

# Should I Register with Revenu Québec?



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## Should I register with Revenu Québec?

Revenu Québec is responsible for collecting income tax and consumption taxes on behalf of the Québec government. Employers and businesses act as agents of Revenu Québec and are required to register for the purposes of collecting various taxes and contributions payable under various laws.

This brochure contains information that will help you determine whether you must act as an agent of Revenu Québec and whether you are required to register.

Our Clic Revenu electronic services are designed to help you fulfil your tax obligations more easily and efficiently. You may also use these services to consult your tax file. To register for Clic Revenu, go to our Web site at **[www.revenu.gouv.qc.ca](http://www.revenu.gouv.qc.ca)**. You should also check out the "Businesses" and "Self-employed persons" portals on the Web site, as they contain information that may be of interest to you, depending on your type of business.



The following table explains the various ways you can register for the taxes and source deductions collected by Revenu Québec. After you register, Revenu Québec may contact you for additional information.

<b>TAXES AND SOURCE DEDUCTIONS</b>	Form LM-1-V or LM-1.PA-V, Application for Registration <sup>1</sup>	Form LM-1.CT-V, Permit Application <sup>1</sup>	Form CA-500-V, Application for a Licence and Decals <sup>1</sup>	Registration by Internet <sup>2</sup>	Registration by telephone <sup>3</sup>
GST and QST	X			X	
Source deductions	X			X	X
Corporation income tax	X (Form LM-1-V only)			X	
<b>Other activities</b>					
Tax on insurance premiums	X			X	
Specific tax on alcoholic beverages	X			X	
Tobacco tax		X			
Fuel tax		X			
International Fuel Tax Agreement			X		
Specific tax on lodging	X			X	
Specific duty on new tires	X			X	
Logging operations	X			X	
Municipal taxation	X			X	
Clothing industry	X			X	

1. The forms are available at the offices of Revenu Québec, and on our Web site at [www.revenu.gouv.qc.ca](http://www.revenu.gouv.qc.ca).
2. The electronic service "Registering a new business for Revenu Québec files" is available on our Web site.
3. You can register for source deductions by telephone or in person at a Revenu Québec office. Registration is immediate.



## Goods and services tax (GST) and Quebec sales tax (QST)

### General rules (GST and QST)

Persons who are engaged in commercial activities in Canada must register for the GST. Persons who are engaged in commercial activities in Québec must register not only for the GST but also for the QST, and must collect GST and QST when these taxes apply to property and services supplied to customers. If you carry on commercial activities in Québec, you cannot register for the GST without registering for the QST.

Under an agreement between the federal and Québec governments, Revenu Québec administers the GST in Québec. Revenu Québec therefore receives and processes applications for GST registration made by persons carrying on commercial activities in Québec.

Where a business is carried on (by an individual, a personal trust or a partnership made up solely of individuals) without a reasonable expectation of profit, the operation of the business does not constitute a commercial activity and the persons concerned cannot register for the GST or the QST. Nor can a business that supplies exempt property or services register for the GST or the QST.

**Small suppliers may register for the GST and the QST if they so choose, but are not required to do so.** You are considered a small supplier if the total of your and your associates' taxable sales (including zero-rated sales) made worldwide during the four preceding calendar quarters does not exceed \$30,000. (This amount is \$50,000 for public service bodies, that is, non-profit organizations, charities, municipalities, school authorities, hospital authorities, public colleges and universities.) A special rule applies to charities and public institutions. For further information, contact Revenu Québec.

Persons registered for the GST are also registered for the harmonized sales tax, or HST, which applies in New Brunswick, Nova Scotia, and Newfoundland and Labrador. The HST must be collected by businesses that make taxable sales in any of these three provinces.

Most property and services are taxable or zero-rated (that is, taxable at 0%). In this brochure, the term “taxable” is used to refer to both taxable and zero-rated items.

However, no tax is collected on certain property and services referred to as “exempt.” These include

- rents paid under residential leases, where the lease is for at least one month;
- houses and other dwellings that are not new;
- most health-care, educational, child-care and legal-aid services;
- certain services supplied by governments and public service bodies (that is, municipalities, school authorities, hospital authorities, public colleges, universities, non-profit organizations and registered charities).

## **Special rules (GST and QST)**

Regardless of the annual total of your taxable sales, you are required to register for the GST and the QST if you are in either of the following situations:

- You are the operator of a taxi or limousine business.
- You are not resident in Québec (Canada, in the case of the GST) and charge admission to the public for activities or events that take place in Québec (Canada, in the case of the GST).

You are required to register for the GST and the QST if you solicit orders in Québec (Canada, in the case of the GST) for newspapers, books, periodicals, magazines, or sound recordings accompanying and related to these publications, where the property is to be shipped by mail or courier to addresses in Québec (Canada, in the case of the GST). However, this requirement does not apply if you are a small supplier.

