

## New Brunswick HST Rate Increase Transitional Rules

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The following table outlines whether 15% HST applies or 13% on transactions that straddle the July 1, 2016 Implementation Date.

Transaction Description	Rate Before July 1, 2016	Rate ON or AFTER July 1, 2016	Notes
Sale of Goods (i.e. cars)	13%	15%	1,2
Sale of Subscriptions	13%	15%	1,2
Sale of Services	13%	15%	1,2
Leases and Licenses	13%	15%	3
Sales of Intangible Property	13%	15%	1,2
Sales of Real Property	13%	15%	4,5,6
Returns and Exchanges on goods purchased before July 1, 2016	13%	13%	7,8
Imported Goods	13%	15%	9
Imported Taxable Supplies	13%	15%	

Notes:

1. For invoices issued after July 1 for deliveries before July 1, 15% rate applies.
2. 13% applies where the payment is due or is paid before July 1.
3. For invoices issued before July 1 for a lease interval for lease periods after that date 13% applies.
4. Both Ownership AND possession must transfer after July 1 for 15% to apply.
5. Grand parenting rules exist if the agreement is entered into prior to March 30, 2016.
6. Builders required to disclose to the government those housing sales that are entered into in the transitional period.
7. Provided the property is returned and a refund of all or part of the consideration is given.
8. Straight exchanges will not result in a tax adjustment. However, if there is a charge for the replacement 15% applies.
9. Goods received in New Brunswick after July 1, 2016 will be subject to 15%.