



The government of British Columbia (BC) will be harmonizing the Provincial Sales Tax (PST) with the federal Goods and Services Tax (GST) to create the Harmonized Sales Tax (HST), effective July 1, 2010.

It is proposed that certain GST/HST registrants will be required to file their GST/HST returns electronically for reporting periods ending on or after July 1, 2010. Penalties may be imposed for not filing electronically even if the regular paper filings are submitted on time

The following GST/HST registrants will be required to file their GST/HST returns electronically:

- all registrants with greater than \$1.5 million in annual taxable supplies except for charities (including all associated persons); or
- registrants that are required to recapture input tax credits (ITCs) for the provincial portion of the HST on certain inputs in Ontario or British Columbia; or
- certain builders that are affected by the transitional housing measures announced by Ontario or British Columbia.

In conjunction with these proposed new filing requirements, the CRA will include new information fields on the GST/HST NETFILE return for these registrants.

For further information on this and any other HST matters, please contact your Johnsen Archer LLP advisor.