## Special rules respecting QST registration

If you are already registered for the GST, or are applying to register for the GST, you must also register for the QST.

Regardless of the annual total of your taxable sales, and regardless of whether you are registered for the GST, you are required to register for the QST if you engage in

- the retail sale of tobacco products,
- the retail sale of fuel,
- the sale of alcoholic beverages, other than as a small supplier with a “reunion permit” under the *Act respecting liquor permits*,
- the retail sale or lease of new tires,
- the sale, or lease for a period of at least 12 months, of new or used road vehicles.

You are required to register for the QST if you make sales of financial services. However, this requirement does not apply if you are considered a small supplier. (Note: Certain listed financial institutions may register for the GST. Contact Revenu Québec for further information.)

If you carry on commercial activities in Québec, but are not resident in Québec, contact Revenu Québec.

## When to register for the GST

You must apply for registration under the GST system before the 30th day following the day on which you make your first taxable sale in Canada, otherwise than as a small supplier. You must collect GST as of the time you are required to be registered.

Persons who are not resident in Canada and who charge admission to the public must apply for registration before making their first taxable sale in Canada.

Taxi firms must apply for registration before the 30th day following the day on which they make their first taxable sale in Canada in the course of carrying on their business.

## **When to register for the QST**

You must apply for registration under the QST system before the day on which you make your first taxable sale in Québec, otherwise than as a small supplier. You must collect QST as of the time you are required to be registered.

Persons engaged in the retail sale of tobacco products, fuel, new tires or road vehicles, or in the sale of alcoholic beverages, must apply for registration before the day on which they make their first taxable sale in Québec. The same requirement applies to persons who are not resident in Québec and who charge admission to the public.

Taxi firms must apply for registration before the day on which they make their first taxable sale in Québec in the course of carrying on their business.



## Source deductions

If you pay (or expect to pay) salaries or wages or another form of remuneration to one or more employees, you must withhold certain amounts from your employees' pay. You must also make certain employer contributions. You are therefore required to register for source deductions purposes.

As an employer, you are responsible for

- making source deductions of Québec income tax and employee contributions to the Québec Pension Plan;
- remitting to Revenu Québec the amounts deducted at source;
- remitting to Revenu Québec your employer contributions to the Québec Pension Plan, the health services fund, the Fonds national de formation de la main-d'œuvre, and the Commission des normes du travail;
- remitting the compensation tax to Revenu Québec, if you are a specified financial institution other than a corporation.



## Corporation income tax

If your business is incorporated, Revenu Québec will assign you a number for income tax purposes. This number facilitates processing of the income tax return that all corporations are required to file if they have an establishment in Québec. Your number is assigned once the Registraire des entreprises informs Revenu Québec of your incorporation (if you have a Québec charter) or on the basis of the data you provide at the time you register. Otherwise, your number will be assigned when you file your first corporation income tax return.



## Other activities

### Tax on insurance premiums

If, in the course of your commercial activities, you collect insurance premiums that are subject to the tax on insurance premiums, you are required to collect the tax. In this case, you may be required to register with respect to the tax on insurance premiums. Contact the Revenu Québec office in your area to find out whether you are required to register.

### Specific tax on alcoholic beverages

If you produce or sell wine, beer, cider or any other alcoholic beverage, you must notify Revenu Québec, since you are considered an agent of Revenu Québec with respect to the specific tax on alcoholic beverages.

### Tobacco tax

If you are a collection officer, an importer, a manufacturer, a storer of non-identified tobacco or a carrier of non-identified tobacco, you must notify Revenu Québec and obtain a permit for each such activity carried on in Québec.

For further information on the application of the *Tobacco Tax Act*, refer to the brochure *An Overview of the Tobacco Tax Act* (IN-219-V).

### Fuel tax

If you are a collection officer, an importer, a refiner, a storer of bulk fuel (where the fuel is stored in an establishment other than a service station) or a carrier of bulk fuel, you must notify Revenu Québec and obtain a permit for each such activity carried on in Québec. The same requirements apply if your commercial activity consists in colouring fuel oil, or in blending, for the purposes of resale, fuel that is subject to the tax with another petroleum product that is not subject to the tax. However, a permit is not necessary for commercial activities related exclusively to propane or natural gas.

For further information on the application of the *Fuel Tax Act*, refer to the brochure *An Overview of the Fuel Tax Act* (IN-222-V).

## **International Fuel Tax Agreement**

If you are an interprovincial or international carrier and own a qualified motor vehicle, you must apply to Revenu Québec for the licence and decals that are required under the International Fuel Tax Agreement (IFTA).

