

**BC/YUKON COMMAND
The Royal Canadian Legion**

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December 10, 2024

TO: All Branches
For Information of Members of Command Executive Council

FROM: Glenn Hodge, Command Treasurer and Emily Yuan, CPA, Command Controller

SUBJECT: **Reminder: Temporary GST Holiday Relief on Qualifying Goods – Effective December 14, 2024**

Memo 72.24

Dear Comrades,

This is a reminder in reference to Memo #70.24 regarding the Federal Government's announcement of a temporary GST holiday relief on qualifying goods. This measure will take effect this **Saturday, December 14, 2024**, and applies to specific items as outlined below.

To ensure compliance and smooth operations during this period, please follow these steps:

1. Identify qualifying goods

- a. Remove/zero GST on items in the Food and Beverage category, including:
 - i. Food and non-alcoholic beverages
 - ii. All wines (excluding fortified wines with over 22.9% ABV)
 - iii. Beer, cider, and spirit coolers up to 7% ABV
- b. CRA has provided further details and examples on the Government of Canada Website. Please refer to the link here:
<https://www.canada.ca/en/services/taxes/child-and-family-benefits/gst-hst-holiday-tax-break.html>

2. Adjust GST rates during the relief period

- a. Effective **December 14, 2024**, qualifying goods will be zero-rated for GST
 - i. Zero-rated means that no GST is charged at the point of sale, because the tax rate is 0%. However, GST registrants can still claim an input tax credit for the GST paid or payable on expenses made to provide the zero-rated supplies
 - ii. Update your accounting system to reflect 0% GST on the qualifying goods starting December 14, 2024
- b. Revert the GST rate back to 5% immediately after **February 15, 2025**
- c. Purchasing from suppliers
 - i. Ensure no GST is charged on qualifying goods during this period, whether purchased retail or wholesale

3. Report GST for non-qualifying goods

- a. Continue to remit and report GST as usual for non-qualifying goods from December 14, 2024 to February 15, 2025
- b. Maintain clear records for compliance purposes

4. Seek clarification for complex transactions

- a. Contact CRA Business Inquiry Line at 1-800-959-5525 for general inquiries
- b. For liquor-specific queries, contact BC Liquor Distribution Branch at GSTHoliday@bcldb.com.

By proactively following these steps, we can ensure compliance and minimize disruptions during this temporary GST holiday.

Further References:

- **Full list of qualifying goods:** <https://www.canada.ca/en/department-finance/news/2024/11/more-money-in-your-pocket-a-tax-break-for-all-canadians.html>
- **GST/HST Break Details and Guidance:** <https://www.canada.ca/en/services/taxes/child-and-family-benefits/gst-hst-holiday-tax-break.html>
- **Bill C-78:** <https://www.parl.ca/DocumentViewer/en/44-1/bill/C-78/third-reading>
- **BC Liquor Distribution Branch Update:** <https://wholesale.bcldb.com/news/gst-holiday-tax-break-bill-c-78-announcement>
- **Background information:** <https://www.canada.ca/en/department-finance/news/2024/11/more-money-in-your-pocket-a-tax-break-for-all-canadians.html>

Sincerely,

Glenn Hodge and Emily Yuan