

Zip2Tax Canada Table Layout Information

z2t_ID – A unique number generated by Zip2Tax for reference purposes.

Postal Code – Canada’s postal codes were created to facilitate mail handling and delivery, and are roughly the equivalent of ZIP+4 codes in the United States. In Canada, they consist of six alphanumeric characters in ANA-NAN sequence, where *A* represents one of 20 alphabetic characters and *N* represents a number from 0 to 9 (for example, HOA-9Z0). The first three characters represent a *Forward Sortation Area (FSA)*, the last three characters, a *Local Delivery Unit (LDU)*. The first character of the FSA represents a province, a group of small provinces or, together with the second character, a subdivision of a large province. The province codes run from east to west, with A being the most eastern province, Saint John. If the second digit is the number 0, the last character must also be 0, and the entire code represents a small, single-coded town. If the second digit is a number from 1 through 9, then the FSA code represents part of a large, multicoded city and the LDU represents a blockface within that city. For example, the city of Toronto is represented by an *M* or *L* in the first position. The second position would be a number from 1 to 9, and the third position could be any of 20 alphabetic characters. The FSA, therefore, could be M1A, M2A, M3A, M2B, and so on. Following these rules, there are a total of 180 codes possible for Toronto, including the various LDUs representing blockfaces within Toronto.

Sales Tax Rate – The effective total tax rate associated with an area’s postal code. This will be a combination of the federal Goods and Services Tax (GST) and the regional tax. In the provinces of Quebec and Prince Edward Island, the Sales Tax Rate appears to be higher than if the sum of the flat GST the PST or QST due to the regional tax being applied to the selling price *after* the GST has been added in.

GST – Goods and Services Tax; the GST is a federal-level tax that applies to the sale of most property and services in Canada. This tax is levied in all provinces and is remitted to Canada’s federal government.

HST – Harmonized Sales Tax; harmonized province tax and federal goods and services tax; participating provinces combine the Provincial Sales Tax (PST) with the GST to create the HST. These provinces collect the PST and the GST as one tax. Generally, HST applies to the same property and services as the GST.

PST – Provincial Sales Tax; Province Tax; the PST is a sales tax that applies to taxable goods and services consumed or used in-province and the purchase or rental of new and used tangible personal property.

QST – Quebec Sales Tax; The province of Quebec requires that all out-of-province vendors who sell goods and services to residents of Quebec register to collect Quebec sales tax (QST) prior to the sale of goods.

RST – Retail Sales Tax (Manitoba only); If you sell taxable goods and services to residents of Manitoba, you are required to register under the *Retail Sales Tax Act* and collect the Retail Sales Tax.

City – An incorporated administrative district established by a province or territory.

Province – A two letter abbreviation for the province.