

# What's Taxable Off-Reserve Under the HST and What's Not

This publication provides information about Ontario's Harmonized Sales Tax (HST) Point-of-Sale Exemption for First Nations and is designed to be used as supplemental information in addition to **Ontario First Nations Point-of-Sale Exemptions**. For purposes of this publication, First Nations are Status Indians who are either Ontario residents or Canadian residents on the Akwesasne reserve.

If you require additional information please contact the Ministry of Finance toll free at 1 866 ONT-TAXS (1 866 668-8297) or visit [ontario.ca/finance](http://ontario.ca/finance).

For information on the obligation to pay the federal and provincial portions of the Harmonized Sales Tax (HST), please contact the **Canada Revenue Agency** at 1 800 959-5525.

## Disclaimer

The information contained in this publication is provided only as a guideline and is not intended to replace the legislation.

## What's taxable and what's not

Below are examples of common products and services purchased off-reserve and how they are affected by the eight per cent HST point-of-sale exemption for individual First Nations purchasers. The contents of this chart do not affect or interfere with the application of the exemption under section 87 of the *Indian Act* (Canada) and its effect on the Goods and Services Tax/Harmonized Sales Tax (GST/HST).

## Clothing and footwear

	HST Taxable	Tax Status for First Nations
Adult Clothing	13%	5%
Children's Clothing and Diapers	5% <sup>1</sup>	5%
Shoe Repair Service	13%	5%
Children's Footwear up to size 6	5% <sup>1</sup>	5%
Tailoring Services	13%	5%
Dry Cleaning Service	13%	13%

## Food and beverages

	HST Taxable	Tax Status for First Nations
Basic Groceries (e.g., Dairy, Meat, Vegetables, Canned Goods)	No HST	No HST
Snack Foods (e.g., Chips, Pop)	13%	5%
Qualifying Prepared Food and Beverages Sold for \$4.00 or Less	5% <sup>2</sup>	5%
Restaurant Meals for More than \$4.00 (Other Than Takeout)	13%	13%
Alcoholic Beverages	13%	13%

<sup>1</sup> The 8% Ontario portion of the HST does not apply due to the children's clothing, footwear and diapers point-of-sale exemption.

<sup>2</sup> The 8% Ontario portion of the HST does not apply due to the qualifying prepared food and beverages point-of-sale exemption.

## Home services

	HST Taxable	Tax Status for First Nations
Home Phone Services	13%	5%
Cell Phone Services	13%	5%
Cable Television Services	13%	5%
Internet Access Services	13%	5%
Municipal Water	No HST	No HST
Electricity and Heating (e.g., Natural Gas/Oil for Home)	13%	13%
Home Service Calls to Repair Free-Standing Appliances such as Stoves, Refrigerators, Washers, Dryers, and Televisions	13%	5%
Home Service Calls by Electrician/Plumber/Carpenter to Maintain or Repair Furnace, Leaky Faucets, Bathtub, Toilet, Electrical Wiring, etc.	13%	13%
Cleaning Services	13%	13%
Landscaping, Lawn-Care and Private Snow Removal	13%	13%
Home Insurance for residence off-reserve	No HST, but 8% RST	No HST, but 8% RST

## Accommodation, travel and passenger transportation services

	HST Taxable	Tax Status for First Nations
Luggage, Briefcases, Bags, etc.	13%	5%
Commercial Parking	13%	13%
Municipal Public Transit	No HST	No HST
GO Transit	No HST	No HST
Air travel originating in Ontario and terminating in the U.S. <sup>3</sup>	5%	5%
Air travel originating in Ontario and terminating outside of Canada and the U.S. <sup>3A</sup>	No HST	No HST
Rail, boat and bus travel originating in Ontario and terminating outside of Canada	No HST	No HST
Domestic Air, Rail, Boat and Bus Travel Originating in Ontario	13%	13%
Domestic Air, Rail, Boat and Bus Travel Originating on an Ontario Reserve and Terminating Off Reserve <sup>3B</sup>	13%	13%
Hotel Rooms	13%	13%
Taxis	13%	13%
Camp Sites	13%	13%

<sup>3</sup> Includes air travel terminating in the French islands of St. Pierre and Miquelon but does not include air travel terminating in Hawaii (as per the *Excise Tax Act*).

<sup>3A</sup> Includes air travel terminating in Hawaii but does not include air travel terminating in the French islands of St. Pierre and Miquelon (as per the *Excise Tax Act*).

