Message from the Comptroller
Clarification on How to Calculate the HST/GST Rebate on Claims for Reimbursement
July 2010

Background

During the transition to the Harmonized Sales Tax (HST) in Ontario, the Office of the Comptroller had issued a bulletin in June providing instructions on how to claim the HST/GST rebate when completing a Claim for Reimbursement.

Current Status

Throughout July, our office engaged external tax advisors and reviewed Department of Finance literature to seek further clarity on whether the University could claim the full HST rebate on expenses incurred in the HST participating provinces outside Ontario. Within the past week, we obtained confirmation that the University is indeed able to claim this rebate, which is highly beneficial to the University.

The purpose of this bulletin is to communicate the University’s approach to claiming HST/GST rebates on expense claims in light of the amended information.

Framework for Claiming Rebates on Claims for Reimbursement

Expenses incurred after July 1, 2010 will be eligible for a rebate, as follows:

1. Expenses which do not contain HST or GST are eligible for a rebate of 0%. These expenditures would typically be incurred outside Canada.

2. Expenses incurred within Canada containing HST will be eligible for a rebate of 7.8%, irregardless of whether the HST was charged in Ontario, British Columbia, New Brunswick, Nova Scotia, or Newfoundland and Labrador.

3. Expenses incurred within Canada containing GST only will be eligible for a rebate of 2.58%, as in the past. (Generally those incurred in Alberta, Saskatchewan, Manitoba, Quebec, PEI, and territories.)

Note that all applicable forms have been revised and are posted on the Finance website. Finance is encouraging the use of the Receipt Itemization and Rebate Calculator Tool as it simplifies the calculation of the rebate.

Claims Processed to Date

As the transition to the HST in Ontario only occurred on July 1, 2010 and the Office of the Comptroller has received few claims for expenditures after the HST transition, this revised guidance is expected to have minimal impact to the community.

If there are instances where a claim has been processed that would have been eligible for a higher rebate in light of the revised guidance and the difference in the rebate is significant, please bring these cases forward to Cameron Rogers for review.

Education

Over the next two months, the Office of the Comptroller will be hosting education sessions to brief the community on the numerous changes that have occurred to the forms and the processing of rebates. Invitations to these sessions have already been distributed through the CPM and Finance distribution lists.

Questions on this bulletin can be addressed to Cameron Rogers, Assistant Comptroller, Finance at rogersc@yorku.ca.