Ontario Sales Tax (OST) for purchases of goods and services for research purposes

This note is intended to the personnel authorized to purchase goods and services for research purposes.

As a reminder, many purchases for a research project qualify for a conditional exemption from the Ontario Sales Tax.

In general, when utilized at 100% for research purposes scientific equipment, laboratory equipment and laboratory supplies (re-usable) are exempt from the Ontario Sales Tax.

It is important to note that before you process the payment of an invoice that has an Ontario Sales Tax you must verify if this purchase is eligible for research or not.

In cases where the Ontario Sales Tax has been charged for an eligible purchase of goods or services for research, we ask you to contact the supplier to inform him of the anomaly and choose the best way to correct. In general, you will not have to pay the Ontario Sales Tax and an exemption certificate will have to be completed and forwarded to the supplier (please refer to the exemption certificate document attached).

We ask you to consult the Purchasing Manual, Section M on Taxes and the attached list for more information relative to goods exempt from the Ontario Sales Tax for research purposes.

Please do not hesitate to contact Materials Management Services: Denise Faussurier at ext 5746, for any information relative to the Ontario Sales Tax.

Jean Lefebvre
Assistant Director, Research
ONTARIO RETAIL SALES TAX
PURCHASE EXEMPTION CERTIFICATE

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Date ________________________________

Business Name University of Ottawa

Name of Person Authorizing the Purchase: Denise Faussurier  Tel: (613)562-5746
                      Fax: (613)562-5780

Business Address:  550 Cumberland Street
                      Ottawa, Ontario K1N 6N5

Vendor Permit/IRP Cab Number (if applicable):  4078-7214

Reason for claiming Exemption:  Used 100% for research 7(1) 18

I am claiming the following exemption from Ontario retail sales tax under the provisions of the Retail Sales Tax Act on the purchase of taxable goods, taxable services, contracts of insurance or benefits plan:

☐ Taxable Goods or Taxable Services Purchased for Resale

☐ Machinery, Equipment, and/or Processing Material Purchased for Manufacturing

☐ Equipment, Tools and/or Machinery used by a Person Engaged in Farming or Fishing

☐ Insurance/Benefit Plan

☒ Religious, Charitable and Benevolent Organization

☐ Hospital Equipment

☐ Identity Card Type and Number ________________________________

☐ Other (please state exemption) ________________________________

IMPORTANT

The person buying the taxable goods or taxable services, or entering into a contract of insurance or benefits plan for which an exemption is claimed must complete this certificate and give it to the supplier. The supplier is to keep this form as stated in the regulations.

Every person who makes a false statement on a Purchase Exemption Certificate or misuses the certificate is liable, if convicted, to a fine of not less than $1,000 and an amount of not more than double the amount of the tax that should have been paid, or that was evaded, or to imprisonment for a term of not more than two years, or both.
APPLICATION GUIDE TO THE PROVINCIAL SALES TAX

This guide is a general view of the application of the provincial sales tax for goods and services when they are manufactured and used exclusively (100%) for research and study purposes.

Goods/Services

- Additional computer memory: Exempt
- Apparatus: Exempt
- Audio-visual equipment: Applicable
- Books, magazines, subscriptions: Exempt
- CD/DVD with educational content (not the blank ones): Exempt
- Chemical products: Applicable
- Compressed gas or liquid, oxygen, nitrogen, etc: Applicable
- Computers: Exempt
- Computer hard-drive: Exempt
- Computer repair and maintenance: Exempt
- Computer supplies and ribbons: Applicable
- Computer tables: Applicable
- Consultants fees: Exempt
- Consumable and reusable laboratory supplies: Exempt
- Consumable laboratory supplies: Applicable
- Furniture: Applicable
- Glass/disposable: Exempt
- Housekeeping contracts: Applicable
- Isotopes: Applicable
- Kneading equipment: Exempt
- Laboratory utensils: Exempt
- Maintenance contracts and spare parts: Exempt
- Memberships: Exempt
- Nursery supplies: Applicable
- Office supplies: Applicable
- Photos: Applicable
- Pipettes: Exempt
- Prescription drugs: Exempt
- Printed material: Applicable
- Printers: Exempt
- Publicity: Applicable
- Rented research equipment: Exempt
- Reprints: Exempt
- Research equipment (maintenance and repair): Exempt
- Research instruments and utensils: Exempt
- Skeletons: Exempt
- Small animals and feed: Applicable
- Software: Exempt
- Toner: Applicable
- Transparencies: Exempt
- Transparencies/administration: Applicable
- Transparencies/research: Exempt
- VHS Rental: Applicable