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SMALL BUSINESS GUIDE TO PROVINCIAL SALES TAX (PST)



October 2008

Thank you for using this guide for your business.

Whether you are getting started or already operating a business in British Columbia, this guide will help you understand your responsibilities and your entitlements under British Columbia tax laws – please keep it handy.

The information within this guide is current as of the above date. To get updated copies of the guide, or to subscribe to e-mail updates of the guide, please visit www.sbr.gov.bc.ca or call 1 877 388-4440.

Across British Columbia, over 370,000 businesses such as yours help drive our economy and produce the revenue that funds the vital public services delivered in our hospitals, schools and communities – the foundation of British Columbia's desirability as a place to live, work and invest.

Taxpayer Fairness and Service Code

At the Ministry of Small Business and Revenue, we are committed to providing you with the best quality customer service possible. The ***Taxpayer Fairness and Service Code*** describes the fairness and service principles that we follow when dealing with you. The purpose of this code is to:

- ensure that you are aware of your rights in your dealings with the ministry and its staff,
- outline the standards and behaviour you can expect from ministry staff, and
- strengthen our relationship with you – a relationship based on mutual respect, fairness and cooperation; a partnership of working together.

Copies of the code are available at ministry locations and online at www.sbr.gov.bc.ca/msbr/tfsc/tfsc.htm, or by calling the Taxpayer Services Information Line at 1 877 388-4440.

This guide is provided as an aid to understanding the legislation. Consideration must be given to the relevant provisions of the legislation itself, as and when they apply to your situation. While the information in the guide does not have the force of law, guides can generally be relied upon to describe how the ministry applies taxation provisions in place at the time of publication. However, if there is a conflict between the guide and the legislation, the legislation applies.

If you have any questions, please contact Taxpayer Services by phone at 604-660-4524 or toll-free at 1-877-388-4440 or via e-mail at CTBTaxQuestions@gov.bc.ca.

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About this Guide

WHO SHOULD READ THIS GUIDE?

If you are starting a business in British Columbia or already operating one, you should read this guide. The guide explains the basics of British Columbia's social service tax, also called the provincial sales tax (PST), administered under the *Social Service Tax Act*. Our goal is to help you to know your tax responsibilities and rights so you can avoid assessments and penalties, and receive the benefits you are entitled to under British Columbia tax laws. This guide is for you to keep on-hand in your business to use when you have questions about PST.

Any changes to PST legislation and regulations are made during the provincial budget each February. You can stay up to date with changes as they happen by subscribing to our automatic update service or to the [Budget Bulletin](#) (see [Automatic Update Service](#) below). You can also find the *Social Service Tax Act* and Regulations online at www.sbr.gov.bc.ca/business/Consumer_Taxes/Provincial_Sales_Tax/pst.htm

Please note: PST is different from the federal goods and services tax (GST). To register for the GST, please contact Canada Revenue Agency at 1 800 959-5525 or go to www.cra-arc.gc.ca

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Contact Us

We are committed to upholding your right to obtain help, to maintaining high standards of accessibility and to ensuring you are treated with courtesy and respect, as outlined in the *Taxpayer Fairness and Service Code*.

TAXPAYER SERVICES INFORMATION LINE

Call us with your PST questions. We are open 8:30 am to 4:30 pm Monday to Friday.
In the Vancouver area: 604 660-4524 (Fax: 604 660-1104)
Toll-free in Canada: 1 877 388-4440

WRITE OR VISIT US IN PERSON

Ministry of Small Business and Revenue
1802 Douglas Street, Victoria BC V8T 4K6

Ministry of Small Business and Revenue
Suite 800 - 360 West Georgia Street, Vancouver BC V6B 6B2

ONLINE SERVICES

All our bulletins, brochures, notices, forms and other tax information are available on our website at www.sbr.gov.bc.ca

AUTOMATIC UPDATE SERVICE

From our website, subscribe to our automatic update service. You can receive instant updates when any website information changes, or choose the bulletins or brochures you wish to track. It is convenient and easy to change your choices or stop receiving updates. It is up to you! Go to www.sbr.gov.bc.ca/business.html and click Subscribe to Updates under Customer Services.

We are committed to ensuring you have complete, accurate, clear and timely information, as outlined in the *Taxpayer Fairness and Service Code*.

TAX RULINGS – GET IT IN WRITING

If your tax questions are complicated or you cannot find information that relates to your situation, write or e-mail us to ask for a written response. Provide us with as much detail as possible of the transaction or item you are asking about. In some cases, including graphics or pictures will help us to better understand your question.

Write us at the address on page 1 or e-mail us at CTBTaxQuestions@gov.bc.ca

You can expect us to reply to your request in a timely manner, as outlined in the *Taxpayer Fairness and Service Code*.

TAX SEMINARS

The Ministry of Small Business and Revenue offers free tax seminars and sessions throughout British Columbia. This service is available to taxpayers from any size or type of business.

If you have a particular tax topic you want covered, need industry specific information or feel the need for in-depth tax coverage, contact us to arrange a seminar or session tailored to your needs. Visit our website to see if there is a seminar scheduled in your city.

Phone: 250 387-6737 (Fax: 250 356-2340)

E-mail: Taxseminar@gov.bc.ca

Website: www.sbr.gov.bc.ca/business.html

OTHER PROGRAMS AND SERVICES

For information on other programs and services of the British Columbia government, please visit www.gov.bc.ca or call **Service BC toll-free at 1 800 663-7867**.

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What is PST?

PST is a consumption tax that applies to retail sales and leases of taxable goods or services in British Columbia, and to taxable goods brought into the province for use. This means that the person who purchases or uses the taxable good (new and used) or service in British Columbia pays the PST.

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What is Taxable?

GENERAL GOODS (TANGIBLE PERSONAL PROPERTY)

PST applies to retail sales or leases of tangible personal property (TPP) in British Columbia, unless there is a specific exemption. For more information on exemptions, please see the section below, [What is Not Taxable?](#) TPP is personal property that you can see, weigh, measure, feel or touch, or that is in any other way perceptible to the senses. TPP includes natural or manufactured gas, software, heat, electricity and fixtures, but does not include prescribed fixtures.

Prescribed fixtures include machinery and equipment installed in a building or structure for heating, air conditioning, lighting, sewage disposal, and elevators or escalators to move people or freight. For more information on fixtures, please see [Bulletin SST 078, Fixtures](#).

