Canada TXI Segment Usage for Invoices

Effective January 1, 2008, these tax rates will change to GST 5% and HST 13%, as demonstrated below.

IF SHIPPING **TO NOVA SCOTIA, NEW BRUNSWICK** OR **NEW FOUNDLAND**,
YOU WILL NEED TO USE THE FOLLOWING:

TXI* BE*AMOUNT*13******9 DIGIT 2 ALPHA 4 DIGIT TAX REGISTRATION NUMBER
IF SHIPPING TO **QUEBEC,**:

IF YOU ARE REGISTERED FOR QST: YOU WILL NEED TO SEND TWO TXI SEGMENTS

There is a limit of two TXI segments. These can only be sent at summary level.

TXI*GS*AMOUNT*5******9 DIGIT 2 ALPHA 4 DIGIT REGISTRATION NUMBER
TXI*PG*AMOUNT*7.5*SP*QST****10 DIGIT 2 ALPHA 4 DIGIT REGISTRATION NUMBER

IF NOT REGISTERED FOR QST: SEND ONLY ONE TXI SEGMENT WITH A GS QUALIFIER
.**TXI*GS*AMOUNT*5******9 DIGIT 2 ALPHA 4 DIGIT REGISTRATION NUMBER**

IF SHIPPING TO **ANYWHERE ELSE**, YOU WILL NEED TO USE:
TXI*GS*AMOUNT*5******9 DIGIT 2 ALPHA 4 DIGIT REGISTRATION NUMBER

To get the TDS total of the Canada Invoices, follow the steps listed below:
1. Find the total of the IT1 segments:
Multiply IT1 02 by IT1 04.
Do this for each IT1 segment in the invoice.
Then, add each IT1 total to get the grand total, or the total of all IT1 segments.

2. Subtract Allowances from the Invoice.
If the invoice has a SAC "OFF INVOICE ALLOWANCE",
Subtract the SAC 05 from the grand total of the IT1s.
If the invoice does not have a SAC off Invoice allowance, ignore this step.

3. Obtain the TXI 02 tax amount.
Take the total from the IT1 segments and multiply it by the tax percentage.
The tax percentage depends on the ship to location of the merchandise.

4. Calculate the TDS 01 total of the Invoice.
Add the Tax amount to the total of the IT1 segments and this will give you the TDS 01.
Only if the vendor is registered, for Quebec, should you move on to Step Five.

5. Calculate the QST tax amount and final total of the Invoice.
Take the total from Step Four and multiply by the tax percentage. This will give you the tax amount for the second TXI 02. Finally, add the tax amount to the TDS 01.

Please Note: If the items are non-taxable, the TXI segment is still required.
EXAMPLE: TXI*GS*0*Tax Percent******9 DIGIT 2 ALPHA 4 DIGIT REGISTRATION NUMBER.

For more information regarding current tax percentages, please visit the Canada Revenue Agency website: http://www.cra-arc.gc.ca/menu-e.html.