

GST/HST Compliance Checklist

for Canadian Tourism Businesses

For resorts, tour operators, vacation rentals, and hospitality providers



1. When You Must Register for GST/HST

- Threshold: Register if your gross revenue exceeds \$30,000 over four consecutive calendar quarters.
- Applicable Income: Includes earnings from lodging, tours, rentals, and food services.
- Post-Registration: Once registered, you must charge and remit GST or HST, depending on your province.



2. Common Taxable Services in Tourism

- Short-term lodging (under 30 days): Taxable at the applicable GST/HST rate
- Guided tours, boat cruises, cultural experiences: Fully taxable
- Restaurant meals and event catering: Almost always taxable
- Packages including park fees or admissions: Often fully taxable if bundled



3. Dealing with Non-Resident Customers

- General Rule: GST/HST usually applies, even to international visitors.
- Exceptions: Some services may be zero-rated if they qualify under specific criteria; proper documentation is essential.
- Bundled Services: Not automatically tax-free for non-residents.

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✓ 4. Charging Tax on Deposits & Gift Certificates

- Deposits: GST/HST is charged only when the service is delivered, unless it's non-refundable
- Gift Certificates: No GST/HST when sold; tax is applied upon redemption

✓ 5. Input Tax Credits (ITCs) – What You Can Claim

Eligible for ITCs:

- Cleaning supplies, linens, toiletries
- Advertising and brochures
- Booking and website software
- Utilities and maintenance for rental spaces
- Business-related meals (only 50% is claimable)

Not Eligible:

- Items for personal use
- Mixed-use property (only claim business-use portion)
- Promotional giveaways (may require tax to be remitted)

✓ 6. Bundled Services vs. Multiple Supplies

- Bundled Service: One combined price = Single GST/HST treatment (usually taxable)
- Multiple Supplies: Separately priced items = Each taxed separately (some may be exempt)
- CRA Considerations: Based on how services are advertised, priced, and described

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7. Filing & Payment Requirements

- Filing Frequency: Quarterly or annually, based on your registration
- Zero-Dollar Returns: Even if no sales occur in a period (e.g., off-season), you must file a return
- Timeliness: File and pay on time to avoid penalties



Pro Tips

- Utilize accounting software that separates taxable and exempt sales
- Maintain copies of invoices, ads, booking confirmations, and expense receipts
- Track customer origins and service delivery locations for accurate tax application



Helpful Resources

- Canada Revenue Agency – GST/HST for Businesses:
<https://www.canada.ca/en/revenue-agency/services/tax/businesses/topics/gst-hst-businesses.html>