Here are some examples of taxable goods:

- alcoholic beverages
- art and art supplies
- building materials
- clothing
- computers, software and software updates
- cosmetics and grooming aids
- flowers
- furniture and appliances
- motor vehicles and automotive parts
- natural gas, heat and electricity for business use
- pets
- souvenirs

TAXABLE SERVICES

PST applies to specified labour services, referred to as taxable services. A taxable service is any service provided to install, assemble, dismantle, repair, adjust, restore, re-condition, refinish or maintain TPP. Generally, if an item is taxable when purchased, services provided to that item are also taxable. Here are some examples of taxable services:

- automobile maintenance, repairs, painting and cut polishing
- camera repairs
- engine tune-ups
- furniture repair, re-upholstery and refinishing
- maintenance of plants planted in portable containers
- protective treatments applied to maintain taxable goods, such as fabric protection, rustproofing and painting
- repairs to business equipment, such as cash registers, photocopiers and fax machines
- setting up temporary display counters, shelves, booths and similar items at trade fairs and conventions
- television, stereo and computer hardware repairs
- watch repair and maintenance

For more information on taxable services, please see [Bulletin SST 018, Taxable Services](#).

LEGAL SERVICES, PARKING RIGHTS AND TELECOMMUNICATIONS SERVICES

PST also applies to the purchase price of legal services, parking rights in the South Coast British Columbia Transportation Service Region and to telecommunication services. For information on how PST applies to these services, please see the following bulletins.

[Bulletin SST 061, Legal Services](#)

[Bulletin SST 105, Motor Vehicle Parking](#)

[Bulletin SST 107, Telecommunications Industry](#)

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Other Taxes and Levies

PASSENGER VEHICLE RENTAL TAX

A passenger vehicle rental tax of \$1.50 per day, or portion of a day, applies to passenger vehicles leased or rented for a period of 28 consecutive days or less. Effective April 1, 2008, the passenger vehicle rental tax does not apply to passenger vehicles leased or rented for 8 consecutive hours or less. Lessors collect this tax in addition to the PST on the lease or rental of the vehicle.

For more information, please see [Bulletin SST 103](#), *Lessors of Motor Vehicles and Trailers*.

ENVIRONMENTAL LEVIES

A \$5 provincial environmental levy applies to each new lead-acid battery weighing 2 kg or more purchased in British Columbia, including batteries sold with vehicles and boats.

Effective September 1, 2007, a provincial Innovative Clean Energy (ICE) Fund levy of 0.4% applies to purchases of electricity, natural gas, fuel oil and propane sold on a grid system. The levy does not apply to fuel taxed or exempted from tax under the *Motor Fuel Tax Act* (e.g. fuels used in motor vehicles).

Sellers collect the battery and ICE Fund levies in addition to collecting PST on the sales. PST is not charged on the battery or ICE Fund levy.

For more information about the battery levy, please see [Bulletin SST 015](#), *Environmental Levy on Batteries*. For more information about the ICE Fund levy, please see our website at www.sbr.gov.bc.ca/individuals/Consumer_Taxes/Provincial_Sales_Tax/ICE_Fund_Levy.htm

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What is Not Taxable?

EXEMPT GOODS

You can sell the following goods to anyone without collecting PST:

- food products for human consumption, including candies and confections
- water, non-alcoholic beverages, vitamins and dietary supplements
- drugs and medicines sold on the prescription of a physician, dentist or veterinarian
- children's clothing and footwear (see [Bulletin SST 009](#), *Children's Clothing*)

You can also sell the following goods to anyone without collecting PST; however, these items must meet certain conditions for exemption or are limited to specific items:

- bicycles and adult-sized tricycles – qualifying non-motorized and electric power-assisted (see [Bulletin SST 001](#), *Bicycles and Tricycles*)
- books, newspapers, magazines (see [Bulletin SST 131](#), *Book, Magazine and Newspaper Retailers*)
- specified safety equipment (see [Bulletin SST 002](#), *Safety Equipment and Protective Clothing*)
- specified energy conservation materials (see [Bulletin SST 011](#), *Exemption for Material and Equipment Used to Conserve Energy*)
- specified medications and health-related equipment and supplies (see [Bulletin SST 006](#), *Medical Supplies and Equipment* and [Bulletin SST 003](#), *Equipment and Devices Used by Persons with a Permanent Disability*)

EXEMPT TAXABLE SERVICES

The following labour services are exempt from PST:

- automobile towing, emergency roadside tire changing and emergency battery boosting (but not including battery recharging)
- services provided to animals, such as horseshoeing, pet grooming or veterinary services
- cleaning services, such as laundry and dry cleaning, carpet and upholstery cleaning, janitorial services, engine shampoos, and car washes and waxes
- labour to install TPP that becomes real property when installed
- personal services, such as hairstyling, barbering and beauty treatments (but sales of product are taxable)
- services provided to software, such as installing, configuring, repairing, restoring or providing corrective action, including the removal of viruses
- services to goods that are brought or sent into the province solely to receive taxable services and, immediately after receiving the services, are removed from the province (seller must have documentation verifying the circumstances of the sale)
- services to items that are exempt from tax (such as repairs to non-motorized two wheel bicycles)
- services to the following goods if designed for household use: refrigerators, stoves, ovens (including microwave and convection ovens), clothes washers and dryers, dishwashers, vacuums, sewing machines, rugs, carpets, draperies and curtains

For more information on exempt taxable services, please see [Bulletin SST 018](#), *Taxable Services*.

COMMON EXEMPTIONS

The following exemptions are conditional on whether the purchaser is eligible for the exemption or the intended end-use of the goods. You will need to keep supporting documentation in your records showing why you did not charge PST. The table below outlines supporting documentation you need.

Exemption	Supporting documentation
Goods purchased for resale	Purchaser's PST registration number recorded on the invoice or if unregistered, a <i>Certificate of Exemption</i> form (FIN 453)
Goods purchased or leased solely for lease to other persons	Purchaser's or lessor's PST registration number recorded on the invoice Please see Bulletins SST 082 , <i>Rentals and Leases of Tangible Personal Property</i> and SST 103 , <i>Lessors of Motor Vehicles and Trailers</i>
Goods and materials purchased to be incorporated into goods for resale	Purchaser's PST registration number recorded on the invoice or if unregistered, a <i>Certificate of Exemption</i> form (FIN 453)
Goods shipped or delivered out of the province by the seller	Proof of shipment out of the province by the seller or if delivered out-of-province by the seller, an <i>Out-of-Province Delivery Exemption</i> form (FIN 448) Please see Bulletin SST 030 , <i>Purchases by Non-Residents of British Columbia</i>

