

## How long does the election stay in effect?

Your election will remain in effect until the earlier of:

- the first day of a reporting period in which you no longer qualify as a selected public service body, qualifying non-profit organization, or specified facility operator; and
- the day on which your election is revoked.

### Qualifying non-profit organizations

If you were a qualifying non-profit organization that elected to use the Special Quick Method and you cease to be a qualifying non-profit organization, you are no longer eligible to use this Special Quick Method.

If you have a monthly or quarterly reporting period and you are not a qualifying non-profit organization at the **beginning** of a fiscal year, you cannot use the Special Quick Method for that year. You have to begin using the regular method of calculating your net tax for the first reporting period of that fiscal year and for all reporting periods that follow, unless you become eligible for, and elect to use, the Special Quick Method again in the future.

If you have an annual reporting period and you are not a qualifying non-profit organization at the **end** of your fiscal year, you cannot use the Special Quick Method for that year. You have to begin using the regular method of calculating your net tax for that fiscal year and for all fiscal years that follow, unless you become eligible for, and elect to use, the Special Quick Method again in the future.

## When and how can you revoke the election?

You can revoke the election only **after** your Special Quick Method election has been in effect for a minimum of one year.

To revoke the election, call us at **1-800-959-5525**, or complete Form GST287, *Election or Revocation of the Election by Public Service Bodies to Use the Special Quick Method of Accounting*, and send it to your tax services office.

You have to revoke the election on or before the day the GST/HST return for the last period in which you wish to use the Special Quick Method is due.

> **Note**
> The effective date for revoking your election has to be the first day of a reporting period.

## Books and records

When you complete your GST/HST return using the Special Quick Method, you do not have to indicate the actual GST/HST that you charged or collected on most of your taxable supplies or the GST/HST that you paid or owe on most of your business purchases. However, you still have to keep detailed records of this information. Keep all books and records related to your business purchases and your supplies for six years after the year they relate to. These have to be made available to our auditors on request.

# Using the Special Quick Method

## Supplies not eligible for the Special Quick Method calculation

Certain supplies of goods and services are not included in the Special Quick Method calculation. These supplies are:

- sales of real property;
- zero-rated supplies;
- supplies made outside Canada;
- supplies of financial services;
- supplies for which the recipient does not have to pay tax, such as certain supplies to Indians and supplies to provincial governments (unless the province has agreed to pay GST/HST);
- supplies of property (other than capital property) or services for which you had to self-assess because you appropriated property or services for the benefit of a shareholder, beneficiary, partner, or member of your organization;
- supplies of property or services for which you had to self-assess tax because you received a reimbursement under a warranty for property or services you acquired, and you were entitled to claim an input tax credit or rebate;
- supplies of personal property (i.e., property other than real property) for which you had to self-assess tax because you are a creditor who seized or repossessed the property and you kept the property to use in your business;
- supplies of property or services you made to an employee or shareholder where the value of the supplies has to be included in the individual's income as a taxable benefit;
- supplies you made on another person's behalf while acting as an agent or an auctioneer on which you have to account for the tax;

- supplies of property or services for which you have to self-assess tax because you received a rebate of an amount, part of which was GST/HST, from a GST/HST registrant on your acquisition of property or a service, and you were also entitled to claim an input tax credit or a rebate for the tax you paid on that acquisition; and
- supplies of personal property for which you have to self-assess tax because you acquired or imported the property to use primarily (i.e., more than 50%) in your commercial activities, and you began to use it primarily for other purposes.

You have to use the regular method to account for the supplies listed above (except for certain capital property). This means that if you make one of these supplies and the supply is taxable, you have to indicate the actual amount of GST/HST collected or collectible on your supply when you calculate your net tax for a reporting period.

> **Note**
> Special rules apply to the sale of capital assets and eligible capital property. The tax collected or collectible on the sale of any capital assets or eligible capital properties that have a fair market value of at least $10,000 at the time of the supply has to be included in your net tax. For more information, call our Business Enquiries line at **1-800-959-5525**.

