



Proposed Change for the Purpose of Zero-rating Certain Foot Care Devices

GST/HST Notices - Notice 313

May 2019

On March 19, 2019, the Minister of Finance tabled Budget 2019 which proposed an amendment to Part II of Schedule VI to the Excise Tax Act, that would add licensed podiatrists and licensed chiropodists to the list of professionals on whose written order supplies of certain foot care devices are zero-rated for purposes of the GST/HST.

This amendment is included in Bill C-97, Budget Implementation Act, 2019, No.1, which received second reading in the House of Commons on April 30, 2019.

This publication provides questions and answers regarding this proposed amendment. Any commentary in this publication should not be taken as a statement by the CRA that the proposed amendment will become law in its current form.

In this publication, all legislative references to the “Act” are to the Excise Tax Act unless otherwise specified. The information in this publication does not replace the law found in the Act and its regulations.

If this information does not completely address your particular situation, you may wish to refer to the Act or relevant regulation, or call GST/HST Rulings at 1-800-959-8287 for additional information. If you require certainty with respect to any particular GST/HST matter, you may request a ruling.

[GST/HST Memorandum 1-4, Excise and GST/HST Rulings and Interpretations Service](#), explains how to obtain a ruling or an interpretation and lists the GST/HST rulings centres.

If you are located in Quebec and wish to request a ruling related to the GST/HST, please call Revenu Québec at 1-800-567-4692. You may also visit the Revenu Québec website at revenuquebec.ca to obtain general information.

For listed financial institutions that are selected listed financial institutions (SLFIs) for GST/HST or Quebec sales tax (QST) purposes or both, whether or not they are located in Quebec, the CRA administers the GST/HST and the QST. If you wish to make a technical GST/HST or QST enquiry related to SLFIs, please call 1-855-666-5166.

GST/HST rates

Reference in this publication is made to supplies that are subject to the GST or the HST. The HST applies in the participating provinces at the following rates: 13% in Ontario and 15% in New Brunswick, Newfoundland and Labrador, Nova Scotia, and Prince Edward Island. The GST applies in the rest of Canada at the rate of 5%. If you are uncertain as to whether a supply is made in a participating province, see [GST/HST Technical Information Bulletin B-103, Harmonized Sales Tax – Place of Supply Rules for Determining Whether a Supply is Made in a Province.](#)

1. What does the proposed amendment change?

Certain foot care devices are currently included in the list of zero-rated medical and assistive devices found in Part II of Schedule VI to the Act when they are supplied on the written order of a specified professional. These foot care devices are:

- a. an orthotic or orthopaedic device for use by a consumer named in the written order (section 23 of Part II of Schedule VI to the Act);
- b. specially designed footwear for use by an individual who has a crippled or deformed foot or other similar disability (section 24.1 of Part II of Schedule VI to the Act);
- c. a graduated compression stocking, an anti-embolic stocking or similar article for use by a consumer named in the written order (section 35 of Part II of Schedule VI to the Act).

Specified professional is currently defined in section 1 of Part II of Schedule VI to the Act to mean a person that is entitled under the laws of a province to practise the profession of medicine, physiotherapy, or occupational therapy, or that is a registered nurse.

The proposed amendment adds persons who are entitled under the laws of a province to practise the profession of chiropody and podiatry (referred to hereafter as “licensed chiropodist” and “licensed podiatrist”) to the definition of specified professional, but only in respect of the above-described supplies of foot care devices (that is, foot care devices included in sections 23, 24.1 and 35 of Part II of Schedule VI to the Act).

This proposed change applies to any supply made after March 19, 2019.

2. What does zero-rated mean?

Zero-rated means that no GST/HST is charged when the product is supplied, as the tax rate is 0%. However, a GST/HST registrant can claim an input tax credit for the GST/HST paid or payable on property and services acquired to make zero-rated supplies, when all necessary conditions are met.

3. Can suppliers stop charging GST/HST on supplies of foot care devices described above (in sections 23, 24.1 and 35) with a written order from a licensed chiropodist or licensed podiatrist before the amendment receives Royal Assent?

Yes. In accordance with the proposed amendment, suppliers can stop charging GST/HST on these supplies made after March 19, 2019, pursuant to a written order by a licensed chiropractor or a licensed podiatrist. This proposed amendment is subject to parliamentary approval. However, consistent with its standard practice, the CRA is administering this measure on the basis of the proposed amendment.

4. What should I do if a supplier charges me GST/HST on supplies of foot care devices described above (in sections 23, 24.1 and 35) made after March 19, 2019?

If the proposed amendment becomes law, you may then contact the supplier, who may choose to adjust the amount charged, or refund or credit the amount collected. If so, the supplier must provide you with a credit note for the amount. Alternatively, you can file a rebate claim with the CRA for the amount paid in error as or on account of tax by using [Form GST189, General Application for Rebate of the GST/HST](#). However, the CRA cannot pay a rebate for an amount paid in error as or on account of tax until the proposed amendment becomes law.

A supplier who has charged or collected GST/HST on supplies of foot care devices described above (in sections 23, 24.1 and 35) made after March 19, 2019, must include that amount in the calculation of their net tax on their GST/HST return, and remit that net tax if there is a balance owing, according to the regular rules.

5. How will the proposed amendment apply in provinces that have a provincial sales tax?

The proposed amendment only applies for GST/HST purposes. This means that although a supplier in a province that has a provincial sales tax may stop charging GST on supplies of foot care devices described above (in sections 23, 24.1, and 35) in accordance with the proposed amendment, provincial sales tax may still apply to such supplies. Any questions relating to the provincial sales tax should be addressed to the province in question.

Further information

All **GST/HST technical publications** are available at [GST/HST technical information](#).

To make a **GST/HST enquiry** by telephone:

- for **GST/HST general enquiries**, call **Business Enquiries** at **1-800-959-5525**
- for **GST/HST technical enquiries**, call **GST/HST Rulings** at **1-800-959-8287**

If you are located in **Quebec**, call **Revenu Québec** at **1-800-567-4692** or visit their website at revenuquebec.ca.

If you are a **selected listed financial institution** (whether or not you are located in Quebec) and require information on the **GST/HST** or the **QST**, go to [GST/HST and QST - Financial institutions, including selected listed financial institutions](#) or:

- for **general GST/HST or QST enquiries**, call **Business Enquiries** at **1-800-959-5525**
- for **technical GST/HST or QST enquiries**, call **GST/HST Rulings SLFI** at **1-855-666-5166**

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