

# Election or Revocation of an Election by a Principal and the Principal's Agent: Responsibility for Collecting, Reporting and Remitting the GST/HST and the QST

This form must be completed by a principal and the principal's agent in order to make a joint election to have the agent collect the GST/HST and the QST on supplies (not by auction) made by the agent on behalf of the principal, and to have the agent report and remit those taxes to Revenu Québec. This joint election may also be made by a principal and the principal's billing agent. To make such an election, the principal must be required to collect the tax or taxes on the supplies and the agent registered for the tax or taxes to which the election applies.

This election may **not** be made for a supply for which the principal and the agent have made another joint election for it to be considered taxable.

Once the election has been made, the principal and the agent are solidarily liable for the obligations resulting from the election. A list of those obligations is provided in the "General information" section on page 3.

To make the election, complete parts 1 through 5. To revoke the election, complete Part 6. Note that this form constitutes an agreement between the principal and the agent and is **not** to be filed with Revenu Québec. The principal and the agent must each keep a copy for as long as the election remains in effect and for six years following the end of the last year covered by the election (or for six years following the end of the year in which the election is revoked). You may be asked to provide the form in case of an audit.

For more details, read the "General information" section.

## 1 Identification of principal

Name

GST/HST account number  Québec enterprise number (NEQ) (if applicable)  Identification number  File

## 2 Identification of agent

Name

GST/HST account number  Québec enterprise number (NEQ) (if applicable)  Identification number  File

## 3 Joint election

The principal and the agent jointly elect, for the designated period, to have the agent collect, report and remit the tax or taxes designated below on the supplies of property or services described below. The principal and the agent understand that they are solidarily liable for certain GST/HST or QST obligations resulting from this election, including those described under **Obligations** on page 3.

### 3.1 Taxes

Indicate the tax or taxes covered by the election (check one box only).

GST/HST and QST     GST/HST     QST

### 3.2 Description of supplies covered by the election

The election may be made for one or more supplies. Describe the supplies for which the principal and the agent are making this election. If you need more space, enclose a sheet with the requested information.

All supplies of property and services made by the principal that are facilitated by the agent through the eBay online marketplace.



### 3.3 Period of validity

Indicate the period of validity of the election (check **one** box only).

- The following date only: 

Y	Y	Y	Y	M	M	D	D		
- The period beginning on 

2	0	2	2	0	7	0	1
Y	Y	Y	Y	M	M	D	D

 and ending on the date that will be shown in Part 6 when the election is revoked.
- The period beginning on 

Y	Y	Y	Y	M	M	D	D		

 and ending on 

Y	Y	Y	Y	M	M	D	D		

, unless the election is revoked before the end of the period.

### 4 Certification by principal

I certify that the information given on this form and in any enclosed documents is accurate and complete, and that I am the principal or the person authorized to sign on the principal's behalf.

First and last names of the principal or authorized person (please print)	Title or position	Signature	Date

### 5 Certification by agent

I certify that the information given on this form and in any enclosed documents is accurate and complete, and that I am the agent or the person authorized to sign on the agent's behalf.

First and last names of the agent or authorized person (please print)	Title or position	Signature	Date

### 6 Revocation of election

We, the principal and the agent, revoke the joint election made in Part 3 of this form for all the supplies in section 3.2 **or** only for the supply or supplies described below. If you need more space, enclose a sheet with the requested information.

**This billing agent election shall not be revoked during the period in which the principal makes supplies of property or services that are facilitated by the agent through the eBay online marketplace.**

Effective date of revocation 

Y	Y	Y	Y	M	M	D	D

First and last names of the principal or authorized person (please print)	Signature	Date

First and last names of the agent or authorized person (please print)	Signature	Date

Personal information with respect to the GST/HST is collected for purposes of the administration or enforcement of the *Excise Tax Act, Part IX*, and related programs and activities including administering tax, rebates, elections, audit, compliance, and collection. The information collected may be used or disclosed for the purposes of other federal Acts that provide for the imposition and collection of a tax or duty. It may also be disclosed to other federal, provincial, territorial or foreign government institutions to the extent authorized by law. Failure to provide this information may result in interest payable, penalties or other actions. Under the *Privacy Act*, individuals have the right to: access their personal information, request correction, or file a complaint to the Privacy Commissioner of Canada regarding the handling of the individual's personal information. Refer to Personal Information Bank CRA PPU 241 on Info Source at [canada.ca/cra-info-source](http://canada.ca/cra-info-source).

