## Newegg Canada Marketplace Service Fee Guideline

In order to comply with the Canada Revenue Agency (CRA) regulations in remitting Canadian Federal Goods and Services Tax (GST) or Harmonized Sales Tax (HST), all sellers selling on Newegg Canada Marketplace will be subject to service fee taxes for services provided by Newegg Canada Marketplace effective **May 1, 2020**.

Services which will be subject to Goods and Services Tax (GST) or Harmonized Sales Tax (HST) are including:

- Commission Fee
- Inventory Storage Fee including long-term storage fee
- Inventory Return and Disposal Fee
- Marketing Service Fee including A+ Content and Marketing Development Fund (MDF)
- Monthly Membership Fee
- Newegg Shipping Label Service Fee for both Newegg orders and Multi-Channel orders
- Product Re-labeling Fee
- Return Shipping Label Fee
- Shipped by Newegg Fulfillment Fee
- Shipped by Newegg Multi-Channel Fulfillment Fee

For sellers who operate business within Canada, taxes on commission fee will be based on the tax rate published by the Province or Territory where seller's business is located. All other services provided by Newegg Canada Marketplace will be subject to 13% Harmonized Sales Tax (HST) in Ontario where Newegg Canada Marketplace operates its business.

For Sellers who operate business outside of Canada, commission fee will not be subject to Canadian Federal Goods and Services Tax (GST) or Harmonized Sales Tax (HST). However, all other services provided by Newegg Canada Marketplace will be subject to 13% Harmonized Sales Tax (HST) in Ontario where Newegg Canada Marketplace operates its business.

Province	GST/HST Rate
Alberta	5%
British Columbia	5%
Manitoba	5%
New Brunswick	15%
Newfoundland and Labrador	15%
Northwest Territories	5%
Nova Scotia	15%
Nunavut	5%
Ontario	13%
Quebec	5%
Prince Edward Island	15%
Saskatchewan	5%
Yukon	5%

## **GST/HST Rates in each Province or Territory:**

Detailed information and invoice for service fee taxes collected will be available in <u>Seller Portal</u> for your review. For additional information regarding Canadian Federal Goods and Services Tax (GST) or Harmonized Sales Tax (HST), please visit <u>Canada Revenue Agency (CRA)</u> or contact <u>Newegg Marketplace Support</u> for any question.