

No. 05/01

Admission: Failing to remit GST

Harvey Leonard Gansner

Smithers, BC

Called to the bar: May 15, 1972

On July 21, 2003 Mr. Gansner advised the Law Society that he had received a demand letter dated March 31, 2003 from Canada Customs and Revenue Agency (CCRA) requiring payment of outstanding GST. CCRA had attached his bank account and he had been unsuccessful in making arrangements with the Agency.

Mr. Gansner advised the Law Society that he was finalizing a consumer proposal under the *Bankruptcy and Insolvency Act*. As required by Law Society Rule 3-45(4), Mr. Gansner made arrangements with another practising lawyer to act as co-signatory of his trust account.

As of July 21, 2003, the amount that Mr. Gansner owed in GST arrears was \$4,521.

CCRA did not accept Mr. Gansner's proposal, but were prepared to accept an amended proposal providing for repayment of GST arrears within six months. The amended proposal was accepted and took effect on October 15, 2003.

Mr. Gansner did not pay GST as required in 2002. At the time, he had inadequate cash flow in his practice caused by a failure to properly prioritize this obligation, along with unexpected bad debts and other factors arising from his practice and personal affairs.

Pursuant to Law Society Rule 4-21, Mr. Gansner admitted to the Discipline Committee that he had failed to remit to CCRA the \$4,521 he had collected in payment of GST in 2002 and that this failure constituted professional misconduct.