

Please do not alter any preprinted information on your return.

**Line ① - Total Sales**

Enter the total of all taxable and non-taxable sales of goods and services made from Ontario locations and all sales made into Ontario from locations outside Ontario.

If you did not make any sales, either taxable or non-taxable, write **0** on this line.

**Note that you must still file the return.**

**Line ② - Tax Collectable on Sales**

Enter the total retail sales tax, including tire tax and tax for fuel conservation you have charged your customers. If no tax is due, write in **0** and return the form by mail or deliver to an Ontario Tax Office.

**Line ③ - Tax Payable for Own Use**

Enter the amount payable on taxable items used in your business, including:

- goods from your exempt inventory
- goods manufactured by you
- goods brought into Ontario (see Sales Tax Guide 202)
- goods purchased tax-exempt in error.

**Line ④ - Current Penalty**

If you are filing the return after the due date, add 10% of line 2 and 5% of line 3.

**Line ⑤ - Compensation Disallowed**

Compensation is calculated on the amount shown on line 2, Tax Collectable on Sales, but not on that shown on line 3. If the tax on sales shown on line 2 is:

\$20.00 or less, deduct the whole amount

\$20.01 to \$400, deduct \$20.00

\$400 or more, deduct 5% of the amount on line 2

You may deduct no more than \$1,500 compensation per legal entity for a 12-month period from April 1 to March 31. For previous years' compensation not taken, contact your local Ontario Tax Office.

**Line ⑥ - Adjustment**

Use this line to pay tax assessments, to deduct Ministry approved credits, or to make any other authorized adjustment. Explain your adjustments in the appropriate section on the back of the return. **(See reverse)**

**Line ⑦ - Total Tax Due**

This is the amount that should appear on your cheque or money order.

Please ensure that an authorized person signs the certification area on your return.

|  |                 | Period 1        |                 | Period 2        |                 | Period 3        |                 |                 |                 |
|--|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
|  |                 | From            | To              | From            | To              | From            | To              |                 |                 |
|  |                 |                 |                 |                 |                 |                 |                 |                 |                 |
|  | Dollars         | Cents           |                 | Dollars         | Cents           |                 | Dollars         | Cents           |                 |
| ① Total Sales                            | \$              | □ □ □ □ □ □ □ □ | □ □ □ □ □ □ □ □ | \$              | □ □ □ □ □ □ □ □ | □ □ □ □ □ □ □ □ | \$              | □ □ □ □ □ □ □ □ | □ □ □ □ □ □ □ □ |
| ② Tax Collectable on Sales               |                 | □ □ □ □ □ □ □ □ | □ □ □ □ □ □ □ □ |                 | □ □ □ □ □ □ □ □ | □ □ □ □ □ □ □ □ |                 | □ □ □ □ □ □ □ □ | □ □ □ □ □ □ □ □ |
| ③ Tax Payable for Own Use                |                 | □ □ □ □ □ □ □ □ | □ □ □ □ □ □ □ □ |                 | □ □ □ □ □ □ □ □ | □ □ □ □ □ □ □ □ |                 | □ □ □ □ □ □ □ □ | □ □ □ □ □ □ □ □ |
| ④ Current Penalty (10% of ② and 5% of ③) |                 | □ □ □ □ □ □ □ □ | □ □ □ □ □ □ □ □ |                 | □ □ □ □ □ □ □ □ | □ □ □ □ □ □ □ □ |                 | □ □ □ □ □ □ □ □ | □ □ □ □ □ □ □ □ |
| ⑤ Compensation (based on Line 2)         |                 | □ □ □ □ □ □ □ □ | □ □ □ □ □ □ □ □ |                 | □ □ □ □ □ □ □ □ | □ □ □ □ □ □ □ □ |                 | □ □ □ □ □ □ □ □ | □ □ □ □ □ □ □ □ |
| ⑥ Adjustment (see reverse)               | Indicate + or - | □ □ □ □ □ □ □ □ | □ □ □ □ □ □ □ □ | Indicate + or - | □ □ □ □ □ □ □ □ | □ □ □ □ □ □ □ □ | Indicate + or - | □ □ □ □ □ □ □ □ | □ □ □ □ □ □ □ □ |
| ⑦ Total Tax Due                          |                 | □ □ □ □ □ □ □ □ | □ □ □ □ □ □ □ □ |                 | □ □ □ □ □ □ □ □ | □ □ □ □ □ □ □ □ |                 | □ □ □ □ □ □ □ □ | □ □ □ □ □ □ □ □ |

**Retain for your records only**

Payment may be made at your financial institution in Ontario free of charge, or by mail in the enclosed envelope. Your cheque (or money order) must be in Canadian funds drawn on a Canadian financial institution, and payable to the **Minister of Finance**.