Taxable services and repair parts purchased for sale or lease stock	<p>Purchaser's or lessor's PST registration number recorded on the invoice or if unregistered, a <i>Certificate of Exemption</i> form (FIN 453)</p> <p>Please see Bulletin SST 018, <i>Taxable Services</i></p>
Goods for use within and outside of British Columbia purchased by qualifying persons	<p>Purchaser's Special Registration Number (SRN) recorded on the invoice</p> <p>Please see Bulletin SST 010, <i>Special Registration Number</i></p>
Production machinery and equipment purchased for the use of qualifying persons	<p><i>Certificate of Exemption: Production Machinery and Equipment</i> form (FIN 453/M) or the purchaser's SRN recorded on the invoice</p> <p>Please see Bulletins SST 054, <i>Manufacturers</i>, SST 055, <i>Oil and Gas Industry: Producers and Processors</i>, SST 081, <i>Mining Industry</i>, SST 112, <i>Logging Industry</i> or SST 010, <i>Special Registration Number</i></p>
Specified goods purchased for use by farmers, fishers, or aquaculturists (includes shellfish growers)	<p><i>Certificate of Exemption as a Farmer</i> form (FIN 465) or an imprint of a Farmer Identity Card issued by the British Columbia Agricultural Council (BCAC)</p> <p><i>Certificate of Exemption as a Commercial Fisher</i> form (FIN 459)</p> <p><i>Certificate of Exemption as an Aquaculturist</i> form (FIN 599)</p> <p>Please see Bulletins SST 023, <i>Bona Fide Farmers</i>, SST 025, <i>Bona Fide Commercial Fishers</i>, or SST 050, <i>Bona Fide Aquaculturists</i> and SST 120, <i>Shellfish Growers</i></p>
Clothing and footwear in adult sizes purchased for children under 15 years old	<p><i>Certificate of Exemption for Children's Clothing and Footwear</i> form (FIN 417)</p> <p>Please see Bulletin SST 009, <i>Children's Clothing</i></p>
Sales to Status Indians and Indian Bands	<p>Individuals</p> <ul style="list-style-type: none"> ▪ Request to see the purchaser's <i>Certificate of Indian Status</i> identity card issued by the federal government ▪ Check that the photo is of the purchaser ▪ Record the purchaser's name, band name and number, or the registration number from the card ▪ Obtain the purchaser's signature <p>Bands</p> <ul style="list-style-type: none"> ▪ Purchaser must provide written authorization from the Indian band for the purchaser to act on its behalf ▪ Check the purchaser's identification to make sure the name matches the name authorized on the letter ▪ Record the purchaser's name, band name and number, and name of the band member who signed the letter ▪ Obtain the purchaser's signature

	<p>Individuals and Bands</p> <ul style="list-style-type: none"> ▪ Proof of shipment by the seller to reserve land as a condition of the sale, or proof the sale took place on reserve land
<p>Leases to Status Indians and Indian Bands</p>	<p>Individuals</p> <ul style="list-style-type: none"> ▪ Request to see the lessee's <i>Certificate of Indian Status</i> identity card issued by the federal government ▪ Check that the photo is of the lessee ▪ Record the lessee's name, band name and number, or the registration number from the card ▪ Obtain proof that the lessee lives on reserve land ▪ Obtain the lessee's signature <p>Bands</p> <ul style="list-style-type: none"> ▪ Lessee must provide written authorization from the Indian band for the lessee to act on its behalf ▪ Check the lessee's identification to make sure the name matches the name authorized on the letter ▪ Record the lessee's name, band name and number, and name of the band member who signed the letter ▪ Obtain the lessee's signature <p>Please see Bulletins SST 046, <i>Exemption for Indians and Indian Bands</i> and SST 034, <i>Procedures for Making Exempt Sales or Leases to Indians and Indian Bands</i></p>
<p>Sales to members of the diplomatic and consular corps</p>	<ul style="list-style-type: none"> ▪ Request to see their identity card issued by Foreign Affairs Canada ▪ Check that the photo is of the purchaser ▪ Check that British Columbia is listed on the back of the card ▪ Check that the card has not passed the expiry date ▪ Record the purchaser's name, card number and expiry date from the card ▪ Obtain the purchaser's signature (make sure it matches the signature on the card) <p>Please see Bulletins GEN 007, <i>Exemption for Members of the Diplomatic and Consular Corps</i> and GEN 006, <i>Exemption for Members of the Diplomatic and Consular Corps: Instructions to Vendors and Operators</i></p>

REAL PROPERTY

Real property is land and any items permanently attached to land (buildings and structures). There is no PST on sales and leases of real property or on services to real property.

Real Property includes...	Real Property does NOT include...
buildings	building materials, such as 2x4's, dry wall and flooring
driveways and roads	materials to build roads and driveways, such as sand, gravel and asphalt
fences	materials to build fences, such as wood slats, chain link and nails
in-ground swimming pools	portable and above-ground swimming pools
patios	materials to build patios, such as pavers, slabs and concrete
plumbing and lighting fixtures	uninstalled plumbing and lighting fixtures
water heaters	uninstalled water heaters
signs attached to buildings or land	temporary signs, such as real estate signs and sandwich board signs

Real property contractors who build, repair or improve real property for others should refer to [Bulletin SST 072, Real Property Contractors](#), for information on how PST applies to TPP used in real property contracts.

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We are committed to ensuring you understand the business we conduct with you, as outlined in the *Taxpayer Fairness and Service Code*.

PST Registration

DO I NEED TO REGISTER AS A VENDOR?

You must register as a vendor if you:

- regularly sell taxable goods, including alcohol or tobacco (you need to register for a PST number before you can register for a liquor licence)
- lease taxable goods as a lessor
- provide legal services
- sell parking rights within the South Coast British Columbia Transportation Service Region
- provide taxable services
- provide telecommunication services
- sell propane
- act as liquidator, receiver, receiver-manager or trustee and dispose of assets in the course of your business

If you are located outside British Columbia and make sales in British Columbia, you may be required to register as a vendor in British Columbia. Please see [Bulletin SST 074, Out-of-Province Sellers](#), to determine if you must register.

WHO DOES NOT NEED TO REGISTER?

You do not need to register as a vendor if you:

- sell or lease only non-taxable goods (e.g. food for human consumption)
- provide only non-taxable services (e.g. dry cleaning, accounting and hairdressing)
- are not in business but occasionally sell goods at garage sales, flea markets, craft fairs or fund raising sales. (see the section, [Requirements for Unregistered Businesses](#))
- are a wholesaler or manufacturer and do not make sales to the end user

DO I NEED TO REGISTER IF MY SALES ARE SMALL?

It depends. Certain individuals and groups that occasionally make retail sales (e.g. home-based crafts persons and some non-profit organizations) may be eligible to choose whether or not to register and collect PST. To be eligible for optional registration, you must:

- have gross annual sales of \$10,000 or less of qualifying goods and services,
- not regularly make sales or leases of goods or services from established commercial premises, and
- not maintain established business premises.

