

Memorandum

DATE: OCTOBER 16, 2009

ATTENTION: ALL ONTARIO FUNERAL HOME CLIENTS

RE: HST ALERT

Arrangements for Prepaid Funeral Services

Notwithstanding the general transitional rules for supplies of services, the HST would not apply to consideration for the part of a funeral or cemetery service that is performed on or after July 1, 2010 if the service is supplied pursuant to an arrangement in writing that was entered into before July 2010.

This rule would only apply if it was reasonable, at the time the arrangement was entered into, to expect that all or a part of the consideration for the service would be paid (or put into trust) before the service is performed.

This rule would also apply to a supply of property relating to the funeral, burial or cremation of an individual if the property is provided under an arrangement for the provision of a prepaid funeral or cemetery service that is relieved under this rule.

The transition rules have been posted <http://www.rev.gov.on.ca/en/notices/hst/03.html>.

Please visit the our website, www.funeralplans.net, for more information on the HST.

Thank you,

The staff of Funeral Plans-Canada