

Chapter 2

Table of Contents

2.1	Supply.....	2-1
2.1.1	Property	2-2.2
2.1.2	Service.....	2-3
2.1.3	Deemed Supplies	2-3
2.1.4	Reimbursements.....	2-3
2.1.5	Single or Multiple Supplies.....	2-4
2.1.6	Incidental Supplies	2-10.2
2.1.7	Barter Transactions	2-10.2(2)
2.1.7.1	Barter Exchange Networks.....	2-10.3
2.2	Non-taxable Supplies	2-10.4
2.2.1	Sale of an Ongoing Business — Section 167 Election	2-10.4
2.2.2	Transactions within a Closely Related Group.....	2-10.8
2.2.3	Transfers of Security Interest.....	2-10.12
2.2.4	Sponsorship of Public Service Activities	2-10.12
2.2.5	Natural Resource Royalties	2-10.12
2.2.6	Court Seizures and Sales	2-10.12
2.2.7	Sale of Capital Personal Property	2-10.12
2.2.8	Payments by Unions	2-10.12
2.3	Taxable Supplies	2-10.12(1)
2.3.1	Pay Telephones	2-10.12(1)
2.3.2	Single-coin Operated Devices.....	2-10.13
2.3.3	Location of Supply	2-10.13
2.4	Zero-rated Supplies	2-10.17
2.4.1	Prescription Drugs	2-10.18
	Taxable at 5%	2-10.18
	Conditionally Zero-rated	2-10.18
	Unconditionally Zero-rated	2-10.19
	Provincially Controlled Drugs	2-12
	Dispensing Fees.....	2-12
	Institutional Health Care Service Drugs.....	2-12
	Supplies Paid for by a Provincial Health Care Plan	2-12
	Prescription Drugs	2-12
2.4.2	Medical Devices	2-14.2
	Unconditionally Zero-rated	2-14.2
	Conditionally Zero-rated Medical Devices	2-14.4
	Parts, Accessories or Attachments.....	2-16
	Service and Service Parts.....	2-16
	Vehicles Converted for Disabled Individuals	2-16.1
	Medical and Assistive Devices	2-16.1
2.4.3	Basic Groceries.....	2-16.2
	Alcoholic and Carbonated Beverages	2-16.2
	Candies and Snack Foods	2-16.2

Taxable Supplies

	Dietary Supplements	2-17
	GST/HST Info Sheet GI-001	2-17
	Sweetened Baked Goods and Similar Products	2-18
	Single Servings of Yoghurt, Puddings and Beverages	2-19
	Prepared Foods	2-19
	Lunch and Snack Combinations	2-20
	Vending Machine Sales	2-20
	Sales of Basic Groceries in Eating Establishments	2-20
2.4.4	Agriculture and Fishing	2-21
	Farm Livestock	2-21
	Grains, Seeds, Fodder Crops	2-21
	Industrial Hemp	2-22
	Poultry and Fish Eggs	2-22
	Fertilizer and Pesticides	2-22
	Wool	2-22
	Tobacco	2-22
	Fish and Marine Animals	2-22
	Crop-share Agreements	2-23
	Quota	2-23
	Farm and Fishing Equipment	2-23
	Taxable Agricultural Goods and Services	2-26.1
	Feedlots	2-27
2.4.5	Exports	2-27
2.4.6	Passenger Transportation Services	2-27
	Surface Transportation	2-27
	Air Transportation	2-29
	Domestic	2-29
	International	2-29
	International Air Ambulance Services	2-30
	Air Navigagtion Services	2-30
	Excess Baggage Charges	2-30
	In-flight Charges	2-30
	Child Supervision	2-30
	Ticket Services	2-31
	Agent's Services	2-31
	Tour Packages	2-31
	Supplies to International Carriers	2-31
	Air Travellers Security Charge	2-31
2.4.7	Freight Transportation Services	2-32
	International	2-33
	Inbound International Freight	2-34.1
	Outbound International Freight	2-34.2
	International Freight Forwarders	2-35
	Interline Settlements	2-35
	Miscellaneous Freight Charges	2-35
	Postal Services	2-36

2.4.8	International Organizations and Officials	2-36
	Applying for the Rebate	2-37
	Governor General	2-37
	International Bridge or Tunnel Authority	2-37
2.4.9	Financial Services	2-37
	Insurance	2-38.1
	Precious Metals	2-43