

E. EXCEL
Canadian GST/HST Tax
Alternate Collection Method (ACM)
Questions and Answers



Q: Why does E. EXCEL collect GST/HST tax on the Distributor Wholesale price?

A: E. EXCEL collects GST/HST tax using the Alternate Collection Method (ACM) as provided by Revenue Canada.

Q: What is ACM?

A: The ACM is a simplified method of collecting GST/HST designed specifically for direct selling companies like E. EXCEL. This tax collection method is used by reputable and well-established direct selling companies in Canada.

Q: How does ACM work?

A: E. EXCEL collects and remits GST/HST taxes to Revenue Canada in accordance with the Alternate Collection Method (ACM) and collects GST/HST tax on its sales to its Independent Distributors.

Q: Can I choose whether I participate in ACM?

A: As a direct selling company, E. Excel has adopted this simplified collection system eliminating the administrative burden that would otherwise be placed on our Distributors to register, collect and remit GST/HST tax .

Q: Do E. EXCEL Distributors have to register to collect GST/HST tax?

A: No, our Distributors will not need to register with Revenue Canada to collect and remit GST/HST taxes on their own; the ACM method eliminates this requirement.

Q: How does this tax work?

A: In accordance with Revenue Canada's direction, E. EXCEL will collect appropriate GST/HST taxes based on the highest published price, or in our case, the Distributor wholesale price of the taxable products on our sales to you, our independent Distributors.

Q: Do I need to file my own GST/HST tax returns with Revenue Canada?

A: No, under this simplified system, it is not necessary for most Independent Distributors to register with Revenue Canada to collect and remit GST/HST taxes.

Q: If I consumed the products and didn't sell them, what options do I have?

A: You can claim a refund from E. EXCEL equal to the amount of excess tax paid when purchased. The excess tax will be the GST/HST tax paid on the Distributor wholesale price less the amount of tax that would have been paid if not using the ACM method.

Q: Can I claim a refund of GST/HST tax for the difference between my Club of Excellence (COE) price and the Distributor wholesale price?

A: Yes, a GST/HST tax refund form may be submitted to E. EXCEL when products are consumed for personal use or otherwise sold for less than Distributor wholesale. The tax amount refunded will be deposited into your E. EXCEL Distributor account.

Q: If I purchase products in my Downline's Distributor account can I still get a refund?

A: No, for you to qualify for a refund the purchase has to be in your own account. However, each Distributor is entitled to claim a GST/HST refund.

Q: Can I get a tax refund for the products that I have transferred from my account to my Downline's account?

A: No, Revenue Canada is clear that we can only give you a GST/HST tax refund for products that you have personally consumed or sold. Revenue Canada does not allow direct selling companies to issue a tax refund to Distributors on products that are transferred or sold from one Distributor to another.

Q: How do I receive my refund?

A: Complete and submit the E. EXCEL GST/HST tax refund form and email or fax back to E. EXCEL. Once we receive and review the form, a refund will be placed in your E. EXCEL account.

Q: When will I get my refund?

A: We will process your refund claim by the 15th of the next month.

Q: Can my refund be made to my credit card?

A: No, your refund will be credited to your E. EXCEL Distributor Account.

Q: How will I know when my refund has been placed in my account?

A: You will receive an email notification. Please make sure you have an up-to-date email address on file with E. EXCEL.