

How to complete your Retail Sales Tax (RST) Return

During the period April 1, 2010 to June 30, 2010

Line ① Total Sales

Enter your total sales (rounded to the nearest dollar). You must include all taxable and non-taxable sales of goods and services that you made from Ontario locations. If you have locations outside Ontario, you must also include sales made from those locations into Ontario. Do not include GST or RST. If you have no sales to report, you must still file your return. Simply enter **0** on Line 1.

Line ② Tax Collectable on Sales

Determine your total tax collectable on sales during the reporting period and then deduct from that amount the eligible compensation calculated and previously reported at line 5. The result of this calculation must then be entered on line 2 (Tax Collectable on Sales - Compensation = Net amount entered on line 2). Even if you have not yet collected the RST, you still have to report all RST charged to your customers during the filing period. If you have no RST to report, enter 0 on Line 2.

Line ③ Tax Payable for Own Use

Enter the amount of RST owing on taxable goods or services that you used in your business and that you purchased without paying RST.

This includes items you:

- took from your inventory for your own use
- manufactured for your own use
- brought into Ontario for your own use
- purchased tax-exempt in error

If you are a manufacturing contractor, you will use Line 3 to report the RST you owe on the cost of goods manufactured for use in real property contracts. For further information, please refer to **RST Guide 401 – Manufacturing Contractors**.

NOTE: Line 3 will never be a negative amount that reduces your RST payable. It will be a **0** or an additional amount of RST owing.

Line ④ Current Penalty

If you file your return after the due date and/or you don't pay what you owe in full, you must pay a penalty and enter the amount on Line 4.

You can calculate the penalty as follows:

PENALTY ASSESSED ON	RATE
Tax Collectable on Sales (Line 2)	10%
Tax Payable for Own Use (Line 3)	5%

NOTE: When you don't pay your return in full, the penalty is calculated based on the difference between the amount paid and the amount owing.

For further information, please refer to **RST Guide 205 - Penalties**.

Line ⑤ Compensation

Compensation is an amount you receive for filing your RST return. In the transition period to the Harmonized Sales Tax, the compensation amount is limited to \$375 for the shortened collection period of April 1 to June 30, 2010. All returns mailed for periods ending after March 31, 2010 will indicate AT LIMIT in the Compensation box at Line 5. **Do not enter an amount in this line.**

Please see line 2 for instructions on claiming during this period.

IF YOU CHARGED...	THEN DEDUCT...
\$20.00 or less	the whole amount
\$20.01 to less than 400.00	\$20.00
\$400.00 or more	5% of the tax collectable (maximum \$375)

Line ⑥ Total Tax Due

You calculate this amount by adding Line ② plus Line ③ plus Line ④.

Line ⑦ Payment Amount

This is the amount you are paying. This should be equal to the amount from Line 6 plus or minus the account balance shown on your return. If you have an amount owing, it is added to the Line 6 amount while a credit balance is subtracted.

NOTE: The account balance shown is effective the date your return was printed. If you have made payment toward your balance owing or used a portion/all of your credit in a previous return, you should adjust the amount accordingly.

	Dollars	Cents
① Total Sales	0	0
② Tax Collectable on Sales		
③ Tax Payable for Own Use		
④ Current Penalty (10% of ② and 5% of ③)		
⑤ Compensation (based on line ②)	AT LIMIT	
⑥ Total Tax Due		
⑦ Payment Amount		

You must file your return on time, even if you did not make any sales or charge/collect any RST during the return period (i.e., you have a nil return).

You may file your return and make payment in one of the following ways:

- Electronically, using a financial institution's Internet banking services to send your return, including a nil return. For more information, visit our website at ontario.ca/revenue.
- In person at your Ontario financial institution free of charge. The payment must be teller stamped on or before the due date. Financial institutions will not accept returns without a payment. If you have a nil return, then you must send it directly to the address at the top of your return, take it to a Ministry of Revenue Tax Office or file it electronically.
- By mail to the address at the top of the return. The return must be received by the Ministry of Revenue on or before the due date.

Make your cheque or money order in Canadian funds payable to the **Minister of Finance**.

The information contained in this publication is only a guideline. For more information, please contact the Ontario Ministry of Revenue at 1 866 ONT-TAXS (1 866 668-8297) or visit our website at ontario.ca/revenue.

