



**TROUT LAKE GROUP**  
**CHARTERED ACCOUNTANTS**

### *Calculating Your GST/HST Liability Under the Quick Method*

<b>Quick Method Remittance Rates Before July 1, 2010 and After March 31, 2013:</b>	<b>Quick Method Remittance Rates Between July 1, 2010 To March 31, 2013:</b>
For businesses providing services: 3.6%	For businesses providing services: 8.2%
For businesses providing goods for resale: 1.8%	For businesses providing goods for resale: 4.1%

#### **The Calculation:**

##### **Line 101 – Sales and other revenue**

Include in this line all of your revenues from taxable supplies AND include the GST/HST collected.

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

Include in this pre July 1, 2010 sales (calculated for line 101) times the appropriate above noted remittance rate AND post June 30, 2010 sales (calculated for line 101) times the appropriate remittance rate.

##### **Line 107 – Adjustments**

A credit based on 1% of Line 101 is available on the first \$30,000 of sales (including GST/HST).

##### **Line 109 - Net tax (liability)**

Line 101 less line 107

**Example:**

ABC Ltd sold \$40,000 worth of services during the 2010 calendar year. Of this amount \$15,000 was sold between the period January 1<sup>st</sup> to June 30<sup>th</sup> and the balance, \$25,000, was sold between the period July 1<sup>st</sup> to December 31<sup>st</sup>.

**Line 101 – sales and other revenue calculation:**

January 1<sup>st</sup> to June 30<sup>th</sup> sales of \$15,000 plus the 5% GST collected on these sales = \$15,750

July 1<sup>st</sup> to December 31<sup>st</sup> sales of \$25,000 plus the 12% HST collected on these sales = \$28,000

Line 101 = \$15,750 plus \$28,000 = \$43, 750.

**Line 103 calculation – GST/HST collected or collectible:**

January 1<sup>st</sup> to June 30<sup>th</sup> sales plus GST = \$15,750 times 3.6% = \$567

July 1<sup>st</sup> to December 31<sup>st</sup> sales plus HST = \$28,000 times 8.2% = \$2,296

Line 103 total = \$2,863

**Line 107 calculation - adjustments:**

January 1<sup>st</sup> to June 30<sup>th</sup> sales = \$15,750 times 1% = \$157.50

A portion of July 1<sup>st</sup> – December 31<sup>st</sup> sales = 14, 250 times 1% = \$142.50

(\$15,750 + \$14,250 = \$30,000 – maximum 1% credit on the first \$30,000 of sales)

Total line 103 calculation = \$300. This is the maximum allowable amount for line 103.

**Line 109 calculation – net tax:**

Line 103 less line 107 = \$2,863 less \$300 = \$2,563