

How the January 1, 2008 GST Rate Change Affects CAKEsoft Desktop Programs – REALTI/online (Alberta), REALTI/cp (condominium projects), REALTI/rp (subdivision projects)

Due to the GST rate change to 5% effective January 1, 2008, CAKEsoft and LawyerDoneDeal have changed its programs in several areas: the calculation of purchase price consideration, GST and GST Rebate, the GST on Tarion, the GST on real estate commission, the GST on search fees and the GST on legal fees on account as well as disbursements subject to GST. The descriptions below detail the changes

GST on Sale Price: Calculation of Consideration, GST and GST Rebate

If a transaction is closing on or after January 1, 2008 and the contract date is on or after October 31, 2007, the GST rate of 5% will take effect

Municipal Search Fees, Brokers' Commissions, Legal Fees on Account, Disbursements Subject to GST

GST on search fees, brokers' commissions, legal fees and disbursements subject to GST will be calculated at 5% when the closing date on the file is January 1, 2008 or later. The GST percentage will be revised to print the appropriate rate where applicable.

Note that for files you created when GST was originally calculated at 6%, go to the screens that involve GST calculations to refresh the calculation. We recommend that for files created prior to January 1, 2008, where calculations may have already been done, you review the GST amounts to ensure that they are correct before printing and issuing documents involving GST.

Fees for CAKEsoft Transactions, Maintenance Fees and Custom Programming

GST on CAKEsoft Maintenance (SECURE) Fees

For maintenance periods that begin on or after January 1, 2008, GST of 5% will be applied for the year.

GST on CAKEsoft Custom Programming and Letterhead Work

Custom programming and letterhead work done by CAKEsoft/LawyerDoneDeal completed before January 1, 2008 will have GST of 6%. All work completed on or after January 1, 2008 will have GST of 5% applied.