

VISUAL NEWSLETTER – JUNE 2010

HST POTENTIAL BENEFITS

Both Ontario & British Columbia have now implemented the new HST. End users in these provinces will now pay more for some products and services, gasoline for example. Still, the change has some potential benefits for companies providing the economic climate of the provinces is not adversely affected.

A short table of Provinces and Tax Rates:

Province	HST	GST	PST
British Columbia	12%		
Alberta		5%	
Saskatchewan		5%	5%
Manitoba		5%	7%
Ontario	13%		
Quebec		5%	7.5%
New Brunswick	13%		
Nova Scotia	15%		
P.E.I.		5%	10%
Newfoundland	13%		

The benefits for companies are twofold. Sales Tax Reporting is now very much simplified with a single tax to collect and remit. In industries like computer services, where there were complex rules to determine whether items were or were not PST taxable, this is highly welcomed. After the tax transition is complete, life will be much less complicated.

The second advantage of the HST is due to it's similarity to the GST. If you purchased a \$100. item in Ontario in the past, you were forced to expense \$108. with the \$5. GST recoverable. Now only the \$100. will get expensed and the full \$13. HST amount will be recoverable when you file your tax return as an Input Tax Credit. In effect this means that a lot of equipment such as computers are now effectively 8% cheaper then they were back in June.

Let us know if you have any questions regarding the HST and your computer system.

WINDOWS 7 FOLLOW-UP

Now that Windows 7 has been out for a full 8 months it has largely been reviewed as a solidly successful launch for Microsoft. After the mini-fiasco that was Microsoft Vista, this is a pleasant surprise. Compatibility with a lot of older software is actually quite good and Libra runs better than ever under the right version.

In fact almost all of the DOS programs we have tested including PKZIP run faster than they ever have under Windows 7. This holds true for many older upgraded computers as well. I have installed Windows 7 – 32 bit Professional Edition on my 4 and 7 year old Dell Pentium 4's with excellent performance results with as little as 1gb of Ram.

It should be noted that if you decide to install Windows 7 over Windows XP it will not install as an upgrade. It basically installs the new version of Windows and puts all of the personal files and functional elements of Windows XP into a folder called Windows.old Files can be copied from this folder to the new locations after the installation is complete.

We are strongly recommending Windows 7 Professional Edition – 32 bit if you intend to run Libra and any other older software. There may be some small performance advantages to the 64 bit version, but these are largely offset by a number of compatibility issues with many of the more common software programs currently in use. In fact, if you are primarily using older 32 bit software, the 64 bit version may actually run them more slowly.

There is a potential download known as Windows XP Mode that may solve some of these compatibility issues, but avoiding them altogether would be our recommendation. Computers can still be ordered with Windows XP but they are charging a premium over and above the price of Windows 7 Professional. They do include both Windows Licenses.