



To: Divisional Financial Officers
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HST Bulletin #5 – Harmonized Sales Tax (HST)

This Bulletin provides HST information on:

- Old GST and PST Tax codes
- Tax codes for processing Petty Cash and Expense Reimbursements
- HST Transition Website

Old GST and PST Tax codes

Sales and purchase transactions requiring the self-assessment of PST:

The Ontario Ministry of Finance will no longer accept PST filings effective November 1st. This means that all sales that occurred prior to July 1st and any purchases where PST is to be self assessed, must be processed in FIS before November 1st, 2010. Therefore, old PST and GST tax codes for sales and any for self assessing PST will become inactive effective November 1, 2010, namely all tax codes starting with O, S and J, with the exception of J9 and S9.

Items to be updated or processed before November 1st, 2010:

- Sales processed using batch or automated programs must be updated with new HST tax codes.
- Sales journals that are parked, held or set up as recurring documents must be updated with new HST tax codes.
- Any purchase invoices that require PST to be self assessed.

Purchase transactions

Old PST and GST tax codes used for invoice processing of expenses (such as tax codes starting with I), will become inactive on December 1st, 2010. Only the new HST tax codes will be available and valid for processing after that date. Please also ensure all automated processing documents are updated beforehand to avoid any system rejects. If rejects do occur, it is the responsibility of the department to ensure they are corrected immediately.

Items to be updated or processed before December 1st, 2010:

- Old o/s invoices that still have PST and GST applied.
- Old purchase orders with GST and PST where the goods were received before June 30th, 2010 must be processed.
- Other batch or automated programs must be updated with new HST tax codes.
- Any journals that are parked, held or set up as recurring documents must be updated with new HST tax codes.

The new HST tax codes can be found at:

<http://www.finance.utoronto.ca/Assets/Finance+Digital+Assets/FAST/Reference+Guides/Navigating+and+Managing+Information+in+FIS/hstcodes.pdf>

Tax codes for processing Petty Cash and Expense Reimbursements

Our tax consultants recently notified us that the HST incurred while traveling in another HST province qualifies for the provincial and federal rebates. This good news has required us to create new tax codes to take advantage of these additional rebate opportunities. As a result, the expense reimbursement form, including the web version, will be modified to include the following tax coding:

- For expenses incurred within the 13% HST provinces of Ontario, New Brunswick and Newfoundland and Labrador, the new tax code to be used is **ER**.
- For expenses incurred within the 12% HST province of British Columbia, the new tax code to be used is **EB**.
- For expenses incurred within the 15% HST province of Nova Scotia, the new tax code to be used is **EN**.
- For per diem claims for travel:
 - in Canada, the new tax code to be used is **EA**
 - outside Canada, the tax code to be used is **E0**.
- For expenses incurred in all other provinces, the new tax code to be used is **EE**.
- For expenses incurred outside Canada, the new tax code is **E0**.

The new expense reimbursement form will be available next week on the finance website at

<http://www.finance.utoronto.ca/forms/processing.htm>

Below is a summary table of tax codes to be used for Petty Cash and Expense Reimbursements only.

Place expense incurred	Tax rate	Tax code
Ontario, New Brunswick, Newfoundland & Labrador	13%	ER
British Columbia	12%	EB
Nova Scotia	15%	EN
PEI, Quebec, Manitoba, Saskatchewan, Alberta, Nunavut, and other Territories	5% + provincial tax	EE
Outside Canada	N/A	E0
Per diem in Canada	Varies	EA
Per diem outside Canada	N/A	E0

HST Transition Website

A few more HST tax codes have been created to reflect the additional rebate opportunities available to the University. Please visit our website and open the HST Tax Code Summary Table in the quick links box to the right, for a complete list of available tax codes. Effective December 1st, 2010 these tax codes will be the only tax codes available in FIS.

As the transition phase of the HST implementation comes to a close, we will continue to update the FAQs. For a listing of the FAQs and more information on the application of the HST, please visit the HST transition webpage at:

<http://www.finance.utoronto.ca/services/tax/hsttransition.htm>