



The following information explains how to configure the HST in your Avantage accounting suite of solutions. Prior to using this feature you must have installed the latest **NG8** update issued after June 21st 2010.

WHAT IS THE HST?

The harmonized sales tax (HST) combines both the provincial and the federal sales tax rates in order to use only one rate. The HST is applied in the following provinces:

- ▶ Nova Scotia
- ▶ New Brunswick
- ▶ Newfoundland and Labrador
- ▶ Ontario
- ▶ British Columbia.

These provinces are called “participating provinces” and are using the same rules as those governing the GST. The global rate includes the GST and the provincial tax % (percentage).

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REQUIRED CONFIGURATIONS

You must create the **TAX LEVEL** for each participating province (if you must collect or pay HST) by entering the tax rate as well as the **GST** ledger numbers used for counting the HST.

You can configure one level by province. The same ledger numbers as the **GST** must be used for each **HST** taxation level.



Generally, the level 1 is configured to calculate automatically your province's HST by default.

Sales Taxes											
PST and HST GST Sales Tax Rates by G/L Number											
Level	Description	Rate 1			Rate 2			Discount before	GST before	GST after	HST
		%	G/L Charged	G/L Paid	%	G/L Charged	G/L Paid				
1	GST	7.50	21360	21370	0.00			Y	Y	N	
2	HST ON	13.00	21350	21340	0.00			Y	N	N	✓
3	HST CB	12.00	21350	21340	0.00			Y	N	N	✓
4	HST NB	13.00	21350	21340	0.00			Y	N	N	✓
5	HST NE	15.00	21350	21340	0.00			Y	N	N	✓
6	HST TN	13.00	21350	21340	0.00			Y	N	N	✓
7											
8											
9											
10											
11											
12											
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17											
18											

(OPERATOR MENU | COMPANY PARAMETERS | SALES TAX)



If your **SALES TAXES** dialog box does not include all fields displayed in the previous image, it means you have not installed the latest NG8 software update. Please install it before continuing with this procedure.

- **Description:** Defining the tax to collect and to pay. Example: HST ON for Ontario tax.
- **Rate:** Provincial tax rate to collect and to pay.
- **Discount before:** Discount calculation mode. Enter Yes (Y) to deduce the sales discount before calculating the taxes.
- **GST before:** Provincial sales tax calculation mode. Enter Yes (Y) if the federal sales tax must be added to the sales price before calculating the provincial tax. For **HST**, please enter NO (N).
- **GST after:** Provincial sales tax calculation mode. Enter Yes (Y) if the provincial sales tax is calculated and added to the sales price before calculating the federal sales tax. For **HST**, please enter NO (N).
- **HST:** Selecting the harmonized sales tax calculation method. Check this option if it is about the **HST**.

SUPPLIER FILE

In the **SUPPLIER** file of participating provinces, you must enter the following information:

- The tax level corresponding to the province of the supplier who's issuing the invoice.
- Enter the supplier's HST number in the "**HST No**" box.
- Do not enter a number in the "**GST No**" box (No character must be entered in this box.)

Supplier File --> Correct

Table | Detail | File | Contacts/Mess. | Stat./EFT

Supplier number 000000001
Name LES ENTREPRISES INC.

Foreign currency

HST no. 574893026542345 Type/Region
GST no. Vol. disc. 0
Tax level 3 Advert. disc. 0
Our customer no. FGE49367493

(C/F MENU | SUPPLIER FILE | SUPPLIER MANAGEMENT)

Accounts Payable - LES ENTREPRISES INC. --> Add

Table | Detail

Account number Terms 2.0000/ 10,n/ 60 Account date 25/06/2010
Project no.
Supplier no. 000000001 LES ENTREPRISES INC.
G/L accts. pay. 21300 ACCOUNTS PAYABLE
G/L holdbacks 21310 HOLDBACKS PAYABLE
Invoice number
Description
Total amount 1130.00 Net amount 1130.00 Balance 0.00
Command ref. Holdback 0.00 Holdback pay. 0.00

	Description	G/L no.	Amount
1.	GST PAID ON PURCHASES	21340	130.00
2.	PURCHASES 1	33510	1000.00
3.			0.00



Only one tax line will be displayed in the supplier account.

CUSTOMER FILE

In the **CUSTOMER** file of participating provinces, you must enter the following information:

- The tax level corresponding to the customer's province.
- Generally, in order for the automatic tax calculation to work, do not enter a number in the "**GST EXEMPTION NO**" box and in the "**HST EXEMPTION NO**" box. However, if a customer has an exemption number, enter it.

(A/R MENU | CUSTOMER FILE | CUSTOMER MANAGEMENT)

Totals	
Subtotal :	1000.00
GST/HST incl.	0.00
PST incl. :	0.00
Discount :	0.00
Transportation :	0.00
Other charges	0.00
Total :	1000.00
GST/HST	130.00
GST/HST rebate :	0.00
PST :	0.00
PST rebate :	0.00
Total due :	1130.00
Holdback :	0.00
Total to pay :	1130.00
Receipt :	0.00
Balance due :	1130.00



During the invoicing, the calculated tax amount will be entered in the "**GST/HST**" box.

SALES TAXES REPORTS

In the **SALES TAXES REPORTS** window, select the **"COMBINED"** option and then check **"ALL LEVELS OF PROVINCIAL SALES TAX"**.

The screenshot shows the 'Sales Taxes Reports' window. On the left, the 'Combined' option is selected. The 'From' date is 01/06/2010 and the 'To' date is 30/06/2010. The 'All levels of provincial sales tax' checkbox is checked. Below this, there is a table for 'Provincial tax level' with a header row 'No' and one empty row below it. At the bottom, there is a checkbox for 'Get the amount of taxes on the holdbacks'.

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To view only one level, select **"PST"**, remove the **"ALL LEVELS OF PROVINCIAL SALES TAX"** check mark and indicate the right tax level in order to see the HST amounts collected and paid on the report.

The screenshot shows the 'Sales Taxes Reports' window. On the left, the 'PST' option is selected. The 'From' date is 01/06/2010 and the 'To' date is 30/06/2010. The 'All levels of provincial sales tax' checkbox is unchecked. Below this, there is a table for 'Provincial tax level' with a header row 'No' and one row containing '2 13.00 % (21350 / 21340) HST ON'. At the bottom, there is a checkbox for 'Get the amount of taxes on the holdbacks'.

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The Sales Taxes Report can be printed at all times.