PST/GST Implementation for British Columbia (PCLaw[®] 10 and higher)

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Effective April 1, 2013 – PST/GST will replace the Harmonized Sales Tax (HST)

British Columbia will return to PST and GST effective April 1, 2013, at a general tax rate of 7% and 5%, respectively. For further details about these changes, please visit the Canada Revenue Agency's website at www.cra-arc.gc.ca/gncy/hrmnztn/menu-eng.html.

All Firms – Consult with your PCLaw Certified Independent Consultant (CIC), your tax advisor or your accountant before implementing any of the following PCLaw changes as tax implications may exist. You should bill all of your PCLaw files up to and including March 31, 2013, before implementing these changes. Ensure that you make a backup of your data prior to implementing the steps below.

Firms That Use Memorized Transactions – If the memorized transaction function is activated, you will notice that whenever you enter a payee's name into a cheque screen and hit the "Tab" key, PCLaw will prepopulate the amount, taxes, explanation and G/L account. PCLaw does this because it memorizes the details of the last cheque that you wrote of this payee. With the GST reimplementation, cheques that were once subject to HST may now be subject to GST. If you enter a payee's name on a cheque screen and hit "Tab" and notice the prepopulated tax amount needs to reflect GST as opposed to HST, simply remove the amount and enter the correct one. This action will force PCLaw to memorize the new tax value going forth.

How to Update Your PCLaw Settings

- 1. Determine which of your matters DO NOT currently have a tax rate of 12%.
 - a. Go to "Reports > Clients> List of Clients."
 - b. If you are running PCLaw 12, click the "Layout" drop-down and select "Default tax."
 - c. Generate, print and save this report for your records (proceed to Step 2).
 - d. If you are NOT running PCLaw 12, use the "Adv. Search" function to identify files where HST is not equal to 12.



e. Generate, print and save this report for your records.

2. Update the tax defaults in the "System Settings."

- a. Go to the "Options > System Settings > Tax" tab.
- b. Adjust the settings as shown in the image to the right.
- c. Select "OK" to apply the changes.
- d. The following window appears.



- e. Select "Yes" to apply the change to existing matters in PCLaw.
- f. The "Change Matter GST Rates" window appears.

Change Matter GST Rates			×
Change Fee Rates	Old Rate	New Rate	
	12.00 •	5	•
🚺 Change Disb Rates	Old Rate	New Rate	
	12.00 •	5	•
ОК	Cancel	Help	

g. Select "OK" to perform the required changes.

Provincial	Memorize	d Transacti	ons Cl	nequ <u>e Pat</u>	tern Front (Office	Rese	arch	Client Intake
Firm	Other [Data Entry	Banki	ing Ta	Matte	r Bill	ing	Past	Due/Interest
- Sales T	ax arge sales ta	ax on fees a	at a rate (of: 7	%				
Ch	arge fees er	ntered befo	re 1/7	//2010	→ at a rate	of: 7		%	
Chi	Charge sales tax on disbursements at a rate of: 0 %								
	Post input tax credit to G/L								
Add to	Add to charges on or after: 1/4/1993 -								
Exemp	t from charg	es before:	1/4/19	93 👻					
⊂ Goods a	and Services	s Tax (GST) / Harm	onized Sa	es Tax (GST)			
🔽 Chi	arge GST								
E	Sales tax o	harged aft	er GST		Charge iten	ns befor	ne 1/4	4/201	3 🔻 :
Sa	ales tax rate:	7	%		Sales tax ra	ate: 7		%	
R	ate on fees:	5	%		Rate on fee	es: 5		%	
R	ate on disbu	rsements:	5	%	Rate on dis	sbursem	ents:	5	%
Sh	ow GST on t	trust chequ	e entries						
✓ Ma	tters taxable ow Tax cate	by default gory on Tir	ne and F	ee screen	s				

Most firms have fewer PST/GST exempt matters than taxable matters and will find the process easier if they make all PCLaw matters taxable through the global change function as shown in 3(1) and then adjust the tax settings on the matters that should remain non-taxable through the matter list as shown in 3(2).

3. (1) Update tax settings on all existing matters to enable sales tax.

a. Go to "File > Matter > Global Change." The following window appears. Select "OK."

Client	Resp Lawyer	OK
[•	Cance
Types of La	aw 🗸	
Bill Settings	lleed	Help

b. The following window appears. Select "OK."

PCLaw	×
-	Choose which field(s) you wish to change for all selected matters and then enter the new value(s).
	ОК

- c. The "Matter Global Change" window appears.
- d. Select the "Billing" tab.

Matters - Global Chang	e		Approximation (187					? X
Main Billing								
Client All	Resp Lawy	erA	I Тур	es of Law	All	Bill Settings	Used All	
Bill Frequency	Include Detail	¥	Options Auto Alloc Time/Fees to Working Lawyers Bill Only Disbs When Mass Billing	Do Not	Change 🔹	Taxes GST on Fees GST on Disbs	0.0000	
Use Task Based Billin	9 Do Not Change	•	Auto Transfer from Trust at Billing Apply Trust Transfer	Do Not	Change 🔻	Sales on Fees	7	

- e. Enter the tax value of "7" for "Sales on Fees" as shown above and select "OK" to proceed. This will activate a 7% sales tax to all existing PCLaw matters. Do not select any of the GST categories as they have been addressed in the system settings change from Step 2.
- f. The following message appears. Select "Yes" to complete the changes.