**Adjustment Information**

This section of the return provides a method for identifying and paying assessments, deducting credits and making other authorized adjustments.

**A) Assessments/Credit Notes**

This area should be used only if you have received a Notice of Assessment or Statement of Account showing an amount owing or a credit for which you will not receive a cheque.

When paying an amount owing, enter the assessment number under the heading "Reference No." and also enter the amount of the assessment on the line with the (+) sign.

When deducting a credit, enter the credit note number under the heading "Reference No." and enter the amount of the credit on the line with the (-) sign.

If you do not have any adjustments to record in section B, carry the amount you have just entered in section A to the appropriate (+) or (-) line in the "Net Adjustment" section.

**B) Other Adjustments**

These adjustments may include:

- errors made on previous returns, e.g. under/over payment of tax.
- compensation adjustments, including instances where too much compensation was taken on previous returns
- arithmetical errors on previous returns

Provide details where noted in "Other Adjustments". Enter the amount of the adjustment on the appropriate (+) or (-) line. If you have no adjustments in section A, carry the amount in section B to the appropriate (+) or (-) line in the "Net Adjustment" section.

**Net Adjustment - Total of A and B**

If there are amounts in either section A or B, carry the appropriate amount to this section, "Net Adjustment", as outlined earlier.

If there are amounts in both sections A and B, then only the net of A and B should be entered on the appropriate (+) or (-) line in the "Net Adjustment" section. Carry this amount to line 6 on the front of the return and indicate (+) or (-) in the appropriate box.

|   |   |              |   |    |  |  |
|---|---|--------------|---|----|--|--|
| <b>A</b><br>Assessments<br>(+)<br>OR<br>Credit Notes<br>(-) | Reference No.                                       | complete one | + | \$ |  |  |
|   |   |              | - |    |  |  |
|   | Reference No.                                       | complete one | + | \$ |  |  |
|   |   |              | - |    |  |  |
| <b>B Other Adjustments</b>                                  | Details   | complete one | + | \$ |  |  |
|   |   |              | - |    |  |  |
| <b>Net Adjustments Total A + B</b>                          | Enter on <b>Line 6</b> on the front of this return. | complete one | + | \$ |  |  |
|   |   |              | - |    |  |  |
| <i>Office Use Only</i>                                      | Interest  | Net          |   |    |  |  |
| <b>A</b><br>Assessments<br>(+)<br>OR<br>Credit Notes<br>(-) | Reference No.                                       | complete one | + | \$ |  |  |
|   |   |              | - |    |  |  |
|   | Reference No.                                       | complete one | + | \$ |  |  |
|   |   |              | - |    |  |  |
| <b>B Other Adjustments</b>                                  | Details   | complete one | + | \$ |  |  |
|   |   |              | - |    |  |  |
| <b>Net Adjustments Total A + B</b>                          | Enter on <b>Line 6</b> on the front of this return. | complete one | + | \$ |  |  |
|   |   |              | - |    |  |  |
| <i>Office Use Only</i>                                      | Interest  | Net          |   |    |  |  |
| <b>A</b><br>Assessments<br>(+)<br>OR<br>Credit Notes<br>(-) | Reference No.                                       | complete one | + | \$ |  |  |
|   |   |              | - |    |  |  |
|   | Reference No.                                       | complete one | + | \$ |  |  |
|   |   |              | - |    |  |  |
| <b>B Other Adjustments</b>                                  | Details   | complete one | + | \$ |  |  |
|   |   |              | - |    |  |  |
| <b>Net Adjustments Total A + B</b>                          | Enter on <b>Line 6</b> on the front of this return. | complete one | + | \$ |  |  |
|   |   |              | - |    |  |  |
| <i>Office Use Only</i>                                      | Interest  | Net          |   |    |  |  |

For more specific information, please consult the Retail Sales Tax Act or call the Ontario Tax Office shown on the front of your return.