

Lower Tax on Books with CD-ROMs

August 2006

✓ How does this work?

You will receive an eight per cent point-of-sale rebate of the provincial portion of the HST when you purchase a book that is packaged with a CD-ROM. This means that you will only pay the six per cent federal portion of the HST.

There is no application process. This happens at the time of purchase.

✓ When does the rebate come into effect?

The rebate will be effective as of September 1, 2006.

✓ Does the rebate apply to all books with CD-ROMs?

The rebate will apply to

- a printed book packaged with a CD-ROM, if the material on the CD-ROM supplements and is integrated with the book; and,
- products specially designed for students enrolled in a qualifying course consisting of a printed book packaged with a CD-ROM, and/or access to a website, containing related materials.

✓ Why is the rebate not being offered for books without CD-ROMs?

Nova Scotia currently provides a point-of-sale rebate for the provincial portion of Harmonized Sales Tax (HST) on printed books. The rebate is being expanded to include the increasing number of books being packaged with CD-ROMs, especially text books.

✓ I've already purchased my books for my studies. Can I send in my receipt for the books packaged with CD-ROMs and get the rebate?

Unfortunately the rebate is not retroactive. It begins on September 1, 2006.

✓ Can I get the rebate on computer software that includes an instruction manual?

The purchase of computer software will not be eligible for the rebate. The value of the purchase must come primarily from the book, with the CD-ROM providing only supplementary information.

The rebate also does not apply to music CD-ROMs.

✓ Is there a limit on how much rebate I can get?

You are entitled to the eight per cent rebate of the provincial portion of the HST each time you purchase an eligible book with a CD-ROM.

✓ Who do I contact if I have questions on the rebate program?

The rebate is being administered by the Canada Revenue Agency.

Phone: 1-800-959-1953

Website: www.cra-arc.gc.ca

As of September 1, 2006, this HST change is effective in Nova Scotia, New Brunswick, and Newfoundland & Labrador, the three harmonized provinces.