If you think you are eligible for optional registration, you should read the notice, *New Registration and Collection Threshold*, on our web site at www.sbr.gov.bc.ca/business/Consumer_Taxes/Provincial_Sales_Tax/notices.htm. If you do not meet all of the above conditions, you must register as a vendor, even if your sales are small.

WHAT BENEFITS DO I GET FOR REGISTERING AND COLLECTING PST?

When you register as a vendor, we pay you a commission for collecting and remitting PST on behalf of the province. The commission is based on the amount of tax you collect during the reporting period, to a maximum of \$198 (see the section, [HOW DO I CALCULATE MY COMMISSION?](#)).

HOW DO I REGISTER AS A VENDOR?

You register as a vendor by sending us a completed *Application for Registration as a Vendor* form ([FIN 418](#)). There is **no fee** to register as a vendor with the Ministry of Small Business and Revenue. You can register with the ministry in one of the following ways:

- through the OneStop Business Registry (www.bcbusinessregistry.ca) either online or at one of the kiosks located throughout the province
- complete an *Application for Registration as a Vendor* form ([FIN 418](#)), which you can obtain and submit either:
 - online from the ministry website at www.sbr.gov.bc.ca/business/Consumer_Taxes/Provincial_Sales_Tax/forms.htm
 - in person at the ministry office in Victoria at 1802 Douglas Street or in Vancouver at Suite 800 - 360 West Georgia Street
 - at any Service BC office (www.servicebc.gov.bc.ca) located throughout the province

Once the ministry processes your application and you are eligible to register, you will be provided with:

- a *Certificate of Registration*, which includes your PST registration number
- information on how to collect and send in the PST you collect, including [Bulletin SST 032, Completing the Social Service Tax Return](#)
- tax return forms on a regular basis

WHAT INFORMATION DO I NEED TO REGISTER?

Below is a checklist of information you may need.

- An Incorporation number (if you are registering as a corporation, society or association) and a copy of your *Certificate of Incorporation*, if you are not a British Columbia corporation. Contact the Corporate Registry toll-free through Service BC at 1 800 663-7867 or online at www.fin.gov.bc.ca/registries/corppg/
- A Business Number if you have one (you may already have a Business Number if you collect GST, your business is incorporated, you have employees, you import or export, your business is a registered charity or you are registered with WorkSafeBC).
- A Motor Dealer Licence number if you plan to sell or lease vehicles (non-commercial) to retail customers in British Columbia. **Please note:** You need to register as a dealer **before** you register with us. If you do not have a motor dealer licence, you will not be eligible to register as a vendor. You will need to pay PST on vehicles you purchase for resale or lease and apply for a refund of the PST paid. Information on registering as a motor vehicle dealer is available from the Motor Vehicle Sales Authority of British Columbia's website at www.vehiclesalesauthority.com
- Your business start date. You can estimate your start date for the purposes of registering and call us once your start date is confirmed.
- The name and address of your bank or financial institution.
- A copy of your lease and/or purchase agreement may be required if you sell tobacco or liquor. If you apply in person at the ministry office in Vancouver or Victoria, you may need to provide this information before you receive a *Certificate of Registration*. If you apply online, we may ask you to provide this information later.

WHAT HAPPENS AFTER I APPLY?

You can expect us to process your application within two business days of receiving all the required information, as outlined in the *Taxpayer Fairness and Service Code*. When your application is processed, we will send you a *Certificate of Registration*, which displays your PST registration number. The PST registration number consists of an "R" plus six numbers (e.g. R123456). To purchase items for resale or lease without paying PST, give the supplier your PST registration number.

If you have more than one business location, you will receive a certificate for each location. You can choose to have all your business locations use the same PST number or have each location use its own number. You must display your certificate in a prominent place on the business premises or, if you have no business premises, carry it with you when you are doing business.

Please note: The *Certificate of Registration* does not take the place of a business licence, which you should get from your municipal or regional district office, or through OneStop Business Registry in participating municipalities. For a list of participating municipalities, please visit www.bcbusinessregistry.ca

HOW DO I CHANGE OR CLOSE MY REGISTRATION ACCOUNT?

You must notify us of changes to your legal name, business name, business location or mailing address. You can notify us about these changes or ask us to close your account in the following ways:

- go to our website at www.sbr.gov.bc.ca/business.html and complete a *Notice of Change* form (**FIN 386**) (you can send the form electronically or print it out and mail or fax it to us – the address and fax number are on the form)
- call the Taxpayer Services Information Line at **1 877 388-4440** or within the Vancouver area at **604 660-4524**

- visit or call the Ministry of Small Business and Revenue or any Service BC Centre
- check the **Business Closed** box on the front of your tax return and mail or fax the information listed below the box
- if you have a BCeID, visit the OneStop Business Registry website at www.bcbusinessregistry.ca (BCeID is an online service where you can use a login ID and password to sign in securely to BCeID-participating government online services; for more information, please visit www.BCeID.ca)

If there are changes to your legal name, business name or business location, we will send you a new *Certificate of Registration* with your updated information on it. When you receive your new certificate, you must return the old one to us.

If you sell or close your business, your certificate becomes void and you must return it within 23 days. **Please note:** You do not have to return your certificate for a sale of shares only. In this case, the certificate remains valid.

WHAT IF I BUY OR SELL A BUSINESS?

Buying a business

- If the business you are buying makes taxable sales or leases, you must register as a vendor and get your own *Certificate of Registration*. The previous owner's registration certificate is not transferable.
- When you purchase a business, you should get a copy of the *Clearance Certificate* issued to the seller verifying that they have sent in all the PST they collected. If you do not, you may be held responsible for PST collected but not sent in by the seller.
- PST applies to all your purchases of business assets and fixtures, except stock for resale. If the seller has not listed the PST separately on the bill of sale or has not collected it from you, you are responsible for sending in the PST due.
- Send in the PST and a copy of the bill of sale with a completed *Return of Tax Due on Taxable Tangible Personal Property by a Purchaser/Seller* form ([FIN 426](#)).

Selling a business

- File your last PST return and send in all PST owing on your sales, leases and purchases up to the date of sale of your business.
- You must get two copies of a *Clearance Certificate* confirming that you sent in all PST collected. Give one copy of the *Clearance Certificate* to the purchaser. The *Application for Clearance* form ([FIN 447](#)) is available on our website.
- As a registered vendor, you should charge PST on all sales of taxable goods (except goods for resale), including sales of assets and fixtures, at the time of sale. List the PST as a separate item on the bill of sale. Send in the PST with a completed *Return of Tax Due on Taxable Tangible Personal Property by a Purchaser/Seller* form ([FIN 426](#)).
- Return your *Certificate of Registration* to us within 23 days from the date of the sale.

