



# Canada Revenue Agency (CRA) Going After HST Associated With Cell Phone Bills

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*Only The Documented & Substantiated Business Portion Of The HST May Be Claimed As Part Of Your HST Input Tax Credit (ITC)*

TORONTO, ONTARIO, CANADA, September 16, 2019 /EINPresswire.com/ -- The Canada Revenue Agency (CRA) updated ITC (Input Tax Credit) eligibility percentage guidance in April 2019, see [here](#). Very specifically in the chart below, for all expenses (other than meals and Entertainment), only the % use of the HST (sales tax) that is associated with commercial (business) purposes may be claimed, including cellphone bills.

% of use in commercial activities / ITC eligibility for most businesses / ITC eligibility for financial institutions

90% or more : 100% / % of use

More than 10% and less than 90% : % of use / % of use

10% or less : No ITCs / % of use

Unless it can be shown, with appropriate documentation and substantiation, that 90%+ use of the individual's cell phone bill is used for commercial (business) purposes, it is illegal to be claiming 100% of the HST (sales tax) in your company's HST ITC submission.

The CRA first published changes to the cell phone tax policy in December 2017, pertaining to businesses, and in January 2018 for employees. [mobilityView](#) brought to attention these changes to the cell phone tax law guidance in May 2018, [click here to read](#). Later, the CRA provided a plain-talking revision of the cell phone tax law advice, which shed even more clarity on some contentious areas, where many businesses may have felt no action was necessary or to take a course of action that falls short of meeting the CRA's requirements in full, [click here to read](#). Even though the CRA published these changes as tax guidance, their intent is very clear and they still expect personal usage of cell phones and home Internet services to be calculated and included in employee's income. This is now further reinforced by the HST ITC eligibility percentage update from April 2019.

[mobilityView](#) – the leading provider of mobile data platforms for mobile smart devices (smartphones and tablets), has been tracking changes to the CRA cell phone tax laws, providing advice and guidance to businesses of all sizes (SoHo, SMB, Large National Enterprises and Multi-national Corporations) for many years, concerning global taxation trends and their impact on corporate wireless strategy.

“Businesses claim that the CRA's approach to this cell phone tax law is unenforceable. Many businesses point to the inability of all wireless carriers to provide the level of detail they would need in order to comply with the CRA rules. But, the CRA is well aware of [mobilityView's MCM Platform](#) and knows that they can enforce their rules with our technology,” says Thom Damstra, CEO of [mobilityView](#). “Also, many businesses have opted to implement simple procedural solutions, such as a Stipend (monthly allowance, defined by the employer, and paid to the employee for business use of a cell phone), that still leaves the business and all employees facing tax implications. There is only one way to comply with the CRA's cell phone tax laws and that is to demonstrate business use of all wireless devices / assets. The MCM Platform

automates this through patented technology (in 3 continents, including the USA, and pending in over 83 other countries) and automatically generates tax compliant expense reports for employee reimbursement – for all calls, SMS messages and data bytes consumed by mobile applications. This is also why mobilityView is in discussions with wireless carriers in Canada to provide this level of detail to all their customers.”

“mobilityView meets and exceeds the provisions in the CRA's cell phone tax law and is the only solution on the market that allows you to track every second, every text message, and every byte of data on a wireless cellular network and on Wi-Fi hotspots / networks to demonstrate business use of any smart mobile device, Internet service at home and even apportion the equivalent business use of a wireless device's hardware cost, to the business, for employee reimbursement,” says Thom Damstra, CEO of mobilityView.

The MCM Platform by mobilityView is a cloud service that enables individuals to properly account for the business and personal usage and cost of a mobile smart device (smartphone, tablet, phablet, etc.). The tool is great for any individual to automate their mobile smart device expense claim process for economic reimbursement and accounts for voice, SMS, data and roaming scenarios. The solution is also highly applicable for businesses of any size, seeking to only pay for business usage of mobile assets. It provides a complete view of all mobile costs, previously not thought possible.

Employers can sleep at night knowing that their costs are contained and employees can experience mobile democracy – they are freed up to do whatever they want on their mobile device: Play video games, watch movies; engage in social media with utter privacy. “The MCM Platform provides clear unequivocal and immediate return on investment for businesses of any size”, said Thom Damstra, CEO of mobilityView. “The flexibility of the platform opens up the tantalizing possibilities to simultaneously reduce cost, provide new flexi benefits, and increase the usage of mobility within any organization. Until now these three simultaneous benefits have been impossible to deliver.”

## About mobilityView

mobilityView's Smart Business Insight (SBI) Platform drives a series of solutions, such as the MCM Platform, which all deliver quantifiable and unambiguous digital transformation. The solutions are applicable for businesses of all sizes, as a function of data-driven insights from mobile smart devices (smart phones, phablets, tablets, etc.). mobilityView exists to drive business process change that results in accelerating the achievement of business goals and objectives, and profitability.

mobilityView enables any business to align mobile smart devices to business goals and objectives, to drive efficiency and profitability, plus an increase in measurable sales and marketing engagement effectiveness with customers. mobilityView transforms mobile smart devices into powerful strategic assets driving measurable productivity improvements and lower costs for a leaner, more competitive, business.

mobilityView enables businesses to gain insight, understand mobile spend, reduce mobile costs and simplify mobile expenses, to ensure tax compliance, while putting end users in control of their own privacy. The solution allows enterprises to be data-driven, customer centric and have the right combination of ideas and information to make the strategic decisions.

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