## Claiming input tax credits

You do not claim input tax credits on most of your purchases and expenses since, under the Special Quick Method, you keep a part of the tax you collect. However, you can claim input tax credits for the tax paid or payable for the following **only** (if you are entitled to do so):

- purchases of real property and improvements to real property;
- purchases of capital assets (other than real property), such as computers and vehicles, and purchases of eligible capital property if the fair market value of the property at the time of purchase is at least $10,000;
- purchases of improvements to capital assets (other than real property) such as computers and vehicles and to eligible capital property;
- purchases on which GST/HST became payable **before** your Special Quick Method election took effect, if the time limit to claim the amounts has not expired;
- goods sold by an auctioneer or agent on your behalf where the auctioneer or agent has to account for the tax; and

- goods you are deemed to have bought to use only in your commercial activities because:
  - a non-resident, who is not registered for GST/HST, transferred them to you after paying tax on them; and
  - you provided a commercial service, and you sold the goods acting as an agent for the non-resident and you collected the tax.

## Determining your Special Quick Method remittance rate or rates

Usually, you only have to use one remittance rate. However, there are several different Special Quick Method rates that may apply, and in certain circumstances you have to use more than one rate to calculate your net tax for a reporting period.

To determine whether more than one remittance rate applies, you are to look at the following:

- where you are located and where you made your supplies; and
- whether you are acting in more than one capacity (for example, a university that is also a hospital authority).

**Note**
The new remittance rates apply to reporting periods that begin on or after July 1, 2006. For reporting periods that **begin before and include July 1, 2006,** the old rates will apply to the purchase price that became due, or is paid without being due, before July 1, 2006. The new rates will apply to the remaining amount.

You will find the old and new remittance rates in the Appendices starting on page 17.

### Where are you located and where did you make your supplies?

When you make eligible supplies in both a participating province **and** a non-participating province in the same reporting period, you generally have to use two or more different remittance rates for your net tax calculation.

**Example**
A hospital authority in Nova Scotia (N.S.), a participating province, made 80% of its eligible supplies for a reporting period beginning after July 1, 2006 in N.S. It made the other 20% of its eligible supplies for that reporting period in P.E.I., a non-participating province. The hospital authority has to use the 11.6% remittance rate for the eligible supplies it made in N.S., and the 5% remittance rate for the eligible supplies it made in P.E.I.

### Special rules to determine your remittance rate

Special rules apply when **90% or more** of the eligible supplies you made in a reporting period were in either a participating province **or** a non-participating province.

If you are a specified facility operator, a qualifying non-profit organization, or a designated charity but **not** a selected public service body, and 90% or more of the eligible supplies you made through a permanent establishment in a reporting period were made in:

- a participating province, then treat all of the supplies made through that permanent establishment as having been made in a participating province (i.e., only use the rate that you would have to use had all eligible supplies actually been made in a participating province); **or**
- a non-participating province, then treat all of the supplies made through that permanent establishment as having been made in a non-participating province (i.e., only use the rate that you would have to use had all eligible supplies actually been made in a non-participating province).

If you are a selected public service body, and 90% or more of the eligible supplies you made in a reporting period were made in:

- participating provinces, then treat all of those supplies as having been made in a participating province (i.e., only use the rate that you would have to use had all eligible supplies actually been made in a participating province); **or**
- non-participating provinces, then treat all of those supplies as having been made in a non-participating province (i.e., only use the rate that you would have to use had all eligible supplies actually been made in a non-participating province).

If any of these situations applies to you for supplies you made in a reporting period, you may be able to use only one remittance rate for that reporting period. If none of these situations applies to you, you will have to use more than one remittance rate.

### When do you use more than one remittance rate?

You may have to use more than one remittance rate if:

- you are an organization that makes supplies while acting in different capacities (that are covered under the Special Quick Method); or
- you make supplies in participating and non-participating provinces.

