



Election and Revocation of Election Between Auctioneer and Principal

A registrant principal and a registrant auctioneer can use this form to jointly elect to have the principal charge and account for the GST/HST on taxable sales of prescribed property made by the auctioneer on behalf of the principal. To make an election, complete parts A, B, C, D, and E. To revoke an election, complete parts A, B, and F. For more information, see the back of this form.

Part A – Identification of principal (must be a GST/HST registrant)	
Legal name	Business number

Part B – Identification of auctioneer (must be a GST/HST registrant)	
Legal name	Business number

Part C – Eligibility

Describe the property to which this election applies (Any additional information can be attached on a separate sheet.)

Answer the two questions below by ticking the appropriate box.

- 1. Is the property described above prescribed property? (See the back of this form for the definition of prescribed property.) Yes No
- 2. Would the sale of the property described above be taxable if it was made by the principal? Yes No

We answered **yes** to both questions, and we jointly elect for the principal to account for the GST/HST on taxable sales of prescribed property described above instead of the auctioneer. We understand that the election is in effect for each day of the duration we indicate below that 90% or more of the proceeds from the auctioneer's sales on the principal's behalf are attributable to sales of prescribed property to which this election applies. If there is a day during the duration that this 90% test, or any of the other requirements of Part C, is not satisfied, the election does not apply **for that day**.

Indicate the duration of this election (tick one box only):

One day: Date:

Year	Month	Day
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Indefinite period: From:

Year	Month	Day
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, until you revoke the election by completing Part F.

Specified period: From:

Year	Month	Day
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 to

Year	Month	Day
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, unless you revoke the election earlier by completing Part F.

Part D – Certification of election by principal

I, _____, (print name), certify that the information given on this form and on any attached document is, to the best of my knowledge, true, correct, and complete in every respect, and that I am the principal or that I am authorized to sign on behalf of the principal.

Signature of principal or authorized person	Year	Month	Day
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Part E – Certification of election by auctioneer

I, _____, (print name), certify that the information given on this form and on any attached document is, to the best of my knowledge, true, correct, and complete in every respect, and that I am the auctioneer or that I am authorized to sign on behalf of the auctioneer.

Signature of auctioneer or authorized person	Year	Month	Day
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Part F – Revocation of election

The parties agree to have the election revoked as of

Year	Month	Day
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We, the principal and auctioneer, jointly revoke the election we previously made for the principal to charge and account for the GST/HST on the supply or supplies described in Part C of that election.

Signature of principal or authorized person	Year	Month	Day
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Signature of auctioneer or authorized person	Year	Month	Day
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Personal information is collected under the *Excise Tax Act* to administer tax, rebates, and elections. It may also be used for any purpose related to the administration or enforcement of the Act such as audit, compliance and the payment of debts owed to the Crown. It may be shared or verified with other federal, provincial/territorial 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 and request correction if there are errors or omissions. Refer to Info Source at www.cra.gc.ca/gnrcy/tp/nfsrc/nfsrc-eng.html, Personal Information Bank CRA PPU 241.



General information

General rule (without an election)

Under the general rule, a registrant auctioneer is responsible for charging and accounting for the GST/HST on all sales of property (other than zero-rated sales) regardless of whether or not the principal is a GST/HST registrant. The auctioneer's services to the principal, which relate to the sale of the property, such as pre-auction price estimates, advertising or illustration, short-term storage, calling the auction, and providing a facility, are usually not subject to GST/HST. For more information, see GST/HST Info Sheet GI-010, *Auctioneers*.

Joint election for the principal to charge and account for the GST/HST

A registrant principal and a registrant auctioneer may jointly elect to have the principal charge and account for the GST/HST on the sale of prescribed property made by the auctioneer on the principal's behalf. The auctioneer has to charge and account for the GST/HST on all the services it provides to the principal. The election can be in effect for one day, an indefinite period, or a specified period, whichever you indicate in Part C of this form. Regardless of the duration of the election, you must assess whether all eligibility requirements in Part C are met for each day you want to use the election.

For the election to be effective on a particular day of the duration, the following must be true **for that day**:

- both the principal and the auctioneer are GST/HST registrants;
- the property is prescribed property (as defined on this page);
- the sales would be taxable if the principal made them; and
- 90% or more of the proceeds from the auctioneer's sales on the principal's behalf for that day are attributable to sales of prescribed property to which this election applies.

If any of these requirements are not met on a particular day of the duration, the election is not in effect **for that day** and the general rules apply for that day.

Prescribed property

The following property is prescribed under the *Property Supplied by Auction (GST/HST) Regulations* for purposes of this election:

- (a) cut flowers and foliage, bedding plants, nursery stock, potted plants and plant bulbs and tubers;
- (b) horses;
- (c) motor vehicles designed for highway use;
- (d) machinery and equipment (other than office equipment) designed for use in:
 - (i) the exploration for, or the development or production of, petroleum, natural gas, minerals or water;
 - (ii) mining, quarrying or logging;
 - (iii) the construction or demolition of capital works, buildings, structures, roads, bridges, tunnels or other projects;
 - (iv) the manufacture or production of tangible personal property, the development of manufacturing or production processes or the development of tangible personal property for manufacture or production;
 - (v) the treatment or processing of toxic waste or the detection, measurement, prevention, treatment, reduction or removal of pollutants;
 - (vi) carrying refuse or waste from, or exhausting dust and noxious fumes produced by, manufacturing or producing operations; or
 - (vii) the prevention of accidents in the workplace or the mitigation of their effects;
- (e) attachments for property included in paragraph (d); and
- (f) repair or replacement parts for property included in paragraph (d) or (e).

Books and records

Do not send us this form. The principal and the auctioneer must each keep a completed copy with their books and records while the election is in effect and for six years after the end of the year to which an election relates.

Do you need more information?

For more information on GST/HST, see Guide RC4022, *General Information for GST/HST Registrants*, go to www.cra.gc.ca/gsthst, or call 1-800-959-5525.