<sup>3B</sup> For domestic transportation services to be GST/HST-exempt, they must originate and terminate on a reserve.

## Around the house

	HST Taxable	Tax Status for First Nations
Cleaning Products	13%	5%
Laundry Detergent, Fabric Softeners	13%	5%
Household Furniture	13%	5%
Refrigerators and Freezers	13%	5%
Pre-Packaged Computer Software	13%	5%
Books	5% <sup>4</sup>	5%
Audio Books	5% <sup>4</sup>	5%
Newspapers	5% <sup>4</sup>	5%
Magazines Purchased at Retail	13%	5%
Magazines Purchased by Subscription	13%	5%
Office Supplies, Stationery	13%	5%
Linens (e.g., Blankets, Towels, Sheets)	13%	5%
Tents, Sleeping Bags, Camping Supplies	13%	5%
Tools	13%	5%
Patio Furniture	13%	5%
Pet Food	13%	5%
Barbeques, Lawnmowers, Snowblowers, Sprinklers	13%	5%
Toys (e.g., Puzzles, Games, Action Figures, Dolls, Playsets)	13%	5%
Outdoor Play Equipment (e.g., Swing Sets, Sandboxes, Slides)	13%	5%
Craft Supplies	13%	5%

<sup>4</sup> The 8% Ontario portion of the HST does not apply due to the books and newspapers point-of-sale exemptions.

	HST Taxable	Tax Status for First Nations
Building Materials (e.g., Lumber, Concrete Mix)	13%	5%
Landscaping Materials including Sod, Seeds, Plants	13%	5%
Home Renovations	13%	13%

## Motorized vehicles

	HST Taxable	Tax Status for First Nations
Vehicle Parts	13%	5%
Short-Term Auto Rentals	13%	5%
Lease of a Vehicle	13%	5%
Child Car Seats and Booster Seats	5% <sup>5</sup>	5%
Auto Insurance	No HST, No RST	No HST, No RST
Labour Charges to Repair Vehicle	13%	5%
Window Repair	13%	5%
Oil Change	13%	5%
Tires	13%	5%
Vehicles purchased from a GST/HST Registrant, including Automobiles, Snowmobiles, Recreational Vehicles, Boats and Aircraft	13%	5%
Used Vehicles Purchased Privately (from a non-registrant), including Automobiles, Snowmobiles, Recreational Vehicles, Boats and Aircraft	No HST, but RST <sup>6</sup> at 13%	No HST, No RST <sup>6A</sup>
Gasoline/Diesel	13%	13%

<sup>5</sup> The 8% Ontario portion of the HST does not apply due to the children's car seat and booster seat point-of-sale exemption.

<sup>6</sup> Ontario has maintained the RST on private sales of used vehicles. The RST generally applies to motor vehicles that require a permit to operate on a highway under the Highway Traffic Act; off-road vehicles or motorized snow vehicles that require a permit under the Off-Road Vehicles Act or the Motorized Snow Vehicles Act; boats, and aircraft.

<sup>6A</sup> Status Indians may transfer vehicles purchased privately off-reserve exempt from RST.

## Off-Reserve homes

	HST Taxable	Tax Status for First Nations
New Homes up to \$400,000 <sup>7</sup>	13% less applicable rebates	13% less applicable rebates
New Homes over \$400,000 <sup>7A</sup>	13% less applicable rebates	13% less applicable rebates
Resale Homes	No HST	No HST
Real Estate Commissions	13%	13%

## Health products and services

	HST Taxable	Tax Status for First Nations
Audiologist Services Offered by a Practitioner of the Service	No HST	No HST
Chiropractor Services Offered by a Practitioner of the Service	No HST	No HST
Physiotherapist Services Offered by a Practitioner of the Service	No HST	No HST
Pharmacist Dispensing Fees	No HST	No HST
Over-the-Counter Medications	13%	5%
Prescription Drugs	No HST	No HST
Some Medical Devices (includes Walkers, Hearing Aids)	No HST	No HST
Prescription Glasses/Contact Lenses	No HST	No HST
Dental Services	No HST	No HST

<sup>7</sup> The new housing rebate is 75 per cent of the Ontario component of the HST, up to a maximum of \$24,000. The rebate ensures that buyers of homes priced up to \$400,000 will, on average, pay no more tax than under the RST system.

<sup>7A</sup> New homes purchased as primary residences, valued at \$400,000 or more, will be eligible for the maximum new housing rebate of \$24,000.

