

# FORM GST74 – GST QUICK METHOD



CRA must be notified by way of [THIS](#) form if you wish to elect the Quick Method for your GST filing. You can start using the Quick Method on the effective date you indicate to CRA; however, this date **must** be the first day of a GST reporting period.

To use the Quick Method you must have been in business **continuously** for at least 365 days\*. If you are doing any **business other than a REALTOR®** you may fall under the category of persons who cannot use this method. It is advisable to consult with a tax professional before electing the Quick Method to ensure you are in compliance.

\*If you are a new GST registrant (therefore, not in business for at least 365 days) then you can still elect to use the quick method if you can reasonably expect that your first year of commissions (including GST) will be less than \$400,000; however, you **should elect to use the quick method either simultaneously at the time of registration or as soon as possible after registration as there exists a deadline to elect.** If the deadline expires then your election will not take effect until the beginning of the next GST reporting period.

## GST 'QUICK METHOD' FILE FORM CHEAT SHEET

At time of writing (2015 December) the Quick Method GST formula to determine what amount you will remit is equal to 3.6% of your gross sales + GST.

### FILE FORM CHEAT SHEET

Line **101** is the gross total of your commission **INCLUDING GST**

Line **103** is 3.6% of line 101

Line **105** is same amount as recorded in line 103

Line **115** Payment enclosed which is the same amount as recorded in line 105

### 1% GST REBATE

A 1% rebate\* on the **first \$30,000 of taxable sales including GST** is available to you. See example below:

\$105,000	Total annual commission of \$100,000 + GST X 3.6% remittance rate)
= \$3,780	Subtotal
- \$300	Rebate on first \$30,000 of taxable sales + GST (\$30,000 x 1%)
= \$3,480	Net remittance

\*The 1% rebate on the first \$30,000 of taxable sales + GST is an annual limit. Therefore, if you are a quarterly filer and the \$30,000 limit is reached within the first quarter then the rebate is exhausted for the remaining three quarters and cannot be claimed again for the remaining three quarters.