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Requirements for Unregistered Businesses

COLLECTING AND REMITTING TAX

If you are not required to register as a vendor because you only sell non-taxable goods or services in the ordinary course of your business, you are still responsible for collecting and remitting PST if you occasionally make taxable sales or leases. In such cases, you fill out

and send in a *Casual Remittance Return For Provincial Sales Tax (PST) Due on Taxable Tangible Personal Property by a Seller Not Registered Under the Social Service Tax Act* form ([FIN 428S](#)), along with the PST due.

The requirements for collecting and paying PST are different for individuals or groups that are eligible for optional registration and choose not to register and collect PST on their sales (see the section, [DO I NEED TO REGISTER IF MY SALES ARE SMALL?](#)).

You also pay PST on most goods that you use in your business, including goods you buy, rent or lease from outside the province. If the supplier does not collect the PST, you self-assess the PST when you bring the goods into the province and pay the PST due using a *Casual Remittance Return For Provincial Sales Tax (PST) Due on Taxable Tangible Personal Property by a Purchaser Not Registered Under the Social Service Tax Act* form ([FIN 428P](#)). This applies to goods, such as operating supplies, tools, equipment or other goods you did not purchase for resale. For more information, please see [Bulletin SST 043, Goods Purchased from Out-of-Province Suppliers](#).

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Paying PST

WHAT GOODS AND SERVICES DO I PAY PST ON?

- You pay PST on equipment and supplies that you purchase or lease for use in your business. In this case, you are the end user of the goods and are responsible for paying the PST. Examples of equipment and supplies that you purchase for your business include:
 - office equipment, such as desks, chairs and cash registers
 - office supplies, such as receipt books, stationery and cash register tapes
 - business equipment and supplies, such as vehicles, shop equipment and cleaning supplies
- You pay PST on taxable services provided to machinery and equipment used in your business, including taxable services applied to goods you send out of the province to receive services.
- You pay PST when you purchase legal services, parking rights in the South Coast British Columbia Transportation Service Region and telecommunication services (e.g. telephone and internet) for use in your business.
- You pay PST on your cost of items taken from your resale inventory or purchased for the following use:
 - promotional items used or given away to help advertise or promote your business
 - demonstration or display items if they are not immediately available for sale
 - samples, gifts and prizes
 - advertising flyers
 - donations to charities or other organizations
- You pay PST on your cost of anything taken from your resale inventory for use in your business or for personal use.
- Generally, you pay PST on items that you purchased solely for lease or rental purposes and later use yourself or allow an employee to use. You calculate the PST due on the depreciated value of the item or 50% of the original purchase price, whichever is greater. However, you may not be required to pay PST on the depreciated value when you occasionally supply an operator with the item. For information, please see [Bulletin SST 082, Rentals and Leases of Tangible Personal Property](#).

- You pay PST on equipment you bring into the province temporarily if the equipment is in the province for more than five days. Please see [Bulletin SST 098, Equipment Brought into the Province for Temporary Use \(1/3 Formula\)](#).
- You pay PST on taxable goods for use in your business that you purchase from suppliers outside of the province. If the seller does not charge you PST, you self-assess and pay the PST due on your total landed cost to bring the goods into the province. The total landed cost is:
 - the purchase price (in Canadian funds),
 - delivery, freight or shipping charges,
 - exchange, customs, duties, federal excise taxes, and
 - any other costs or expenses you pay to receive the goods in the province (do not include the GST).
- You pay PST on the lease price of taxable goods for use in your business that you lease from lessors outside of the province. If the lessor is not registered to collect the PST, you self-assess the PST due on the lease price while the goods are in the province. For more information on purchases or leases from out of province suppliers, please see [Bulletin SST 043, Goods Purchased from Out-of-Province Suppliers](#).

When you self-assess PST on goods for use in your business or for personal use, record the PST due at Step 3 of your next tax return ([FIN 400](#)).

ARE THERE INPUT TAX CREDITS FOR PST, SIMILAR TO THE GST, FOR GOODS CONSUMED BY A BUSINESS?

No. There are no input tax credits allowed on goods purchased by a business. PST is payable on all business-use goods, other than goods purchased for resale.

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Charging and Collecting PST

You must show PST separately on all invoices except on sales of alcohol, which may be sold at tax-included prices. You calculate the PST to the nearest cent, with one-half cent rounded up to one cent.

WHAT IS THE PST RATE?

<i>Items</i>	<i>PST Rate</i>
Goods and services	7%
Alcohol	10%
<i>Passenger vehicles:</i> Less than \$55,000	7%
\$55,000 to less than \$56,000	8%
\$56,000 to less than \$57,000	9%
\$57,000 or more	10%
Other motor vehicles and trailers*	7%

Tax rates can change. Check for current rates on our website at www.sbr.gov.bc.ca

* See [Bulletin SST 042, Motor Vehicle Dealers](#), for which vehicles are not passenger vehicles, for example, camper vans, one ton trucks and certain motor cycles.

WHEN DO I CHARGE PST?

On sales

You charge PST on the purchase price at the time of sale, including sales on credit, unless the item or service is exempt from tax. For more information on exempt goods and services, see the section above, [What is Not Taxable?](#) *Purchase price* means the total amount the customer must pay before taking ownership of the goods or services, including any other charges, such as transportation, delivery or handling.

You charge PST on legal services, parking rights, taxable services and telecommunication services when the purchase price is paid or payable, whichever is earlier.

For information on selling liquor, please see [Bulletin SST 094](#), *Liquor Sellers*.

On leases (rentals)

You charge PST on the full lease price when each lease payment is paid or becomes payable, whichever is earlier. *Lease price* means the total amount that a lessee must pay for each rental period to receive the right to use the property, including any other consideration, such as a down payment, royalty or licence fee.

For more information on leases and rentals, please see [Bulletin SST 082](#), *Rentals and Leases of Tangible Personal Property* and [Bulletin SST 103](#), *Lessors of Motor Vehicles and Trailers*.

On bundled sales (taxable and non-taxable goods or services sold together for a single price)

This type of sale can lead to different tax applications depending on the price of the bundle and the value of the taxable goods or services in the bundle. Generally, if a taxable good or service is bundled with a good or service that is not taxable and both are sold for a single price, you charge PST on the fair market value of the taxable item.

However, there are exceptions, so if you make this type of sale, please see [Bulletin SST 119](#), *Bundled Sales: Taxable and Non-Taxable Goods or Services Sold Together for a Single Price*.

DO I CHARGE PST ON THE FEDERAL GOODS AND SERVICES TAX (GST)?

No. You charge PST on the total selling price before the GST. The total selling price includes all charges a customer must pay before taking ownership of the goods, but does not include the GST.

DO I CHARGE PST ON SALES TO NON-RESIDENTS OR OUT-OF-PROVINCE CUSTOMERS?

