

Market Bulletin

Ref: Y5181

Title Canadian GST/HST 2017 Self-Assessment

Purpose To inform the Market of the requirement to self-assess GST/HST on expenses incurred outside Canada relating to Canadian activity in 2017

Type Scheduled

From Charlie Dyer, Indirect Tax Manager, Taxation
Email: charlie.dyer@lloyds.com
Tel: +44 (0) 20 7327 6836

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Deadline 30 June 2018

Related links

Purpose

To advise managing agents of Canadian tax rules requiring Lloyd's syndicates (i.e. a non-Canadian resident insurer) to self-assess GST/HST on certain expenses incurred outside Canada that relate to their Canadian activities.

Members of the Lloyd's Market are required to file the 2017 Canadian GST/HST returns by the end of July 2018. The following 14 returns are required to be submitted for 2017:

- 12 monthly RC7262 forms (11 NIL and one non-NIL return)
- 1 RC7294 final return for 2017 year
- 1 GST59 Division IV tax return for 2017 year

Managing agents will have the option to outsource the completion and submission of the above returns to EY Law in Canada.

To determine the tax liability, Managing agents will need to complete a GST/HST Syndicate Information Statement (“GST SIS”). The GST SIS and the GST/HST returns are to be compiled on an annual basis, i.e. based on business and expenses processed in a calendar year.

For the managing agents choosing not to outsource the completion of the returns, the 14 completed and signed returns and the GST SIS must be sent to Lloyd’s **by Friday 29 June 2018**.

Updated GST/HST guide for 2017

Lloyd’s tax department has updated the GST/HST guide which should be used to assist with the completion of the GST SIS. The 2017 updated guide will be circulated to all managing agents with contacts on file, along with a copy of all returns. If you do not receive the guide but would like a copy, please request this from Lloyd’s tax department.

The guide aims to help managing agents categorise expenses by line, and will assist in determining the GST/HST taxability of the syndicate’s expenses. Because the categorisation of expenses is complex and no managing agent’s experience or system is the same, the guide is generic. As a result the guide should be considered as providing a framework rather than a rule book.

Immediate action required

- 1) To request the guide or for any additional queries please contact Charlie Dyer by email charlie.dyer@lloyds.com or telephone (+44 20 7327 6836).
- 2) For managing agents choosing to outsource the completion of the returns to EY, please contact Jonathan.lp@ca.ey.com and david.d.robertson@ca.ey.com (with charlie.dyer@lloyds.com and mary.obrien@lloyds.com in copy). EY will provide managing agents with further information regarding what is required and details of any required engagement documentation.
- 3) If you have opted to not outsource to EY, please complete the 2017 GST SIS and the 14 GST/HST returns for 2017 and send to Lloyd’s tax department **by 29 June 2018** as follows:
 - a) Send a signed scanned copy to charlie.dyer@lloyds.com and mary.obrien@lloyds.com.
 - b) Send a hard copy with an original signature to:

Charlie Dyer
Tax Department (G5)
Lloyd’s
One Lime Street

London, EC3M 7HA
United Kingdom

Please contact Lloyd's taxation department as soon as possible if you require assistance or encounter problems with meeting the 29 June 2018 deadline.

Contact Information

For any other general enquiries or comments, please contact Charlie Dyer by email at charlie.dyer@lloyds.com or tel: +44 20 7327 6836 or Mary O'Brien by email at mary.obrien@lloyds.com or tel: +44 20 7327 6852.