

Consumer Taxes

TVQ. 127-1/R1 **Supply of Massage Therapy Courses**

Date of publication: **November 28, 2003**

Reference(s): *An Act respecting the Québec sales tax (R.S.Q., c. T-0.1), sections 120, 125 and 127*

As of October 5, 2000, this bulletin supersedes bulletin TVQ. 127-1, dated October 31, 1997.

This bulletin explains how the *Act respecting the Québec sales tax* (the “Act”) applies to the supply of massage therapy courses.

DESCRIPTION OF THE SITUATION

1. In Québec massage therapy courses are offered by private schools, but not, as a rule, by school authorities, public colleges or Québec universities.
2. In Québec the title “massage therapist” is not governed by the *Professional Code* (R.S.Q., c. C-26). Consequently, there is no body empowered by Québec legislation to regulate the practice of this activity.
3. However, there are various associations of massage therapists. These associations recommend certain vocational schools that meet the training profile required for membership in such bodies. In general, the massage therapy training programs recommended by these associations have a duration of 385 to 1,000 hours.

THE ACT

4. Section 120 of the Act defines a “vocational school” as “an institution established and operated primarily to provide students with correspondence courses, or instruction in courses, that develop or enhance students’ occupational skills.”
5. Section 125 of the Act provides that a supply is exempt where it is made by various entities, including vocational schools, and consists in providing an educational service leading to, or for the purpose of maintaining or upgrading, a professional accreditation or professional title recognized by a regulatory body.

6. Section 120 of the Act defines a “regulatory body” as a body constituted or empowered by Québec legislation to regulate the practice of a profession or trade in Québec by setting standards of knowledge or proficiency for practitioners of a profession or trade.

7. Section 127 of the Act provides that a supply, other than a zero-rated supply, is exempt where it is made by various entities, including vocational schools, and consists in providing an individual with, or administering an examination in respect of, an educational service leading to a certificate, diploma, permit or similar document, or a class or rating in respect of a licence or permit, that attests to the competence of an individual to practise a trade or vocation.

That section does not apply where the supplier has made an election under that section by means of a prescribed form containing the prescribed information.

APPLICATION OF THE ACT

8. The supply of massage therapy courses cannot be exempt under section 125 of the Act, given the fact that these courses do not lead to a professional accreditation or professional title recognized by a regulatory body, as indicated in point 2 above.

9. The supply of massage therapy courses is exempt where the conditions prescribed in section 127 of the Act are met. One of those conditions is that the private school offering such courses must qualify as a “vocational school.” This is the case if the school is established and operated primarily to provide students with correspondence courses, or instruction in courses, that develop or enhance students’ occupational skills.

10 A second condition is that the educational service or examination must lead to a certificate, diploma, permit or similar document, or a class or rating in respect of a licence or permit, that attests to the competence of an individual to practise a trade or vocation. The Ministère considers that three criteria must be met in order to fulfil this condition.

11. The first criterion is that a certificate, diploma, permit or similar document must be awarded to the student upon successful completion of his or her studies.

12. The second criterion is that the course must enable individuals to acquire the skills necessary to practise a trade or vocation. To determine whether a massage therapy course enables individuals to acquire the skills necessary to practise the trade or vocation of massage therapist, the Ministère evaluates, among other things, the syllabus and the promotional material. The Ministère considers that a massage therapy course which is part of a massage therapy training program described in point 3 above enables an individual to acquire the skills necessary to practise the trade or vocation of massage therapist.

13. Massage therapy courses intended for the general public are not considered by the Ministère to be courses that enable individuals to acquire the skills necessary to practise the trade or vocation of massage therapist.

14. The third criterion is that the certificate, diploma, permit or similar document must attest to the competence of an individual to practise a trade or vocation. The Ministère considers that, in order

to meet this criterion, a massage therapy course must evaluate the students' competence according to a pass-fail system based on one or more graded assignments or examinations.

15. Where all three criteria are met, the supply of a massage therapy course by a vocational school constitutes an exempt supply under section 127 of the Act.

16. Even if a supply is exempt under section 127 of the Act, the supplier may make an election in prescribed form to preclude the application of section 127. Further to such election, a supply that is exempt under that section will be subject to tax, unless it is covered by another exempting provision.

17. This interpretation bulletin has effect in respect of a supply for which the total amount of the consideration becomes payable after October 4, 2000, or is paid after that date without having become payable. Furthermore, the supplier may not make the election mentioned in point 16 above in respect of a supply for which the consideration becomes payable or is paid before October 5, 2000, where no amount was charged or collected before that date as tax pursuant to Title I of the Act.