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Canada Revenue Agency | Agence du revenu du Canada

Protected B when completed

Election and Revocation of an Election to Use the Quick Method of Accounting

Do not use this area.

Fill out this form to either elect to start using the quick method of accounting, or to stop using the method. You can also make or revoke this election by using our electronic services. Sign in to your Canada Revenue Agency (CRA) account or register to access My Business Account or Represent a Client at **canada.ca/cra-sign-in-services**. Do **not** send this form if you use our digital services.

Note
Certain businesses **cannot** use the quick method. For more information, see Guide RC4058, Quick Method of Accounting for GST/HST.

To make this election, fill out Parts A, B, and D. To revoke this election, fill out Parts A, C, and D.

For more information, see page 2.

Part A – Identification

Name and trading name (if different from name): _____

Business number: _____ R T _____

Part B – Election

I **elect** to use the quick method of accounting to calculate the net tax. ☐

Enter the effective date of the election: Year Month Day

Part C – Revocation of the election

I **revoke** the election made to use the quick method of accounting to calculate the net tax. ☐

Enter the effective date of this revocation: Year Month Day

Part D – Certification

I certify that the information given on this form and in any attached document is correct and complete and that I am authorized to sign.

Name (print) _____ Title _____

Telephone number _____ Extension _____ Signature of the authorized person _____ Year Month Day

Personal information (including the SIN) is collected and used to administer or enforce Part IX of the Excise Tax Act, and related programs and activities including administering tax, rebates, elections, audit, compliance, and collection. The information collected may be disclosed to other federal, provincial, territorial, aboriginal, or foreign government institutions to the extent authorized by law. Failure to provide this information may result in paying interest or penalties, or in other actions. Under the Privacy Act, individuals have a right of protection, access to and correction of their personal information, and to file a complaint with the Privacy Commissioner of Canada regarding the handling of their personal information. Refer to Personal Information Bank CRA PPU 241 on Info Source at **canada.ca/cra-info-source**.

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General information

Quick method of accounting

Generally, you can use the quick method if your revenues (including the Goods and Services Tax/Harmonized Sales Tax (GST/HST)) from annual worldwide taxable supplies, (including zero-rated supplies) and **those of your associates,** are **not** more than $400,000 for either the period consisting of the first four consecutive fiscal quarters out of your last five fiscal quarters, or the period consisting of the last four fiscal quarters out of your last five fiscal quarters. When you calculate your annual worldwide taxable supplies, exclude revenues from supplies of financial services and sales of real property, capital assets, goodwill from the sale of a business.

If you previously elected to use the quick method and have revoked that election, you have to wait at least **one** year from the date the revocation became effective before you can elect to use the quick method again.

When to make the election

If you file **annual** GST/HST returns, you have to make the election by the first day of your second fiscal quarter. If you are a new registrant filing your first return for a reporting period that is **not** a full fiscal year, you have to make your election by the due date of the return.

If you file **monthly or quarterly** GST/HST returns, you have to make your election by the due date of the return for the reporting period in which you begin using the quick method.

Duration of this election

Generally, the election stays in effect unless **either**:

- the total annual revenue (including the GST/HST) from your annual worldwide taxable supplies (including zero-rated supplies), and those of your associates, is **more** than $400,000
- you become a person that cannot use the quick method because of the type of business you carry on

If your election is no longer in effect, you have to start accounting for the GST/HST using the regular method to calculate your net tax. For more information, see Guide RC4058, Quick Method of Accounting for GST/HST.

When and how to revoke the election

You can revoke the election only **after** your quick method election has been in effect for at least **one** year, unless the business no longer meets the eligibility criteria. Once the election is revoked, you **must** wait at least **one** year before you can elect to use the quick method again.

You have to revoke the election by the due date of the GST/HST return for the last reporting period for which you want to use the quick method.

Note
The effective date of revoking your election has to be the first day of a reporting period.

Where to send this form

Send this form to your tax services office (TSO). You can find the address at **canada.ca/cra-offices** or call **1-800-959-5525**.

If you need help

For more information, go to **canada.ca/gst-hst** or call **1-800-959-5525**.