**UNIT 3 – Activity 5**

**Accounting for Sales Taxes**

**Task: Please visit the following website and watch the tutorials on Sales Taxes:**

[**http://www.jeffboulton.ca/BAF%203M1%20Note%20-%20Sales%20Taxes.swf**](http://www.jeffboulton.ca/BAF%203M1%20Note%20-%20Sales%20Taxes.swf)

**Unit 3 Activity 5: HST = 13%**

**HST Transactions:**

March of 2011
  1 - Sold accounting services to Coffee Industries for $1 000 plus HST on account.

  5 - Purchased equipment on account for $2 000 plus HST of $260.

  6 - Purchased supplies for cash for $300 plus HST of $39.

10 - Sold accounting services to Nestle Corp. for $1 500 cash plus tax.

15 - Remitted $320 of HST to government.

17 - Sold $3 000 of accounting services to Nestle Corp. on account plus tax.

22 - Sold $1 400 of accounting services for cash plus tax.

31 - Filed HST return to the government for the month of March.  Here are the account balances:
            HST Payable                                    $1500.00
            HST Recoverable                               650.00
            HST Owing/(Recoverable)               $850.00

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| **Chart of accounts** |
| BankAccounts ReceivableHST RecoverableSuppliesEquipmentAccounts PayableHST PayableCapitalDrawingsRevenuesExpenses |

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| **DATE** | **PARTICULARS** | **PR** | **DEBIT** | **CREDIT** |
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