

Canadian Tax Obligations for US Sellers

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Tax Framework

Canada's tax system differs significantly from the US and varies by province.

- GST (Goods and Services Tax): 5% federal tax on most goods
- HST (Harmonized Sales Tax): Combined federal and provincial tax (13-15%) in some provinces
- PST (Provincial Sales Tax): Separate provincial tax in some provinces
- QST (Quebec Sales Tax): Quebec's specific provincial tax

Registration Requirements

Foreign sellers may need to register for Canadian tax collection.

- Non-resident sellers exceeding revenue thresholds must register for GST/HST
- Registration is done through the Canada Revenue Agency (CRA)
- You may need a Canadian business number for tax remittance
- Consult a cross-border tax specialist for your specific situation
- Keep detailed records of all Canadian sales for tax reporting