

General Information

Who can make this election?

Generally, you can use the quick method if the total annual revenue from your worldwide taxable supplies (including GST/HST and zero-rated supplies) and those of your associates in either the first four or the last four consecutive fiscal quarters in the last five fiscal quarters is no more than \$400,000.

For reporting periods beginning before January 2013, the quick method threshold for annual worldwide taxable supplies (including GST/HST and zero-rated supplies) was \$200,000.

Certain businesses **cannot** use the quick method. For more information, see Guide RC4058, *Quick Method of Accounting for GST/HST*.

Note

If you do not have a permanent establishment in any particular province in Canada, you are **not** eligible to use the quick method.

When can you make the election?

If you file annual GST/HST returns, you have to make the election by the first day of your second fiscal quarter.

If you file monthly or quarterly GST/HST returns, you have to make your election by the due date of the return in which you begin using the quick method.

You can start using the quick method on the effective date you indicate to us on this form. However, this date has to be the first day of a GST/HST reporting period.

If you previously elected to use the quick method and had revoked that election, you have to wait at least one year from the date the revocation became effective before you can elect to use the quick method again.

How do you elect to use the quick method?

You can elect to use the quick method by using our online services at www.cra.gc.ca/mybusinessaccount or www.cra.gc.ca/representatives, or by completing and sending this form to your tax services office. You can find the address at www.cra.gc.ca/tso or call 1-800-959-5525.

How long does the election stay in effect?

Generally, the election stays in effect as long as the total annual revenue from your worldwide taxable supplies (including the GST/HST and zero-rated supplies), and those of your associates, does not exceed \$400,000, **or** until you become a person that cannot use the quick method because of the type of business you carry on.

If your election ceases to be in effect, you have to start accounting for the GST/HST using the regular method:

- at the beginning of your next fiscal year if you file annual returns and, in your current fiscal year, you exceed the \$400,000 threshold or you become a person that cannot use the quick method because of the type of business you carry on;

- at the beginning of your second fiscal quarter of a fiscal year if you file monthly or quarterly returns, your election to use the quick method **was** in effect at the beginning of that year, and you exceeded the \$400,000 threshold in your previous fiscal year; or
- at the beginning of your next fiscal quarter if you file monthly or quarterly returns, your election to use the quick method **was not** in effect at the beginning of the fiscal year, and you exceeded the \$400,000 threshold in both the first four and the last four consecutive quarters of the previous five fiscal quarters.
- at the beginning of a fiscal quarter if you file monthly or quarterly returns and you become a person that cannot use the quick method because of the type of business you began to carry on in the fiscal quarter.

Note

For reporting periods beginning before January 2013, the quick method threshold for annual worldwide taxable supplies (including GST/HST) was \$200,000.

When and how can you revoke the election?

You can revoke the election only **after** your quick method election has been in effect for at least one year. Generally, you have to revoke the election by the due date of the GST/HST return for the last reporting period in which you wish to use the quick method.

You can revoke the election by using our online services at www.cra.gc.ca/mybusinessaccount or www.cra.gc.ca/representatives, or by completing and sending this form to your tax services office. You can find the address at www.cra.gc.ca/tso or call 1-800-959-5525.

If you revoke the election, **you have to wait at least one year** before you can elect to use the quick method again.

What if you need help?

For more information, see Guide RC4058, *Quick Method of Accounting for GST/HST*, go to www.cra.gc.ca/gsthst or call 1-800-959-5525.

Forms and publications

To get our forms and publications, go to www.cra.gc.ca/gsthstpub or call 1-800-959-5525.