

Legislative
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Bill 109

**An Act to amend the Retail Sales Tax Act
to provide for a rebate of the Ontario portion of the Harmonized Sales Tax
in respect of certain medical supplies**

Ms B. Karpoche

Private Member's Bill

1st Reading May 2, 2019

2nd Reading

3rd Reading

Royal Assent



EXPLANATORY NOTE

The Bill amends the *Retail Sales Tax Act* to provide for a rebate in respect of the Ontario portion of the Harmonized Sales Tax for medical supplies. The Lieutenant Governor in Council can make regulations prescribing rules relating to the rebate.

The Bill provides that the rebate is available only if the Comprehensive Integrated Tax Coordination Agreement between Ontario and Canada is amended accordingly.

An Act to amend the Retail Sales Tax Act to provide for a rebate of the Ontario portion of the Harmonized Sales Tax in respect of certain medical supplies

Her Majesty, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1 The *Retail Sales Tax Act* is amended by adding the following section:

Point of sale rebates, medical supplies

51.0.1 (1) In this section,

“Federal Act” means the *Excise Tax Act* (Canada); (“loi fédérale”)

“supplier” means a supplier for the purposes of Part IX of the Federal Act; (“fournisseur”)

“supply” means a supply for the purposes of Part IX of the Federal Act. (“fourniture”)

Application subject to agreement

(2) This section applies only if the agreement referred to in section 50 is amended in accordance with that section to permit the payments and credits authorized by this section.

Supplier may make point of sale rebates

(3) A supplier of a medical supply set out in subsection (7) may, on behalf of the Crown in right of Ontario, pay or credit a purchaser of the medical supply with an amount equal to the tax, in whole or in part, that is paid or payable under subsection 165 (2) of the Federal Act if the supply is made in Ontario for the purposes of Part IX of the Federal Act.

Application to Federal Minister

(4) A purchaser of a medical supply set out in subsection (7) to whom an amount may be paid or credited under subsection (3) may apply to the Federal Minister for payment of the amount if the amount is not paid or credited by the supplier.

Federal Minister may pay or credit purchaser

(5) The Federal Minister may, on behalf of the Crown in right of Ontario, pay or credit to a purchaser an amount equal to the amount of tax payable under the Federal Act by the purchaser, as determined in accordance with the regulations, in respect of a medical supply set out in subsection (7).

Application of s. 51

(6) Subsections 51 (6), (7), (8), (9) and (10) apply, with necessary modifications, in respect of a payment or credit authorized under this section.

Medical Supplies

(7) This section applies to the following medical supplies:

1. Wigs for individuals who have suffered abnormal hair loss owing to disease, medical treatment or accident and for which a medical prescription has been issued.
2. Saliva substitute and artificial saliva.
3. Wound care supplies including bandages, compresses, dressings, wraps, wound care creams and saline.
4. Batteries for medical supplies.
5. Such other medical supplies as may be prescribed by the regulations.

Regulations

(8) The Lieutenant Governor in Council may make regulations,

- (a) prescribing rules relating to the determination of tax payable under the Federal Act for the purposes of subsection (5);
- (b) providing for transitional matters that are necessary or desirable to facilitate the implementation of this section;
- (c) prescribing medical supplies for the purposes of subsection (7).

Commencement

2 This Act comes into force on a day to be named by proclamation of the Lieutenant Governor.

Short title

3 The short title of this Act is *Jennifer's Law (Retail Sales Tax Amendment Act Respecting HST Rebates for Medical Supplies), 2019*.