**Example**
An organization in Ontario, a non-participating province, makes all of its supplies in Ontario and is both a university and a hospital authority. It made the election to use the Special Quick Method. The organization has to use two remittance rates to calculate its net tax. For a reporting period beginning after July 1, 2006, it has to use the 5.2% rate for eligible supplies it makes in its capacity as a university and the 5.4% rate for eligible supplies it makes in its capacity as a hospital authority.

### Sales of books in a participating province

When you sell books in a participating province, the 14% HST applies to the sale. However, the purchaser is eligible for a rebate of the provincial part of the HST. Usually, the supplier gives the amount of this rebate to the purchaser at the point of sale.

When you give this rebate, use a lower remittance rate for the supply of the books to account for the rebate you gave (i.e., use the remittance rate that would apply had the sale been made in a non-participating province).

### Vending machine sales by a university or public college

If you are a university or a public college, and some of your revenues from taxable supplies come from sales made through vending machines that you operate or retail establishments (other than a restaurant, cafeteria, pub, or similar establishment), use the applicable rate from the table in the Appendices, starting on page 17, if these supplies account for at least 25% of the amount calculated using the following calculation:

$$(A + B) \times 365/C$$

**A** is the total amount of revenue collected or collectible for **all** taxable supplies you made in your last fiscal year (except sales of real property, capital assets and eligible capital property, zero-rated exports, and supplies made to provincial governments that are not required to pay the tax);

**B** is the total of all GST/HST you had to collect on **all** taxable supplies you made in your last fiscal year (except on sales of real property, capital assets, and eligible capital property);

**C** is the number of days in your last fiscal year.

# Special situations

## Credit adjustments

You may give a customer a credit, refund, or rebate because you reduced the price of a good or service. You may deduct the amount of the credit, refund, or rebate from the amount of your total eligible supplies **before** calculating your net tax using the applicable Special Quick Method remittance rate. However, your supply of the good or service to the customer must be an eligible supply (see page 10 for a list of supplies **not** eligible for the Special Quick Method). This deduction should be made for the reporting period in which you paid or credited the amount to your customers.

### Trade-ins

If you use the Special Quick Method, you have to include in your sales calculations any amount credited to a purchaser for a trade-in. For example, if you accept used skates and give a credit of $35 on the sale of new skates, the total eligible sales in your net tax calculation have to include the $35 credit.

## Completing your GST/HST return using the Special Quick Method

If you only have to use one Special Quick Method remittance rate, follow these steps. Only complete the lines of the return that apply to you.

**Note**
**If you have to use more than one remittance rate, follow these instructions for each rate.**

### Line 101 – Sales and other revenue

For each reporting period, add your revenues from taxable supplies (include GST/HST at the rate that applied at that time) and enter the total on line 101 of your GST/HST return. If you had to charge GST on these revenues, **do not include** provincial sales tax in the calculation. Also, do not include revenue from supplies that are not eligible for the Special Quick Method calculation. See page 10 for a list of these ineligible supplies.

### Line 103 – GST/HST collected or collectible

**Step 1:** Multiply the total you entered on line 101 by the remittance rate that applies for each reporting period for which you are filing the GST/HST return. See the Appendices starting on page 17 to determine the applicable rate.

**Step 2:** Add the amount you calculated in Step 1 to the actual amount of GST/HST you had to charge on taxable supplies that are **not** eligible for the Special Quick Method calculation. See page 10 for a list of these supplies.

**Step 3:** Enter the amount you calculated in Step 2 on line 103.

## Line 104 – Adjustments

Enter the total of any adjustments to be added to the net tax for the reporting period (e.g., GST/HST you obtained on the recovery of a bad debt from supplies that are **not** eligible for the Special Quick Method calculation).

## Line 105 – Total GST/HST and adjustments for period

Add the amounts on lines 103 and 104, and enter the total on line 105.

## Line 106 – Input tax credits (ITCs)

Add any amounts that you are eligible to claim as an input tax credit and enter the total on line 106. See page 10 for a list of the expenditures for which you are still eligible to claim ITCs.

