



## Guiding and Taxation FAQs

***Do we have to give parents receipts? Can we only give them if people ask?***

Ideally we should give them to the parents. If they don't want or need a receipt, it is not necessary, but it should be offered.

***Do we need to include the GGC Quebec GST/QST numbers when charging GST/QST?***

Yes. The numbers can be found on the Parent Receipt in the GGC Quebec Financial Package.

***Do we have to charge tax on tickets for a spaghetti dinner for fundraising purposes?***

No. GST/QST is not applicable on fundraising events. You will claim back 50% of taxes paid on your expenses as an Operating Cost Rebate.

***We sometimes purchase items from other provinces like badges. Depending on which province is involved, they charge HST. How do we handle this?***

Simply enter it in the spreadsheet as if it was all GST and there was no QST for that purchase.

***A Guider paid cash for a transaction, and the amount was rounded because of the pennies. How does this get entered in the spreadsheet?***

Most stores show the rounding on their receipts, so it is easy to see what was actually paid. Enter the amounts actually paid, and pay the Guider back that amount. If the receipt does not show the rounding, add a note in the description or explanatory notes that the amount was rounded for cash payment, and pay the Guider the amount she actually paid.

***Do independent or international trips need to charge GST/QST?***

Maybe. The determining factor will be the location of the trip:

Canada Revenue Agency does not require GST/QST to be charged on services performed outside of Canada. This means that international trips are exempt from GST/QST.

Trips within Canada will have at least GST charged, and will usually count as an overnight event, so any taxes charged will be eligible for the appropriate rebate.

***We are going to a camp with another unit, and the other unit is taking care of the finances. How do we deal with the GST/QST?***

You will be charging the participants a participant fee plus taxes. You will forward the full amount to the other unit and they will do the forms, as you do not have any receipts for expenses to claim back. The same will apply if your District is organizing the camp. The organizers do the paperwork for the whole camp or event.



***In a situation where another level or group within Guiding subsidizes the cost of girls attending a camp/event, what amount should be used to charge GST/QST, the full participant fee or the amount that is net of the subsidy?***

The GST/QST is to be charged by the group that is organizing the camp or event on the full participant fee. This means if a District charges \$100 per girl then the GST/QST should be charged on the full \$100, even if a Unit chooses to assist each of their own girls by paying \$25 of that fee. The same applies to campership: the girl pays taxes on the full participant fee.

However, if the District only charges \$75 to each girl for the same camp and a lump sum subsidy is provided by the District to cover a portion of the camp or event costs, the girls only pay GST/QST on their participant fee. The key here is the subsidy amount would be considered as a donation and should not be billed by the District as a portion of the event fee and not billed to the girls.

***How do I know how much rebate to ask for?***

When implementing the collection of GST/QST, there are two types of reporting for GST/QST:

1. The **Net Tax Method** for taxable events where GST/QST is collected and 100% of Input tax credits (ITC) are claimed; and
2. The **Public Service Body Rebate** of 50% of the GST/QST paid on operating expenses not already eligible for the ITC rebate.

**The Net Tax Method:**

Input Tax Credits (ITCs) are refundable amounts available on certain purchases. They may be claimed at 100% of the GST/QST paid on expenses directly related to a camp or event.

Any group that holds a camp or event and has collected the applicable GST/QST from the participants is eligible for ITC on expenses directly related to that camp or event. To do this, use the GST/QST Remittance form, which will deduct taxes on expenses from taxes collected and tell you how much to remit (or how much rebate you will get).

Note: GST/QST charged on GGC store purchases or rentals cannot be claimed as part of this rebate.

**The Public Service Body Rebate:**

This rebate is an amount a Guiding entity may claim that has not already been claimed as ITCs. The rebate varies by province (it is 50% in Quebec) of the eligible GST/QST expenses. In effect, this means the taxes paid on operating expenses, not camp or event expenses (i.e. not when the participants are charged a participant fee and GST/QST). Use the Tax Rebate for Operating Costs form from the GGC Quebec Financial Package. It will calculate the amount of the rebate for you.

Note: GST/QST charged on GGC store purchases or rentals cannot be claimed as part of the rebate.