

## SMALL TRADERS CERTIFICATION FORM

I hereby certify that I qualify as a small supplier under Section 148 of Bill C-62 and I am, therefore, not required to register for GST purposes.

\_\_\_\_\_  
Name or Company (Please Print)

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Social Insurance Number

\_\_\_\_\_  
Date of Birth

### Small Suppliers

Section 148 – Small supplier status

This section sets out the rules for determining the status of a person as a “small supplier” for GST purposes. A small supplier is not required to collect tax on taxable supplies. Nor is a small supplier entitled to claim an input tax credit for tax paid on taxable inputs.

It is important to note that a person qualifying as a small supplier may elect to become a GST registrant. A small supplier who registers is of course required to collect tax on any taxable supplies. However, it is to the advantage of small supplier selling to other businesses to register as this allows the small supplier to obtain input tax credits on purchases and the supplier’s business customers will ordinarily be entitled to claim input tax credits for any tax they pay.

A person is not required to apply for status as a small supplier. Moreover, unless a small supplier applies for registration, there is no requirement to file any GST returns in respect of the commercial activity.

Pursuant to subsection 148(1), a person qualifies as a small supplier throughout any calendar quarter and the following month if the total consideration for taxable supplies made by the person in the preceding 12-month period did not exceed \$30,000. For the purpose of this rule:

- The \$30,000 threshold is determined by reference to the total consideration for taxable supplies, excluding the proceeds from any sales of capital property, made in that 12-month period;
- The threshold is determined by reference to the aggregate of the taxable supplies made by the person and any associated person in that period (“associated person” is defined in Section 127); and
- Persons carrying on lotteries or gambling activities are entitled to deduct certain prizes or winnings paid out to determine whether they are below the \$30,000 threshold. This provision is of particular relevance for charities and non-profit organizations.

Subsection 148(2) provides an exception to the rule described above. Under this subsection, a person ceases to qualify as a small supplier at any time in a calendar quarter when the total consideration for taxable supplies of that person and of associated persons in that quarter exceeds \$30,000. For the purposes of this rule, proceeds from the sale of capital property are excluded. When the threshold is exceeded, the person ceases to qualify as a small supplier. As a result, the person is required to become registered and collect tax on all supplies, other than exempt supplies, made in the course of any commercial activities.

Subsection 148(3) denies “small supplier” status to a non-resident person whose only business carried on in Canada is the selling of admissions to a place of amusement, seminar, activity or event. The effect is to require non-residents in such circumstances to collect and remit tax on admissions which they sell directly to spectators/attendees even if the aggregate value of admissions charged does not exceed the \$30,000 threshold.

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### Alternatively: **GST REGISTRATION NUMBER**

I hereby certify that I am registered for GST purposes.

\_\_\_\_\_  
Name or Company (Please Print)

\_\_\_\_\_  
GST Number

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

For information on registering for GST purposes, contact  
Revenue Canada, Excise Office, GST Branch, 375 University Ave., Toronto, Ont.  
Phone: 416-954-0473