



PROFESSIONAL PRACTICE QUESTIONS

“Can I charge Goods and Services Tax to my clients?”

Several dietitians in private practice have asked the College, “Can I charge Goods and Services Tax to my clients?” Following a consultation with *Canada Customs and Revenue Agency*, we provide an answer to this question, by first identifying the relevant legislation and then expanding on some of the terms used in the legislation.

The supply of dietetic services is specifically exempt from the *Goods and Services Tax (GST)* by virtue of *Schedule V, Section 7.1, Part II* of the *Excise Tax Act (ETA)*. This section reads “a supply of a dietetic service made by a practitioner of the service where the service is rendered to an individual or the supply is made to a public sector body or to the operator of a health care facility.”

For a Registered Dietitian, one-on-one dietetic counselling provided to an individual for his or her personal purposes would be exempt of GST, regardless of who pays for the service. In addition, a supply of dietetic services that is made to a public sector body such as a university or charity or to the operator of a health care facility is also exempt when made by a practitioner of the service. As explained below, certain services are GST taxable, subject to income, by a practitioner of the service. As explained below, certain services are GST taxable subject to income.

According to *Schedule V, Section 1, Part II* of the ETA, the term practitioner applies to the provision of dietetic services by a person who practices the profession of dietetics and is licensed or certified to practice the profession in the province of Ontario.

One-on-one services rendered to an individual are considered to be exempt from GST. An individual is defined by the ETA as “a natural person”. While services provided to a group in a seminar where the individual pays for the services directly may not be considered providing services on a one-on-one basis, services provided through an employee assistance program to an individual would be considered exempt from GST.

Where a Registered Dietitian is providing services to a public service body or the operator of a health care facility, this service would be considered exempt from GST. A public sector body is defined in *Sub-section of 123(1)* of the ETA as a government or public service body such as a non-profit organization, a charity, a municipality, a school authority, a hospital authority, a public college or a university. *Schedule V, Section 1, Part II* of the ETA defines a health care facility as a facility operated for the purposes of providing medical or hospital care including acute, rehabilitative or chronic care. This definition also includes a hospital or institution primarily for individuals with a mental health disability as well as those operated for the purpose of providing residents of the facility who have limited physical or

mental capacity for self-supervision and self-care such as nursing homes.

Group nutritional seminars are GST taxable when provided to a group who is neither a public sector body nor an operator of a health care facility. As well, the development of consultative, educational or promotional literature is GST taxable unless the service is being provided to a public sector body or an operator of a health care facility.

It is also important to note that only a GST registrant would be required to charge GST on a taxable service made and that GST registration is subject to some restrictions under the ETA. A dietitian may not be required to register if they are considered to be a small supplier under section 148 of the ETA.

Generally, a person is a small supplier during any particular calendar quarter and the following month if the total value of the consideration for the world-wide taxable services in the previous four calendar quarters does not exceed \$30,000 or, where the person is a public service body, \$50,000.

CURRENT E-MAIL ADDRESS NEEDED

The College wishes to keep you informed about issues, teleconferences and workshops that may help you with your practice. We need your current mailing and e-mail addresses to communicate with you effectively.

When changing your e-mail address, please advise elsene@cdo.on.ca