

HARMONIZATION WITH NEWS RELEASE 2017-079 OF THE DEPARTMENT OF FINANCE CANADA

On September 8, 2017, the Department of Finance Canada made public, in a news release,¹ draft legislative and regulatory proposals relating to the goods and services tax and the harmonized sales tax (GST/HST).

In accordance with the principle of general harmonization of the Québec sales tax (QST) system with the GST/HST system, changes will be made to the Québec tax system to incorporate, with adaptations on the basis of its general principles and with its specific features and the provincial context underlying the QST taken into account, the proposed federal measures to:

- revise the timing requirements for GST/HST rebate applications by public service bodies to provide them with improved flexibility and administrative simplicity;
- extend the application of the GST/HST rules applicable to selected listed financial institutions to include investment limited partnerships, and provide GST/HST relief to investment limited partnerships with non-resident investors where certain conditions are met;
- change the rebate rules pertaining to pension plans.

However, the changes to the QST system will be adopted only following assent to any federal statute or adoption of any federal regulation giving effect to these GST/HST measures, taking into account technical amendments that may be made prior to assent or adoption. They will generally apply on the same dates as those retained for the purposes of the federal measures with which they harmonize, subject to the adaptations necessary particularly in regard to certain amendments to provisions concerning financial institutions with which the QST system has been harmonized only since January 1, 2013.

For information concerning the matter dealt with in this information bulletin, contact the Secteur du droit fiscal, de l'optimisation des revenus et des politiques locales et autochtones at 418 691-2236.

The English and French versions of this bulletin are available on the Ministère des Finances website at www.finances.gouv.qc.ca.

¹

Department of Finance Canada, News Release 2017-079, "Department of Finance Canada Consulting Canadians on Draft Tax Legislative Proposals," September 8, 2017, <http://www.fin.gc.ca/n17/17-079-eng.asp>.