



TROUT LAKE GROUP
CHARTERED ACCOUNTANTS

Calculating Your GST/HST Liability Under the Quick Method

Quick Method Remittance Rates Before July 1, 2010 and After March 31, 2013:	Quick Method Remittance Rates Between July 1, 2010 To March 31, 2013:
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 1st to June 30th and the balance, \$25,000, was sold between the period July 1st to December 31st.

Line 101 – sales and other revenue calculation:

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

July 1st to December 31st 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 1st to June 30th sales plus GST = \$15,750 times 3.6% = \$567

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

Line 103 total = \$2,863

Line 107 calculation - adjustments:

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

A portion of July 1st – December 31st 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