



Ministry of Revenue  
Office of the Minister

Ministère du Revenu  
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The Honourable Sophia Aggelonitis

L'honorable Sophia Aggelonitis

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Monday, September 13, 2010

The Honourable Keith Ashcroft  
Minister of National Revenue  
7<sup>th</sup> Floor  
555 MacKenzie Avenue  
Ottawa, Ontario  
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Dear Minister Ashcroft,

### **HST Point of Sale Rebate: Newspapers**

I am writing to follow up on a meeting held August 18, 2010 among representatives of the National Ethnic Press and Media Council of Canada ("NEPMCC"), the Ontario Ministry of Revenue, the Ontario Ministry of Finance and the Canada Revenue Agency ("CRA").

### **POS Rebate**

Ontario has implemented a point of sale rebate on the provincial portion of the HST for qualifying print newspapers. Where this rebate applies, a supplier collects only the 5% federal portion of the HST.

Canada Revenue Agency ("CRA") addresses this rebate in GST/HST Info Sheet GI-060 "Harmonized Sales Tax for Ontario - Point-of-Sale Rebate on Newspapers". Qualifying newspapers are defined as:

*print newspapers that contain news, editorials, feature stories, or other information of interest to the general public and that are published at regular intervals, typically on a daily, weekly or monthly basis.*

Info Sheet GI-060 also states:

*The rebate will be available at any point in the distribution chain of the qualifying newspapers. For example, the rebate will be available to persons that are wholesalers, retailers or consumers of qualifying newspapers.*

To clarify the application of this point of sale rebate with respect to printing services, may I please ask you to confirm the information which I understand was given by your representatives on August 18, specifically, that a printer who prints a qualifying newspaper is required to collect only the 5% federal portion of the HST from the publisher whether a) the publisher picks up the

newspapers from the printer, b) the printer delivers the newspapers to the publisher, or, c) the printer delivers the newspapers to another party such as a retailer or distributor.

I understand that a printer who provides other services for which a separate charge is made, such as graphic design, would collect 13% HST on such charges.

I would be grateful if you would confirm the above at your earliest opportunity. This matter has great significance for the publishers of ethnic media in Canada, and I know they will appreciate your assistance.

Sincerely,



Hon. Sophia Aggelonitis  
Minister of Revenue

cc. Mr. Gunar Ozols  
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