Yes. You charge PST on sales or leases of taxable goods to non-residents of British Columbia and on out-of-province sales or leases, except when one of the following applies:

- you ship or mail the merchandise that was purchased or leased to a place out of the province
- you deliver the goods yourself to a place out of the province

You must keep all your shipping documents and bills of lading to show why you did not charge PST on the sale.

If you deliver the goods yourself to a place out-of-province, you and your customer must complete and sign an *Out-of-Province Delivery Exemption* form ([FIN 448](#)). Keep the form for your records. If the customer takes possession of the goods in British Columbia, or arranges their own delivery, you charge PST.

For more information, please see [Bulletins SST 007](#), *Purchases of Vehicles by Non-Residents*, [SST 030](#), *Purchases by Non-Residents of British Columbia* and [SST 051](#), *Aircraft*.

DO I CHARGE PST ON SALES TO THE GOVERNMENTS OF CANADA AND BRITISH COLUMBIA?

It depends on whether it is the provincial or federal government. You charge PST on all sales and leases to the Province of British Columbia, unless the item or service is exempt from tax. The provincial government does not pay the federal GST.

You do not charge PST on sales or leases to the federal Government of Canada, except when the agency has been designated by the federal government to pay PST; however, they do pay the GST.

For information on making sales to the federal government without collecting PST, please see [Bulletin GEN 002](#), *Sales and Leases to the Governments of Canada and British Columbia*.

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Reporting and Remitting PST

HOW OFTEN DO I RECEIVE TAX RETURN FORMS?

We set your reporting frequency at the time of registration based on your estimate of the amount of PST you will collect per month.

Reporting periods may be monthly, quarterly, semi-annual, annual or seasonal. The letter we send to you, attached to your *Certificate of Registration*, tells you about your reporting periods and when you will receive your first *Social Service Tax Return* form ([FIN 400](#)).

If the amount of PST you regularly collect changes, we may adjust your reporting frequency. We will notify you by letter if this happens. You can also ask us to change your reporting period; however, we will base our approval on the amount of PST you regularly collect.

WHEN DO I RECEIVE MY TAX RETURN FORM?

We mail your tax returns to you approximately four weeks before your due date. You should receive the tax return toward the end of your reporting period. For example, if you report monthly, you should receive a tax return before the end of each month.

HOW DO I COMPLETE MY TAX RETURN?

The tax return form ([FIN 400](#)) has a worksheet on the back with step-by-step instructions to calculate the amount of PST you need to remit. It also allows you to work out the commission you have earned. For detailed information about each part of the form, please see [Bulletin SST 032](#), *Completing the Tax Return Form*.

HOW DO I CALCULATE MY COMMISSION?

You calculate your commission based on the amount of PST collectable for the period. The maximum you can claim is \$198. The table below shows you how much you can claim in Box C of your tax return.

<i>IF the amount in Box B is...</i>	<i>THEN you may claim in Box C...</i>
\$22.00 or less	the amount of tax you collected (the amount in Box B)
\$22.01 to \$333.33	\$22.00
more than \$333.33	6.6% of the tax collected in Box B, up to \$198.00

You can claim only one commission per legal entity even if you have more than one location and we send more than one tax return to you. You calculate your commission on the combined PST from all locations for that legal entity. You can only claim a commission if you send in your tax return and payment on time.

WHAT IF I DO NOT HAVE SALES OR PST TO REPORT?

If you have no sales or PST to report during the return period, you must still complete and send in your tax return on time. Enter "0" or "NIL" in the appropriate spaces on the form. Financial institutions cannot process NIL tax returns. They must be mailed or faxed to the address or fax number on the form.

WHEN IS MY TAX RETURN DUE?

Your tax return is due by the 23rd day of the month following the end of your reporting period. For example, if you are reporting for a period ending July 31st, the ministry must receive your tax return by August 23rd. We print the due date on the front of the form next to the large black arrow.

The following conditions apply for your tax return and payments to be considered received on time.

- If you submit your tax return and payment by mail or courier, they must be received by the ministry before the close of business (4:30 pm) on the 23rd of the month following the end of your reporting period.
- If you deliver your tax return and payment in person at a ministry location, a Service BC Centre or a financial institution, the tax return must be date stamped on, or before, the due date.
- If you file your tax return and payment online through a financial institution, you must be aware of the financial institution's established cut-off time or date to ensure your tax return and payment are received by the ministry on or before the due date.
- If you deliver your tax return and payment to the after-hours drop box at the ministry office in Victoria at 1802 Douglas Street or at certain Service BC Centres throughout the province, it must be received by the start of the business day (8:30 am) following the due date to be considered on time.

If the due date falls on a weekend or a British Columbia statutory holiday, the ministry must receive the tax return by 4:30 pm on the first business day following the due date.

For more information on remitting your tax return, please see [Bulletin GEN 012](#), *Remitting Tax*.

WHAT IF I FILE MY TAX RETURN LATE?

If you file your tax return late or do not send in all the PST due, we will charge you interest on the late or overdue amounts and may disallow any commission you claimed. For more information, please see [Bulletin GEN 004](#), *Penalty and Interest Charges For Overdue Tax Returns*.

WHAT IF I DO NOT RECEIVE MY TAX RETURN IN TIME?

If you do not receive your tax return, you must still report and send in the PST on time. You can get a blank *Social Service Tax Return* form ([FIN 400](#)) from our website. You can also provide all the standard information on a copy of the tax return form or plain paper (make sure to include your PST registration number).

Please note: Banks cannot process photocopies of the tax return or copies printed from our website because the forms do not include the magnetic ink coding needed to process the return. Please mail, fax or submit copies of the tax return form in person to one of our ministry locations or any Service BC Centre.

WHERE DO I FILE MY TAX RETURN?

Electronic filing and payment (e-filing)

You can send your tax return and payment electronically through participating Canadian financial institutions. You must enrol for this online service directly with your financial institution. For more information and a list of participating financial institutions, please see our brochure [Online Filing and Payment of Provincial Sales Tax \(PST\)](#) or check with your bank to see if they offer this service.

Financial institutions (banks, credit unions, trust companies)

Most Canadian financial institutions accept tax returns and payments. Check with your bank to see if they offer this service.

Ministry locations or Service BC Centres

You can pay at a Ministry of Small Business and Revenue location or any Service BC Centre. Please consult the provincial government blue pages of your telephone directory for locations in your area.

Courier addresses

Ministry of Small Business and Revenue
1802 Douglas Street, Victoria BC V8T 4K6

Ministry of Small Business and Revenue
Suite 800-360 West Georgia Street, Vancouver BC V6B 6B2

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Refunds

CAN I CLAIM A REFUND OF PST?