## Line 107 – Adjustments

Enter the total of any adjustments to be deducted when determining the net tax for the reporting period (e.g., GST/HST included in a bad debt from supplies that are **not** eligible for the Special Quick Method calculation).

## Line 108 – Total ITCs and adjustments

Add the amounts on lines 106 and 107, and enter the total on line 108.

## Line 109 – Net Tax

Subtract line 108 from line 105 and enter the result on line 109. If the result is negative, enter a minus sign in the box next to the line number.

## Line 110 – Instalment and other annual filer payments

Enter any instalment and other annual filer payments you made for the reporting period.

## Line 111 – Rebates

Enter the total amount of GST/HST rebates, **only** if the rebate form tells you that you can claim the amount on line 111. If you have an amount on line 111, attach the rebate form to the GST/HST return.

## Line 112 – Total other credits

Add the amounts on lines 110 and 111, and enter the total on line 112.

## Line 113 A – Balance

Subtract line 112 from line 109 and enter the result on line 113 A. If the result is negative, enter a minus sign in the box next to the line number.

## Line 205 – GST/HST due on acquisition of taxable real property

If you **acquired** taxable real property and have to remit the GST/HST on your acquisition, enter the amount of that GST/HST on line 205.

## Line 405 – Other GST/HST to be self-assessed

Enter the 8% provincial part of HST you have to self-assess when you bring goods or services into a participating province, or when you import commercial goods, services, or intangible property into Canada.

## Line 113 B – Total other debits

Add the amounts on lines 205 and 405, and enter the total on line 113 B.

## Line 113 C – Balance

Add the amounts on lines 113 A and 113 B, and enter the total on line 113 C. If the result is negative, enter a minus sign in the box next to the line number.

## Line 114 or Line 115 – Refund claimed/Payment enclosed

If the amount entered on line 113 C is negative, enter this amount on line 114 to claim your refund. If the amount entered on line 113 C is positive, enter this amount on line 115. Enclose a cheque for this amount.

# Appendix A – Special Quick Method rates before July 1, 2006

Use these rates if you are a **university** or a **public college** and the amount of supplies that you make through **vending machines** is at least 25% of the amount determined by the formula on page 13:

| **University or public college located in:** | **N.S.** | **N.B.** | **N.L.** | **a non-participating province** |
|---|---|---|---|---|
| Supplies made in participating provinces | 11.2% | 9.1% | 9.1% | 12.2% |
| Supplies made in non-participating provinces | 4.5% | 2.3% | 2.3% | 5.6% |

Use these rates if you are a **university** or **public college** (for supplies other than the above):

| **University or public college located in:** | **N.S.** | **N.B.** | **N.L.** | **a non-participating province** |
|---|---|---|---|---|
| Supplies made in participating provinces | 12% | 10.8% | 10.8% | 12.5% |
| Supplies made in non-participating provinces | 5.4% | 4.1% | 4.1% | 6% |

Use these rates if you are a **specified facility operator**, **qualifying non-profit organization**, or **designated charity**:

| **Permanent establishment in:** | **N.S.** | **N.B.** | **N.L.** | **a non-participating province** |
|---|---|---|---|---|
| Supplies made in participating provinces | 10% | 10% | 10% | 11.6% |
| Supplies made in non-participating provinces | 3.2% | 3.2% | 3.2% | 5% |

Use these rates if you are a **school authority**:

| Permanent establishment in: | N.S. | N.B. | N.L. | a non-participating province |
|---|---|---|---|---|
| Supplies made in participating provinces | 12% | 10.7% | 10.7% | 12.5% |
| Supplies made in non-participating provinces | 5.4% | 4.1% | 4.1% | 6% |

If you are a **municipality**, the remittance rates that apply will depend on **when** the amount for each supply you made was paid or became due. Therefore, you may have to use one of the following rates:

- Use these rates if the amount for the supply you made in a reporting period was paid or became due on or **after** February 1, 2004, but before July 1, 2006:

| Municipality in: | N.S. | N.B. | N.L. | a non-participating province |
|---|---|---|---|---|
| Supplies made in participating provinces | 12.3% | 12.3% | 11.2% | 13% |
| Supplies made in non-participating provinces | 5.7% | 5.7% | 4.6% | 6.5% |

**Note**
If the reporting period includes February 1, 2004, the rates from the above chart will apply to the GST/HST-included amount where the amount for the supply is paid or became due before February 1, 2004.