	HST Taxable	Tax Status for First Nations
Dental Hygiene Products (e.g., Toothpaste, Toothbrushes)	13%	5%
Feminine Hygiene Products	5% <sup>8</sup>	5%
Adult Incontinence Products	No HST	No HST
Cosmetics	13%	5%
Hair Care Products (e.g., Shampoo, Conditioner, Styling Products)	13%	5%
Massage Therapy Services	13%	13%
Vitamins	13%	5%

## Memberships, entertainment and sports equipment

	HST Taxable	Tax Status for First Nations
Admissions to Professional Sporting Events	13%	13%
Movie Tickets	13%	13%
Tickets for Live Theatre <sup>9</sup>	13%	13%
Music Lessons	No HST	No HST
Ballet, Karate, Trampoline, Hockey, Soccer Lessons, etc. <sup>10</sup>	13%	13%
Skis and Snowboards	13%	5%
Hockey Equipment	13%	5%
Golf Clubs	13%	5%

<sup>8</sup> The 8% Ontario portion of the HST does not apply due to the feminine hygiene products point-of-sale exemption.

<sup>9</sup> HST taxable, although some could be exempt if maximum admission charged by a public service body is \$1 or less, if the admissions are made in the course of the fundraising events where charitable receipts for income tax purposes may be issued or admissions are to amateur performances.

<sup>10</sup> HST taxable, although some could be HST-exempt if provided by a public service body to children age 14 and under and underprivileged individuals with a disability.



	HST Taxable	Tax Status for First Nations
Green Fees for Golf	13%	13%
Gym and Athletic Membership Fees	13%	13%

## Leases and rentals

	HST Taxable	Tax Status for First Nations
Condo Fees <sup>11</sup>	No HST	No HST
Residential Rents	No HST	No HST
Hockey Rink and Hall Rental Fees	13%	13%

## Electronics

	HST Taxable	Tax Status for First Nations
TVs	13%	5%
DVD and Blu-ray Players and Accessories	13%	5%
MP3 Players	13%	5%
Cell Phones, Smart Phones	13%	5%
CDs, DVDs and Blu-ray discs	13%	5%
Radios and Stereos	13%	5%
Computers and Printers	13%	5%

<sup>11</sup> Residential condo fees charged to residents are exempt; however, purchases by condominium corporations will be subject to HST, if applicable.

## Professional and personal services

	HST Taxable	Tax Status for First Nations
Child Care Services	No HST	No HST
Legal Aid	No HST	No HST
Legal Fees	13%	13%
Funeral Services	13%	13%
Coffins and Urns Purchased Separately from a Package of Funeral Services	13%	5%
Fitness Trainer	13%	13%
Hair Stylist/Barber	13%	13%
Esthetician Services (e.g. Manicures, Pedicures, Facials)	13%	13%

## Tobacco

	HST Taxable	Tax Status for First Nations
Cigarettes and Other Tobacco Purchases	13%	13%
Nicotine Replacement Products	13%	13%

## Banking and investments

	HST Taxable	Tax Status for First Nations
Mortgage Interest Costs	No HST	No HST
Most Financial Services	No HST	No HST

## Ontario government services

	HST Taxable	Tax Status for First Nations
Driver's Licence Renewals and Vehicle Plate Renewals (other than Personalized Licence Plates)	No HST	No HST
Hunting and Fishing Licences	13%	No HST <sup>12</sup>
Vital Documents (e.g. Health Cards, Birth Certificates)	No HST	No HST

## Still have questions?

For more information refer to the publication **Ontario First Nations Point-of-Sale Exemptions** or call 1 866 ONT-TAXS (1 866 668-8297) or visit [ontario.ca/finance](http://ontario.ca/finance). For teletypewriter (TTY) please call 1 800 263-7776.

The Canada Revenue Agency (CRA) is your source for the latest information about GST/HST. Visit [www.cra.gc.ca/gsthst](http://www.cra.gc.ca/gsthst) or call 1 800 959-5525 for general enquiries.

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<sup>12</sup> First Nations people do not require licences in recognition of their treaty and constitutional rights when hunting or fishing primarily for food on lands or waters where they have a right of access.

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Cette publication est disponible en français sous le titre « Ce qui est taxable hors réserve et ce qui ne l'est pas sous le régime de la TVH? ». Vous pouvez en obtenir un exemplaire en appelant le 1 866 ONT-TAXS (1 866 668-8297) ou en visitant [ontario.ca/finances](http://ontario.ca/finances).

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