## General rule

In general, if an agent makes taxable supplies (other than zero-rated supplies) on behalf of a principal that is a registrant, the principal is responsible for collecting, reporting and remitting the GST/HST or the QST on the supplies. The agent, if a GST/HST or QST registrant, is responsible for collecting, reporting and remitting the GST/HST or the QST on the services provided to the principal in the course of the agent's activities. This general rule does not apply to a sale made by auction.

## Supply

The term "supply" means the delivery of property or the provision of services by way of sale, transfer, barter, exchange, lease, licence, gift or disposition.

## Registrant

The term "registrant" means a person that is registered or required to be registered for the GST/HST or QST. It does not mean a person whose name appears on the list of suppliers outside Québec registered for the QST that is published on Revenu Québec's website at [revenuquebec.ca](http://revenuquebec.ca).

## Joint election to have the agent collect, report and remit the GST/HST or the QST

A principal that is responsible for collecting, reporting and remitting GST/HST or QST and an agent that is a GST/HST or QST registrant and that makes supplies (not by auction) on behalf of the principal may jointly elect for the agent to be responsible for collecting, reporting and remitting the GST/HST or the QST in respect of the supplies. Note that once the election has been made, the agent continues to be responsible for collecting, reporting and remitting the GST/HST or the QST on the services the agent provides to the principal in the course of the agent's activities.

The election may be valid for a single day, a fixed period or an undetermined period of time. The election can be made for both the GST/HST and the QST, or for only one of the taxes.

Do not use this form if the principal is using the services of an auctioneer to sell property. In that case, complete form FP-2502-V, *Election or Revocation of an Election by an Auctioneer and the Auctioneer's Principal: Responsibility for Collecting, Reporting and Remitting the GST/HST and the QST*.

## Registered billing agent

If a billing agent collects the proceeds (including the GST/HST or the QST) on supplies made by the principal, the billing agent is acting as, but is not considered to be, an agent.

However, if the principal and the principal's billing agent are both GST/HST or QST registrants and they jointly elect for the billing agent to be responsible for collecting, reporting and remitting the GST/HST or the QST, the billing agent will be considered the principal's agent, but only for the purposes of the election.

## Effects of the election

Once the election is in effect, the following rules apply to supplies made by the agent on behalf of the principal:

- The agent must take into account any tax billed or collected for the purposes of calculating the net tax.
- The rules respecting tax refunds, tax rebates, tax credits and tax adjustments, particularly in the case of bad debts and the recovery of such debts, apply to the agent and not to the principal.
- Only the agent is required to include the amounts of supplies in calculating the amount used to determine the appropriate reporting period.
- If the agent uses the Quick Method of Accounting to calculate the net tax, the Quick Method rates do not apply to the supplies covered by the election.

For more information on the Quick Method of Accounting, refer to guide RC4058, *Quick Method of Accounting for GST/HST*, available at [canada.ca/gst-hst](http://canada.ca/gst-hst). For information on using the Quick Method under the QST system, refer to the publication *General Information Concerning the QST and the GST/HST* (IN-203-V), available at [revenuquebec.ca](http://revenuquebec.ca).

## Obligations

Once the joint election is in effect, the principal and the agent are solidarily liable for:

- collecting the GST/HST or the QST;
- reporting and remitting the net tax, as well as any amount that the agent might neglect to remit and that is reasonably attributable to a supply covered by the election;
- making adjustments that the agent can or must make for bad debts or excess taxes collected, that is:
  - deducting an amount that the agent was not entitled to or that exceeded the amount the agent was entitled to, including recovering the net tax with interest resulting from that deduction, and
  - recovering all or a portion of a bad debt that the agent had already deducted, including recovering the net tax with interest if the agent does not comply with this obligation.

## Additional information

For more information on the GST/HST, refer to guide RC4022, *General Information for GST/HST Registrants*, available at [canada.ca/gst-hst](http://canada.ca/gst-hst). For more information on the QST, refer to guide IN-203-V available at [revenuquebec.ca](http://revenuquebec.ca). You can also contact Revenu Québec at one of the following numbers:

- 514 873-4692 (Montréal area);
- 418 659-4692 (Québec City area); or
- 1 800 567-4692 (toll-free).