

ITC/ITR – YEAR 2016

QUEBEC	SMALL AND MEDIUM SIZED BUSINESSES				LARGE BUSINESSES ¹			
	ITC**		ITR**		ITC**		ITR**	
	TAXES PAID	MATHEMATICAL FACTORS ²	TAXES PAID	MATHEMATICAL FACTORS ²	TAXES PAID	MATHEMATICAL FACTORS ²	TAXES PAID	MATHEMATICAL FACTORS ²
REIMBURSEMENT OF EXPENSES³								
▪ Food, beverages and entertainment (tips included)	Taxes paid x 50%	4/104 x 50%	Taxes paid x 50%	9/109 x 50%	Taxes paid x 50%	4/104 x 50%	N/A	N/A
▪ Car rental	5/114.975	4/104	9.975/114.975	9/109	5/114.975	4/104	N/A	N/A
▪ Hotel	5/114.975	4/104	9.975/114.975	9/109	5/114.975	4/104	9.975/114.975	9/109 ⁴
▪ Transportation by plane	5/114.975	4/104	9.975/114.975	9/109	5/114.975	4/104	9.975/114.975	9/109 ⁴
▪ Fuel	5/114.975	4/104	9.975/114.975	9/109	5/114.975	4/104	N/A ⁵	N/A
▪ Taxi, parking	5/114.975	4/104	9.975/114.975	9/109	5/114.975	4/104	9.975/114.975	9/109
▪ Membership fees to a golf club or others	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
▪ Green fees	5/114.975 x 50%	4/104 x 50%	9.975/114.975 x 50%	9/109 x 50%	5/114.975 x 50%	4/104 x 50%	N/A	N/A
▪ Outfitting operation, pleasure boat, other entertainment	5/114.975 x 50%	4/104 x 50%	9.975/114.975 x 50%	9/109 x 50%	5/114.975 x 50%	4/104 x 50%	N/A	N/A
▪ Professional dues	5/114.975	4/104	9.975/114.975	9/109	5/114.975	4/104	9.975/114.975	9/109
ALLOWANCES³								
▪ Food, beverages and entertainment (tips included) ⁴	5/105 x 50%		9.975/109.975 x 50%		5/105 x 50%		N/A	
▪ Kilometres	5/105		9.975/109.975		5/105		N/A	
▪ Hotel	5/105		9.975/109.975		5/105		9.975/109.975	
▪ Automobile allowance combination ⁶	N/A		N/A		N/A		N/A	

- 1 A registrant is considered a large business for a given fiscal year if its taxable sales or the taxables sales of its associates exceed \$10M during the last fiscal year that ended before the given fiscal year. The taxable sales excluded financial services and supply of real property.
- 2 The mathematical factor applies to the amount including GST and QST. The mathematical factor can be used only for expenses reimbursed via an invoice and can not be used when a corporate credit card or the petty cash is used.
- 3 Expenditures incurred in Quebec for which 90% and more are for taxable supplies.

- 4 If the employer pays hotel expenses or transportation by plane directly to the supplier, he should also use the mathematical factor for these expenses.
 - 5 Large businesses may claim ITCs and ITRs for fuel or other than fuel oil used to supply the engine of road vehicles over 3,000 kilograms.
 - 6 The automobile allowance combination is a combination of flat-rate and reasonable per-kilometre allowances.
- ** The election between this two methods can be made by category of expenses and allowances.

LIMITATION

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