### **Specific tax on lodging**

You are required to collect the specific tax on lodging if you operate a sleeping-accommodation establishment (such as a hotel or a bed and breakfast establishment) located in a tourism region<sup>1</sup> in which this tax applies. You must apply for registration with respect to the specific tax on lodging before the day on which you are first required to collect the tax. In your application, you must identify each establishment that you own in a region in which the tax applies.

### **Specific duty on new tires**

You are required to collect the specific duty on new tires if you make retail sales of new tires<sup>2</sup> or of road vehicles equipped with new tires, or if you lease, on a long-term basis, road vehicles equipped with new tires. You must apply for registration before collecting the specific duty for the first time.

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1. For a list of tourism regions in which the tax applies, click on "Businesses" on our Web site.
  2. The duty also applies to tires that are leased. New tires are subject to the duty if they have a rim diameter not exceeding 62.23 centimetres (24.5 inches) and an overall diameter not exceeding 123.19 centimetres (48.5 inches).



## Logging operations

If you sell processed or unprocessed forest products, you must register with Revenu Québec, unless your only activity is cutting timber or transporting forest products.



## Municipal taxation

You are subject to the provisions of the *Act respecting municipal taxation* if you

- operate a system of gas distribution to Québec consumers;
- operate a system of production, transmission or distribution of electric power, or produce electric power; or
- operate a telecommunications system.

If you are engaged in any of the above-mentioned activities, you must inform Revenu Québec of that fact when you register for taxes or source deductions.



## The clothing industry

If you are engaged in activities in the clothing manufacturing industry, you must inform Revenu Québec of that fact when you register for taxes or source deductions.

## More offices to serve you better



### Gatineau

170, rue de l'Hôtel-de-Ville, 6<sup>e</sup> étage  
Gatineau (Québec) J8X 4C2  
(819) 770-8504 or 1 800 567-4692

### Jonquière

2154, rue Deschênes  
Jonquière (Québec) G7S 2A9  
(418) 548-6392 or 1 800 567-4692

### Laval

4, Place-Laval, bureau RC-150  
Laval (Québec) H7N 5Y3  
(450) 972-3320 or 1 866 540-2500

### Longueuil

Place-Longueuil  
825, rue Saint-Laurent Ouest  
Longueuil (Québec) J4K 5K5  
(450) 928-8820 or 1 866 490-2500

### Montréal

- Complexe Desjardins  
C. P. 3000, succursale Desjardins  
Montréal (Québec) H5B 1A4  
(514) 873-2600 or 1 866 440-2500
- Village Olympique, pyramide Est  
5199, rue Sherbrooke Est, bureau 4000  
Montréal (Québec) H1T 4C2  
(514) 873-2610 or 1 866 460-2500
- Les Galeries Saint-Laurent  
2215, boulevard Marcel-Laurin  
Saint-Laurent (Québec) H4R 1K4  
(514) 873-6120 or 1 866 570-2500

### Québec

200, rue Dorchester  
Québec (Québec) G1K 5Z1  
(418) 659-4692 or 1 800 567-4692

### Rimouski

212, avenue Belzile, bureau 250  
Rimouski (Québec) G5L 3C3  
(418) 727-3702 or 1 800 567-4692

### Rouyn-Noranda

19, rue Perreault Ouest, RC  
Rouyn-Noranda (Québec) J9X 6N5  
(819) 764-6765 or 1 800 567-4692

### Saint-Jean-sur-Richelieu

855, boulevard Industriel  
Saint-Jean-sur-Richelieu (Québec) J3B 7Y7  
(450) 349-1120 or 1 866 470-2500

### Sainte-Foy

3800, rue de Marly  
Sainte-Foy (Québec) G1X 4A5  
(418) 659-4692 or 1 800 567-4692

### Sept-Îles

391, avenue Brochu, bureau 1.04  
Sept-Îles (Québec) G4R 4S7  
(418) 968-2211 or 1 800 567-4692

### Sherbrooke

2665, rue King Ouest, 4<sup>e</sup> étage  
Sherbrooke (Québec) J1L 2H5  
(819) 563-3776 or 1 800 567-4692

### Sorel-Tracy

101, rue du Roi  
Sorel-Tracy (Québec) J3P 4N1  
(450) 928-8820 or 1 866 490-2500

### Trois-Rivières

225, rue des Forges, bureau 400  
Trois-Rivières (Québec) G9A 2G7  
(819) 379-5392 or 1 800 567-4692

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Inquiries from outside Canada should be directed to the Sainte-Foy office.

We invite you to visit our Web site at [www.revenu.gouv.qc.ca](http://www.revenu.gouv.qc.ca).

Vous pouvez vous procurer la version française de cette publication en demandant le document *Dois-je m'inscrire aux fichiers de Revenu Québec ?* (IN-202).