PCLaw	This option will change the selected field(s) for all matters that you have chosen. Are you sure?
	Yes No

- 3. (2) Update tax settings on matters that were not or partially subject to taxes and will continue to maintain that status. (Skip this step if you do not have matters that fit this criteria.)
 - a. Identify all matters that were not subject to HST on the list of clients report you ran earlier. We recommend completing all steps below for any PST exempt files and then repeat for any GST exempt files or any files that are 100% non taxable.

- b. Go to "File > Matter List."
- c. Multi-select the matters that need to maintain a non or partially taxable status by clicking them, e.g., PST exempt matters.

Matter I	List Natter 💁 Chan dd Tabs \	ge Matter 👔 Close Matter 🌉 Appt 🌉	To Do 📲 Note	: 🗍 🃰 Label:	: 🔄 Pre-Bill 🍏 Conflict 🔶 🗶	1
Sel	Matter	Client	Bes Liviur /	Law Tupe	Description	9
×	2	2 - Doe, Jane	L1	lit	File Description	-
X	1	1 - Doe, John	L1	lit	File Description	
	Prospect	Prospect Client - PCLaw - B.C.	L1	corp	Prospect Matter	_
						E

- d. Select the "Change Matter" button.
- e. The following window appears.



- f. Select "OK."
- g. The "Matter Global Change" window appears.
- h. Select the "Billing" tab.

in Billing					
Client All	Resp Lawyer All	Туре	s of Law All	Bill Settings	Used All
Bill Frequency	Include v	Options Auto Alloc Time/Fees	Do Not Change 💌	⊂ Taxes GST on Fees	0.0000
Bill Template	Detail	Bill Only Disbs When Mass Billing	Do Not Change 👻	GST on Disbs	0.0000
Jse Task Based Billin	Do Not Change 🔻	Auto Transfer from	Do Not Change 💌	GST Category	N 👻

- i. Set the tax values as required by the matters you have selected and Select "OK" to proceed.
- j. The following message appears. Select "Yes" to complete the changes and repeat for GST exempt files or files that are 100% non-taxable.



4. Identify billing templates where the HST label needs to change to GST (Optional).

- a. From the "Options" menu, click "System Settings" and select the "Billing" tab.
- b. In the "Default Template" section, note the names of the default templates used by PCLaw.
- c. If your firm uses customized billing templates for specific matters, you may choose to note those for editing.

efault Temp	late		Pre-Bill	
Bill	DETAIL	•	Template	SDETAIL 🔻
Quick Bill	QUIKBILL	•	Frequency	Use Matter Bill Freq

5. Edit billing templates to change the label from HST to reflect GST (Optional).

Note: If you are unfamiliar with the PCLaw Template Editor, please contact a Certified Independent Consultant (CIC) for assistance at http://law.lexisnexis.com/spn.

- a. From the "Tools" menu, select "Template Editor."
- b. Choose "File" and "Open" and select billing from the drop-down list at the bottom of the screen.
- c. Locate the name of your template from the list.
- d. It may be helpful to have a sample copy of one of the firm's bills to compare to the template on the screen.
- e. Locate the "GST/HST" reference(s) on the template.

DATE	DESCRIPTION	HOURS AMOUNT LAWYER	DISBURSEN	IENTS	
MATTER: RE:	Matter # Desc		MATTER: RE:	Matter # Desc	
Fee Date	Fee Expl	Fee Hrs Fee Amt Lwyr Init	Disb Date	Disb Expl	Disb Amt
	MATTER TOTALS:	Hours TotalBefDisc		MATTER TOTALS:	Tot Disbs
	Totals	Tot Hrs otFeeBefDisc		Totals	Tot Disbs
	DiscExp	DiscFees	<	Total GST/HST on Disbursements	TaxOnDisb
	Total Fees After Discount	FeeAftDisc		Total Sales Tax on Disbursements	STaxOnDisb
	Total GST/HST on Fees	TaxAftDisc			
	Total Sales Tax on Fees	STaxAftDisc			

- f. Double-click to edit the text and change the label to "GST." Select "OK."
- g. Repeat for other GST/HST references on the template.
- h. To save your changes, choose "File" and "Save."
- i. Repeat this process for all other billing templates as required.

6. Change the name of G/L Account 2400 to reflect GST (Optional).

- a. From the "Options" menu, select "Lists and G/L Accounts" and highlight account 2400.
- b. Double-click "Change the description of G/L account 2400 (HST Payable)" to reflect "(GST Payable)."

ſ	Pop Up Help - G/L Accounts		-	-	_	×
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	Account Type/Name	Туре	Nickname	Depart	Control	Category *
l	HST Payable	Short Liability	2400	Firm	GST	
	Sales Tax Payable	Short Liability	2450	Firm	PST	

7. Change PCLaw terminology to reflect GST (Optional).

- a. From the "Options" menu, select "Terminology."
- b. Locate "HST" in the "Replace" column and enter "GST" in the "With" column, as shown below.
- c. Select "OK" to save your changes.

Replace	With	٩
General Retainer	General Retainer	
Goods and Services Tax	Goods and Services Tax	
HST	GST	

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