If you paid PST in error or overpaid PST, you may claim a refund of the tax paid. You can expect us to process your refund in a timely manner, as outlined in the *Taxpayer Fairness and Service Code*. You must claim a refund within four years from the date the tax was paid. Claims for amounts less than \$10 are not eligible for refund. You may claim a refund if PST is:

- paid in error on exempt goods or services
- overpaid because of an error in calculating tax due
- paid on goods purchased for resale by a registered vendor, or by a vendor during the period between applying for and receiving the registration certificate
- paid on goods purchased for resale before the purchaser applies for registration
- paid on cancelled sales
- paid on bad debts
- charged and sent in by the seller, but the purchaser later claims an exemption

For more information, please see [Bulletin GEN 008](#), *Refunds of Overpayments of Tax* and [Bulletin GEN 001](#), *Refund of Tax Remitted on Sales Written Off as "Bad Debts"*.

CAN I REFUND PST TO MY CUSTOMERS?

Goods returned within 90 days

For goods returned to you within 90 days after the sale (delivery date), you refund the PST paid on the amount of the purchase price you refund to your customer.

If you apply a restocking charge, you refund PST on the reduced amount that you refund to your customer. You can recover the PST you refund to your customer by taking an adjustment at Step 4 of your next tax return ([FIN 400](#)). You must keep documentation in your records to support the adjustment.

Goods returned after 90 days

After more than 90 days, your customer must apply to the Ministry of Small Business and Revenue for a refund of the PST paid, except for motor vehicles. There is an extension of the 90-day return period specifically for motor vehicles, explained below.

Motor vehicles returned within one year

When a customer returns a vehicle to you within one year of when you delivered it, you refund the PST paid on the amount of the purchase price you refund to them. If the customer returns the vehicle to you within 90 days, you can recover the PST you refund to your customer at Step 4 of your next tax return, as above.

If the customer returns the vehicle to you after 90 days (but within one year), you can recover the PST you refund to your customer, either by making an internal adjustment to your tax account or by submitting an *Application for Refund* form ([FIN 413](#)). For information on making an internal tax account adjustment in your records, please see [Bulletin SST 032, Completing the Tax Return Form](#).

Motor vehicles returned after one year

After one year, your customer must apply to the Ministry of Small Business and Revenue for a refund of the PST paid on the vehicle. The *Application for Refund of Social Service Tax Paid on a Motor Vehicle* form ([FIN 413/MV](#)) is available on our website.

For more information, please see [Bulletin SST 079, Service Charges, Trade-Ins and Returns](#).

Please note: A refund of tax paid does not apply to goods traded in on a new purchase.

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Books and Records

WHAT RECORDS SHOULD I KEEP?

You must keep books and records necessary to provide details of the following:

- all your sales and leases (taxable and non-taxable)
- the amount of tax collected, remitted and commission taken
- all your purchases and leases for inventory and your own use

HOW LONG DO I HAVE TO KEEP MY RECORDS?

You must keep books, records and documents relating to your business for five years. You may destroy records older than five years at your discretion. If you wish to destroy any provincial tax related records before five years, you need written permission from the Ministry of Small Business and Revenue. Write to us at either the Vancouver or Victoria office (see the section above, [Contact Us](#)).

Please note: In some cases, you may wish to keep your tax-related records for longer periods of time to establish your entitlement to an exemption. For example, to qualify for an exemption on assets transferred between related companies, you need records to show that tax was paid on the assets. You need to provide these records even if they are older than five years.

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Audits

We are committed to ensuring your right to fair treatment, privacy and confidentiality, as outlined in the *Taxpayer Fairness and Service Code*.

WHAT IS AN AUDIT?

An audit is a formal examination of your business' financial records to ensure you are paying, collecting and remitting tax according to the law, and to identify any areas where you may be doing this incorrectly.

If we select your business for an audit, an auditor will contact you by telephone or letter to set up a mutually convenient time to carry out the audit. Before examining your books and records, the auditor will discuss with you or your designated contact person, the nature of your business, accounting system and basic accounting procedures. Also discussed are the service standards and the conduct you can expect from us, as outlined in the *Taxpayer Fairness and Service Code*. You can find the typical small business audit process outlined in the appendix of the *Taxpayer Fairness and Service Code*.

WHY AM I BEING AUDITED?

The British Columbia tax system operates on the principle of voluntary compliance. Each taxpayer is responsible for paying taxes on their taxable purchases, and collecting and remitting taxes correctly and promptly.

If some taxpayers do not collect and remit taxes or pay taxes on their purchases, everyone is affected. Audits help to ensure that all taxpayers pay their share of taxes, and to promote a level playing field for all British Columbia businesses.

ARE ALL TAXPAYERS AUDITED?

Yes. Any taxpayer could be audited. This includes individuals, manufacturers, wholesalers and retailers – large or small.

If your business is located outside British Columbia and you conduct business in the province, you are also subject to an audit.

WHAT IS THE AUDITOR LOOKING FOR?

The auditor is looking for evidence that you have properly collected and remitted PST on your sales or leases, and correctly paid PST on your purchases or leases. The auditor will check all or some of the following areas during the audit.

- Did you apply and calculate PST correctly on sales or leases to your customers?
- Did you accumulate the PST you collected or self-assessed in a tax account and remit that money to the province on time?
- Did you pay PST on your purchases or leases of taxable equipment and supplies for business or personal use, including goods purchased or leased from outside the province?
- Did you incorrectly use your PST registration number, SRN or a *Certificate of Exemption* to purchase goods for business or personal use (e.g. promotional items or samples)?
- Did you self-assess PST on goods taken from your resale or lease inventory for business or personal use?
- If you have an SRN, did you correctly self-assess PST?

- Did you correctly record your customers' PST registration numbers or SRNs on the invoices or obtain completed *Certificates of Exemption* for your records when you made exempt sales or leases of taxable goods?
- Did you keep documentation to show why you did not charge PST on goods you shipped or delivered out of province?

The auditor can inspect any of your records. Typically, the auditor will review:

- financial statements, such as your income statement and balance sheet, including any schedules of capital additions or deletions
- the books from which the financial statements are derived, such as a general ledger, purchase or sales journals, cash receipt or disbursement journals, or any combination
- source documents, such as invoices, bank statements, cancelled cheques, deposit slips and cash register tapes

WHAT HAPPENS AFTER AN AUDIT?

When the auditor has finished the audit, he or she will discuss the results with you. During this discussion, the auditor will:

- explain the audit results with you
- review and explain the contents of the audit working papers
- explain why you were assessed if the audit results in an assessment and how to avoid this situation in the future
- explain your options if you disagree with the audit results
- explain how to get a refund if he or she discovers you have paid too much PST

For more information, please see [Bulletin GEN 009](#), *Understanding Your Consumer Tax Audit*.

