

Collection of Tax

The following is an excerpt from the Ontario Ministry of Revenue Retail Sales Tax Branch Information Bulletin Number 3-82 dated August, 1982:

“Fund Raising Events-Religious, Charitable, Benevolent and Non Profit Organizations

An amendment to the Retail Sales Tax Regulations enables religious, charitable, benevolent and non-profit organizations to sell taxable goods at fund raising events without collecting tax if:

- ⊗ the number of fund raising events held per year is reasonable;
- and
- ⊗ the taxable sales at these events are not more than \$75,000 per year.

Tax is required to be paid on taxable goods other than prepared food products purchased for sale at any of the events.

The exemption will not apply in the following cases:

- ⊗ when the organization holds regularly scheduled weekly or monthly fund raising events;
- ⊗ when the organization is acting as a caterer, providing prepared food for weddings, club dinners, etc;
- ⊗ when the organization is selling prepared food in direct competition with a commercial operator on the same site, such as at a fair or exhibition.”

Payment of Tax on Purchases

The following is an excerpt of Ruling #8:

RULING 8 - Equipment Purchased by Religious Institutions

- 1) Paragraph 53 or subsection 1 of section 5 of the Retail Sales Tax Act exempts from tax *“equipment, as defined by the Minister, that is to be used by a religious institution exclusively in that part of its premises where religious worship or Sabbath School is regularly conducted, and repairs to such equipment, but not including any equipment acquired for resale by a religious institution.”*
- 2) Subsection (1a) of section 1 of Regulation 784 defines that equipment, as used in paragraph 53 of subsection 1 of section 5 of the Act, to mean:

altars, altar cloths and linens	kneelers and prie-dieux
altar desks	lecterns and lectern cloths
baptismal bowls	mass linen
baptismal fonts	memorial plaques and tablets
baptismal shells	monuments and statues
chairs organs	
chimes and bells	pews
choir stalls	pianos
collection plates	public address systems
communion ware	pulpits and pulpit
confessionals	special lighting apparatus
confessional counters	stools
draperies and carpets	tables

and similar equipment used exclusively in religious worship or Sabbath School, but does not include clothing or vestments.
- 3) A vendor may sell such items to any purchaser free of tax only when he or she receives a purchase exemption certificate signed by a duly authorized official of the religious institution certifying that the equipment or parts thereto will be used exclusively and not for resale in that part of its premises where religious worship or Sabbath School is regularly conducted.
- 4) All other equipment purchased for a religious institution that is not used for religious worship or Sabbath School is subject to tax.

*Jan '99 Note: - *this section being updated and expanded.*

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