

THE RETAIL SALES TAX ACT

SALES TO BEEKEEPERS

This bulletin outlines the Retail Sales Tax (RST) exemptions on farm implements, machinery and other items used “principally for farming” that are purchased by persons engaged in beekeeping.

General information

- The Retail Sales Tax Act provides an exemption for farm implements, farm machinery, and repair parts therefor that are used “principally for farming”. Farming means the growing of field crops, primary production of food and raising livestock on farm land for commercial sale. This includes beekeeping.
- Exempt items purchased by beekeepers fall into the following categories:
 - Those that may be taxable when used in operations other than farming, but when used principally for farming (beekeeping) qualify for the farm exemption. A “Farm-Use Certificate” as described below must be obtained by the vendor when selling these items (see List “A”).
 - Those that are readily identifiable as farm-use equipment and generally have no other useful application. Vendors are not required to obtain a “Farm-Use Certificate” on sales of those items (see List “B”).
- See List “C” for those items that are always taxable at the time of sale.
- This bulletin has been customized for beekeepers. For other exemptions provided to farmers, see Bulletin No. 018 – Farm-Use Equipment and Other Items.

Definitions

- Farm equipment is considered to be purchased “**principally for farming**” if it is used at least 80 per cent for farming purposes during the 24 month period after it is purchased. Equipment used more than 20 per cent for non-farming purposes during the first 24 months after purchase does not qualify for this exemption and is subject to tax on the full purchase price.

Farm-use certificate

- Where a vendor is required to obtain a Farm-Use Certificate at the time of selling equipment and other items purchased principally for beekeeping (see list “A”), it must be in the following form :

"I hereby certify that the goods shown on this invoice will be used principally for farming.

.....""
Date Purchaser's signature and land description.

Please note: This must be printed, typed, written or applied by rubber stamp on the copy of the invoice or other document supporting the sale.

**List "A"
Conditionally
exempt**

THE SELLER IS REQUIRED TO OBTAIN A FARM-USE CERTIFICATE TO SUPPORT THE SALE OF THE FOLLOWING ITEMS:

- Apistan
- Coleman stove for generator
- Cyanogas
- Formic Acid Gel
- Fumidil
- Electric motors used on exempt beekeeping equipment
- Frame wire
- Grafting wax
- Honey containers that are not specially labelled for that purpose
 - Cellophane wrappers
 - Drip cut servers
 - Gummed paper tape
 - Honey cartons
 - Honey jars
 - Mono tubs
 - Other containers
 - Polyethylene bags
- Hose clamps
- Hydraulic tail gates on trucks
- Menthol
- Methyl bromide
- Refrigeration units or incubators of the walk-in type, including the cooling or heating equipment used exclusively for leafcutter bees
- Oxysol
- Oxytet
- Repair parts for exempt equipment
- Specialized lumber and materials used for the manufacture or repair of exempt items, including leafcutter bee equipment shown in List "B" (but not including general purpose materials that are designated as taxable to farmers, e.g. nails, paint)
- Steam and drip hoses for generator

- Strainer cloths
- Storage tanks and stands
- Super lifters
- Super springs
- Terramycin
- Winter packing paper

**List “B”
Unconditionally
exempt items**

THE SELLER IS NOT REQUIRED TO OBTAIN A FARM-USE CERTIFICATE TO SUPPORT THE SALE OF ANY OF THE FOLLOWING ITEMS.

- Bee hives or supers, including bee escapes, escape boards, feeders, hive entrance guards, bee hive bottom boards, covers, division boards, lifters, quilts, stands and classifiers
- Beekeeper books that contain no advertising
- Bee smokers and cyanogas pump
- Bees
- Carbo and hive bomb
- Comb foundation wax (except coloured foundation wax in flat sheets)
- Foundation wax frame tools, including grips, nailers, rests, section folders and wire embedders
- Foundation wax inserters and tube fasteners
- Foundation wax frames
- Frame separators and section holders
- Honey hydrometers
- Honey containers that are specially labelled for that purpose
- Honey and extracting equipment, i.e.
 - Capping equipment (dryers, melters and presses)
 - Honey and wax extractors
 - Honey gates
 - Honey pumps and controls
 - Honey strainers
 - Power drive for extractors
 - Steam generators
 - Tanks (heating, mixing and separating)
 - Turn tables for foundation wax frames
 - Uncapping tools
- Leafcutter bee equipment, i.e.
 - Cell cleaners
 - Cell removers
 - Grooved boards
 - Hive dividers
 - Hives
 - Incubation trays

- Shelters
- Tumblers and decontamination equipment
- Mouse seed
- Pollen substitute
- Pollen traps
- Queen bee introducing cage
- Queen bee excluders and excluder corners
- Queen and drone trap
- Queen rearing sets
- Super clearers
- Swarming box and pole

**List “C”
Taxable items**

THE FOLLOWING ITEMS ARE ALWAYS TAXABLE AT THE TIME OF SALE

- Beekeepers' soap
- Clothing for beekeepers, including gloves and veils
- Coloured foundation wax in flat sheets
- Hand trucks and pallets and parts
- Lumber (except specialized lumber and materials used for repairing or manufacturing exempt items)
- Nails and staples
- Paint and wood preservatives
- Rubber stamps and accessories
- Tools
- Bee brushes
- Eyelet punches
- Eyelets
- Hive scrapers
- Section scraping knives
- Staple guns
- Videos and other recordings
- Wire holder
- Wicks

FURTHER INFORMATION

This bulletin is intended to serve as a guideline and is not all-inclusive. For the specific wording of the law, please refer to the Act and Regulation stated below. Further information may be obtained from:

Winnipeg Office

Manitoba Finance
Taxation Division
101 - 401 York Avenue
Winnipeg, Manitoba R3C 0P8
Telephone (204) 945-5603
Manitoba Toll Free 1-800-782-0318
Fax (204) 948-2087
E-mail: MBTax@gov.mb.ca
Web Site: www.gov.mb.ca/finance/taxation

Westman Regional Office

Manitoba Finance
Taxation Division
311, 340 - 9th Street
Brandon, Manitoba R7A 6C2
Telephone (204) 726-6153
Manitoba Toll Free 1-800-275-9290
Fax (204) 726-6763

**Principal
References in
Legislation:** *The Retail Sales Tax Act of Manitoba (C.C.S.M. c. R130)*, Sections 3(1)(i),
3(1)(hh);
 Manitoba Regulation (75/88R), Section 1(1), definition of "drugs and
 medicines for livestock", "farm implements and farm machinery", "livestock",
 and Sections 1(2) and 10(1) ;