



Election Concerning the Provision of a Residence or Lodging at a Remote Work Site

Use this form if you are a GST/HST registrant and a builder of housing, or an addition to multiple unit housing, that is located at a remote work site and you are electing to defer the application of the GST/HST on the housing or addition until you begin leasing it primarily (more than 50%) to persons who are not eligible individuals, or their relatives, who are at the remote work site to perform their duties, or until you sell the housing.

For more information on eligibility, and the meaning of "eligible individual", see the back of this form.

Part A – Identification			
Name		Business number	
		R T	
Operating/Trading name (if different from name)			
Mailing address		City	Province or territory
			Postal code
Part B – Identification of remote work site			
Enter the address or location of the remote work site and a description of the housing or addition:			
Part C – Election			
I meet all of the eligibility requirements listed on this form and elect to have the supply of the housing for use as a place of residence or lodging by eligible individuals, or their relatives, performing their duties at the remote work site identified above deemed not to be a supply, and the occupation of the housing deemed not to be occupation as a place of residence or lodging.			
		Year	Month
		Day	
Effective date of this election:			
I, _____, certify that the information given on this form is, to the best of my knowledge, true, correct, and complete in every respect, and that I am the registrant or that I am authorized to sign on behalf of the registrant.			
Signature of registrant or authorized person		Position or title	Year
			Month
			Day

Personal information is collected under the Excise Tax Act to administer tax, rebates, and elections. It may also be used for any purpose related to the enforcement of the Act such as audit, compliance and collection activities. It may be shared or verified with other federal, provincial, territorial or foreign government institutions to the extent authorized by law. Failure to provide this information may result in interest payable, penalties or other actions. Under the Privacy Act, individuals have the right to: access their personal information; request corrections; or, file a complaint to the Privacy Commissioner of Canada regarding the handling of the individual's personal information. Refer to Personal Information Bank CRA PPU 241 on Info Source at canada.ca/cra-info-source.

General information

Eligibility

You are eligible to make this election if **all** of the following conditions apply:

- you are a GST/HST registrant;
- you are a builder of housing, or an addition to multiple unit housing, that is located at a remote work site;
- you acquired, constructed, or substantially renovated the housing, or you constructed the addition, to provide a place of residence or lodging to the following **eligible individuals** during the time that they are required to be at that remote work site to perform their duties:
 - your employees;
 - contractors (engaged by you to render services to you at that remote work site);
 - subcontractors (engaged by a contractor, described above, to render services at that remote work site and that are acquired by the contractor to supply services to you at that site); or
 - employees of the contractors and subcontractors, described above; and
- the work site is so remote from any established community that an eligible individual could not reasonably be expected to establish and maintain a self-contained domestic establishment (for example, an apartment, a dwelling house, or other similar place of residence where a person generally sleeps and eats). For more information on when a work site qualifies as remote, see "Remote work site" on this page.

Effect of the election

Generally, when you first give possession or use of new or substantially renovated housing, or a residential unit in an addition to multiple unit housing, under a lease, licence or similar arrangement for use by an individual as a place of residence or lodging, you are considered to have made a taxable supply of the housing or addition. As a result, you have to account for the GST/HST calculated on the fair market value of the housing, or addition, at that time.

However, if you are eligible to make this election, and you do so, you will not be considered to have made a supply of the housing or addition. Its occupation by an individual will not be considered occupation as a place of residence or lodging. This means that you will not have to account for GST/HST at the time that you first give possession or use of the housing or addition to an individual for its use as a place of residence or lodging, as would generally be required.

You will only be considered to have made a supply of the housing or addition when you later sell the housing or you supply it by way of lease, licence or similar arrangement primarily (more than 50%) to persons who are not eligible individuals, or their relatives, who are at the remote work site to perform their duties. GST/HST will apply to the housing or addition at that time as follows:

- If you sell the housing, your sale will be taxable. In this case, you would collect GST/HST on the sale, unless the purchaser is registered for the GST/HST and is not an individual. In this case, the purchaser will pay the tax directly to us.
- If you begin to provide the housing or addition, or a residential unit in the housing or addition by way of lease, licence or similar arrangement as described above, you have to account for the GST/HST calculated on the fair market value of the housing or addition at that time. For more information on accounting for tax when you lease housing, see Guide RC4052, GST/HST Information for the Home Construction Industry.

Making the election

Do not send us this form. Keep the completed election with your books and records for six years after you either sell the housing or account for the tax at the fair market value of the housing or addition.

Definitions

Builder – A builder of housing or an addition to multiple unit housing means a person who, at a time when the person has an interest in the real property on which the housing is situated, constructs or substantially renovates the housing, or constructs the addition, or engages another person to carry on the construction or substantial renovation.

A builder may also include one of the following:

- a manufacturer or vendor of a previously unoccupied mobile home or floating home;
- person who acquires an interest in the housing, in the case of a condominium complex or residential condominium unit, at a time when the complex is not registered as a condominium or, in any case before the housing has been occupied as a place of residence or lodging, to resell the housing, or interests in the housing, or to rent the housing to persons, other than individuals who are not acquiring it in the course of a business, adventure, or concern in the nature of trade;
- a person who acquires an interest in the housing while the housing is under construction or substantial renovation or, in the case of an addition to multiple unit housing, acquires an interest in the housing when the addition is under construction; or
- a person who converts real property into housing.

A builder does not include an individual who constructs or substantially renovates housing, or engages another person to construct or substantially renovate housing, who acquires an interest in housing, or who sells a mobile home or floating home, if they did not do so in the course of a business or an adventure or concern in the nature of trade.

Established community – As a general rule, established community means a body of people who reside in the same locality and who are permanently settled in that location. A location will not be considered an established community if it lacks essential services at the location (e.g., a basic food store, a basic clothing store with merchandise in stock [not a mail-order outlet], access to housing, certain medical assistance, and certain educational facilities), or if such services are not available within a reasonable commuting distance.

Registrant means a person who is registered or who is required to be registered for GST/HST.

Remote work site – As a general rule, the work location where the housing is situated will be considered to be remote if the nearest established community with a population of 1,000 or more is 80 kilometres or further from the work location by the most direct route normally travelled in the circumstances.

Residential unit can include a detached house, semi-detached house, row-house unit, apartment, suite, mobile home, floating home, or other similar premises or part thereof that is, or is intended to be occupied by an individual as a place of residence or lodging.

Substantial renovation – Generally, if 90% or more of the interior of an existing house has been removed or replaced (that is, the interior of the building is essentially gutted), the renovation will qualify as a substantial renovation. The foundation, external and supporting walls, roof, floors, and staircases do not have to be removed or replaced to meet the 90% test. If housing has been substantially renovated, it is treated as a newly built house. For more information on substantial renovation, see Guide RC4052, GST/HST Information for the Home Construction Industry.

What if you need help?

For more information, see GST/HST Memoranda Series 19.2.3, Residential Real Property – Deemed Supplies, or call **1-800-959-5525**.