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Interest and Penalties

INTEREST

Interest on assessments for tax due

The ministry charges interest on all assessments for tax owed to the province. Interest is compounded monthly and calculated from the date the interest became payable or on the number of days since the last compounding of interest, if compounding has already occurred.

Interest on refunds

On refunds of tax paid in error, we calculate interest from the date you made the overpayment, less the first 60 days allowed as processing time. On refunds where you are required to pay the tax and then claim a refund, we calculate interest from the date we receive the refund claim, or from the date you supply the necessary information to claim the refund, less the first 60 days allowed as processing time.

Please note: Interest rates are adjusted quarterly each year on October 1, January 1, April 1 and July 1. Please contact us for current rates.

PENALTIES

The ministry does not charge a penalty on most first assessments for tax due if we have not previously assessed you for the same error, or if there is no indication that you were aware of the tax liability.

For a first assessment, we send you a warning letter or notice informing you of the correct tax application, and warning of the penalties for continued non-compliance.

A 10% penalty applies on first assessments if the facts show that you were aware of the tax liability but did not remit or pay the tax. A 10% penalty applies on subsequent assessments for the same error if we previously informed you of the correct tax application.

A 25% penalty applies only if there is documented evidence that you wilfully evaded tax by making a false or deceptive statement, by wilful default or through fraud.

A 100% penalty applies only if you wilfully fail to remit tax collected for the province. For example, you consistently collected taxes and wilfully did not report and remit the tax collected, or consciously understated the tax collected.

For more information, please see [Bulletins GEN 004](#), *Penalty and Interest Charges for Overdue Tax Returns* and [GEN 005](#), *Penalty Policy for Assessments of Tax Due*.

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Appeals of Tax Assessments or Disallowed Refunds

You will receive a written decision on your appeal in a timely manner, as outlined in the *Taxpayer Fairness and Service Code*.

WHAT ARE MY RIGHTS?

If you disagree with an assessment of taxes, interest or penalties, or a disallowance or reduction of a refund claim, you have the right to appeal directly to the Minister of Small Business and Revenue. If you are not satisfied with the outcome of your appeal, you can appeal to the courts. The law imposes time limits on appeal submissions.

APPEALS TO THE MINISTER

- The minister must receive your *Notice of Appeal* within 90 days after the date on the *Notice of Assessment* or notice of the disallowed refund claim.
- Your notice must be in writing and clearly set out the reasons for your appeal. Include all facts and other supporting documentation relating to it.
- The notice must be addressed to:

Minister of Small Business and Revenue
PO Box 9445 Stn Prov Govt, Victoria BC V8W 9V5

When the minister receives your notice, it is referred to the Appeals and Litigation Branch. The Appeals and Litigation Branch reviews all appeals to the minister and they will send you a letter acknowledging receipt of your appeal. An appeals officer will review your appeal and the ministry's position, and make a recommendation to the minister. You can discuss your appeal with the appeals officer before they make their recommendation.

When the Appeals and Litigation Branch has completed their review, the minister will personally consider your appeal and make a decision. You will receive written notification of the minister's decision in a timely manner, as outlined in the *Taxpayer Fairness and Service Code*. If you are not satisfied with the minister's decision, you can appeal to the Supreme Court of British Columbia. For more information, please see [Bulletin GEN 003](#), *Appeals of Tax Assessments or Disallowed Refunds*.

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Voluntary Disclosure of Tax Liabilities

If you voluntarily disclose a tax liability to the ministry, you will not be subject to penalty or prosecution if all the following conditions are met:

- you make a voluntary disclosure of the tax due,
- you pay the overdue amount plus interest, or you make satisfactory arrangements for payment, and
- you have not been contacted by the ministry for audit, inspection or tax collection purposes prior to making this disclosure.

To make a disclosure, write a letter requesting consideration for voluntary disclosure. If you do not have all the details of the tax liability at the time you request consideration, you can state that you will provide the details at a later date. Send your letter to:

Inspection Section
Consumer Taxation Audit Branch
Suite 800-360 West Georgia Street, Vancouver BC V6B 6B2

For more information, please see [Bulletin GEN 005](#), *Penalty Policy for Assessments of Tax Due*.

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Other Ministry Programs that May Impact Your Business

INCOME TAX

For information on our various income tax programs, visit us at www.sbr.gov.bc.ca or call us at the following numbers.

Corporation Capital Tax.....	250 953-3082
Insurance Premium Tax	250 953-3082
International Financial Activity	250 953-3082
Logging Tax	250 953-3082

INCOME TAX CREDITS

Book Publishing Tax Credit	250 387-3332
Film and Television Tax Credit.....	250 387-3332
Mining Exploration Tax Credit	250 387-3332
Mining Flow Through Share Tax Credit.....	250 387-3332
Production Services Tax Credit	250 387-3332
Scientific Research and Experimental Development Tax Credit.....	250 387-3332
Venture Capital Tax Credit	250 387-3332

For information on federal income tax credits or the GST, visit Canada Revenue Agency at www.cra-arc.gc.ca

PROPERTY TAX

If you lease land and your lease or lease renewals are longer than 30 years, property transfer tax could apply. For questions about leases, please contact us at 250 387-0604 in Victoria or call Service BC toll-free at 1 800 663-7867 and ask to be transferred to us. You can also e-mail your questions to ruraltax@gov.bc.ca

For information on property transfer tax or general property tax and the available exemptions, visit us at www.sbr.gov.bc.ca

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More Information Resources for Small Business

We have included other websites that are particularly useful to new businesses.

OneStop Business Registry – www.bcbusinessregistry.ca

British Columbia Chamber of Commerce – www.bcchamber.org

British Columbia's Ministry of Economic Development – www.gov.bc.ca/ecdev

Canada Revenue Agency (GST) – www.cra-arc.gc.ca

Canadian Federation of Independent Business (CFIB) – www.cfib.ca

Community Futures Development Association of British Columbia – www.communityfutures.ca/provincial/bc

Investment Capital Programs – www.equitycapital.gov.bc.ca

Ministry of Small Business and Revenue – www.gov.bc.ca/sbr

Retail BC – www.retailbc.org

Retail Council of Canada – www.retailcouncil.org

Service BC Centres – www.servicebc.gov.bc.ca

Small Business BC – www.smallbusinessbc.ca

2010 Commerce Centre – www.2010commercecentre.com

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ACKNOWLEDGEMENTS

We wish to acknowledge and thank the following organizations for their participation and assistance in developing this guide.

British Columbia Chamber of Commerce

Canadian Federation of Independent Business

Greater Victoria Economic Development Commission

Retail BC

Retail Council of Canada

Small Business BC