- Use these rates if the amount for the supply you made in a reporting period was paid or became due **before** February 1, 2004:

| Municipality in: | N.S. | N.B. | N.L. | a non-participating province |
|---|---|---|---|---|
| Supplies made in participating provinces | 11.6% | 11.6% | 10.5% | 12.4% |
| Supplies made in non-participating provinces | 5% | 5% | 3.8% | 5.8% |

**Note**
The remittance rates from the above chart apply to reporting periods ending after January 2004, but before July 1, 2006.

Use these rates if you are a **hospital authority, external supplier, or facility operator**:

| Permanent establishment in: | N.S. | N.B. | N.L. | a non-participating province |
|---|---|---|---|---|
| Supplies made in participating provinces | 12.4% | 10.6% | 10.6% | 12.7% |
| Supplies made in non-participating provinces | 5.8% | 3.9% | 3.9% | 6.2% |

**Note**
If you are an external supplier or facility operator, these rates apply to your reporting periods that end after 2004.

However, these rates do not apply if your reporting period includes January 1, 2005, and to the amount for a supply you made that was paid or became due before January 1, 2005. You have to use the regular method for these supplies.

# Appendix B – Special Quick Method rates on or after July 1, 2006

Use these rates if you are a **university** or a **public college** and the amount of supplies that you make through **vending machines** is at least 25% of the amount determined by the formula on page 13:

| University or public college located in: | N.S. | N.B. | N.L. | a non-participating province |
|---|---|---|---|---|
| Supplies made in participating provinces | 10.5% | 8.5% | 8.5% | 11.5% |
| Supplies made in non-participating provinces | 3.8% | 1.6% | 1.6% | 4.8% |

Use these rates if you are a **university** or **public college** (for supplies other than the above):

| University or public college located in: | N.S. | N.B. | N.L. | a non-participating province |
|---|---|---|---|---|
| Supplies made in participating provinces | 11.3% | 10.1% | 10.1% | 11.8% |
| Supplies made in non-participating provinces | 4.6% | 3.3% | 3.3% | 5.2% |

Use these rates if you are a **specified facility operator**, **qualifying non-profit organization**, or **designated charity**:

| Permanent establishment in: | N.S. | N.B. | N.L. | a non-participating province |
|---|---|---|---|---|
| Supplies made in participating provinces | 9.4% | 9.4% | 9.4% | 11% |
| Supplies made in non-participating provinces | 2.5% | 2.5% | 2.5% | 4.3% |

Use these rates if you are a **school authority**:

| Permanent establishment in: | N.S. | N.B. | N.L. | a non-participating province |
|---|---|---|---|---|
| Supplies made in participating provinces | 11.3% | 10% | 10% | 11.8% |
| Supplies made in non-participating provinces | 4.6% | 3.2% | 3.2% | 5.2% |

Use these rates if you are a **municipality**:

| Municipality in: | N.S. | N.B. | N.L. | a non-participating province |
|---|---|---|---|---|
| Supplies made in participating provinces | 11.5% | 11.5% | 10.5% | 12.3% |
| Supplies made in non-participating provinces | 4.8% | 4.8% | 3.7% | 5.7% |

Use these rates if you are a **hospital authority, external supplier, or facility operator**:

| Permanent establishment in: | N.S. | N.B. | N.L. | a non-participating province |
|---|---|---|---|---|
| Supplies made in participating provinces | 11.6% | 9.8% | 9.8% | 12% |
| Supplies made in non-participating provinces | 5% | 3% | 3% | 5.4% |