

79. The operator of a trailer park, who is a GST/HST registrant, leases a site in the park to an individual for the individual's personal use. The lease payment is subject to the GST and is due in April 2010 for the six-month period from May 1, 2010 to October 31, 2010. The lease payment is not paid before it becomes due. Would the operator be required to collect the HST? Would the individual be required to self-assess the Ontario part of the HST?

No, the operator would not be required to collect the HST and the individual would not be required to self-assess. Given that the lease payment becomes due during the period after October 14, 2009 and before May 2010, the operator would not be required to collect the HST for any part of the lease payment that is attributable to a period beginning on July 1, 2010. Given that the individual is a consumer, the individual would not be required to self-assess the provincial part of the HST. However, the GST at 5% would apply to the lease payment.

80. The operator of a trailer park, who is a GST/HST registrant, leases a site in the park to an individual for the individual's personal use. The lease payment is subject to the GST and is due on May 1, 2010, for the six-month period from May 1, 2010 to October 31, 2010. The individual paid the amount of the lease payment on April 15, 2010. Would the operator be required to collect the HST? Would the individual be required to self-assess the provincial part of the HST?

No, the operator would not be required to collect the HST and the individual would not be required to self-assess. Although the lease payment becomes due in the period after April 2010 and before July 2010, the payment is made without becoming due by the individual on April 15, 2010, which is after October 14, 2009 and before May 2010. The transitional rules apply based on the earlier of the date the lease payment becomes due and the date the lease payment is made without having become due. As such, the operator would not be required to collect the HST for any part of the lease payment that is attributable to a period beginning on July 1, 2010. Given that the individual is a consumer, the individual would not be required to self-assess the provincial part of the HST. However, the GST at 5% would apply to the lease payment.

81. The operator of a trailer park, who is a GST/HST registrant, leases a site in the park to an individual for the individual's personal use. The lease payment is subject to the GST and is due on May 1, 2010 for the six-month period from May 1, 2010 to October 31, 2010. The individual paid the amount of the lease payment on May 10, 2010. Would the operator be required to collect the HST? Would the individual be required to self-assess the provincial part of the HST?

Yes, the operator would be required to collect the HST for part of the lease payment as the lease payment becomes due during the period after April 2010 and before July 2010 and is not paid before that period. Accordingly, the HST would apply to the part of the lease payment that is attributable to the period beginning on July 1, 2010 i.e., four out of the six months or 67% of the lease payment. The operator must account for the provincial part of the HST in its GST/HST return for the reporting period that includes July 1, 2010.