

THE RETAIL SALES TAX ACT

SALES TO FISH FARMERS

- This bulletin is issued to inform vendors and purchasers on the exemption provided by The Retail Sales Tax Act to persons engaged in the activity of raising and keeping fish commercially for sale as food (commonly known as fish farming or aquaculture).
- List "A" - denotes items which may be sold tax exempt if the purchaser supplies the seller with a Farm-Use Certificate identifying the purchaser's fish farming licence number.
- List "B" - denotes items which are always taxable at the time of sale.
- The Farm-Use Certificate, where applicable, is required to be obtained by the seller at the time of sale and should be in substantially the following form. It may be printed, typed, written or applied by rubber stamp on the copy of the invoice or other document supporting the sale.

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

....."
Date Fish Farming Licence No. Purchaser's Signature

List "A" Conditionally Exempt Items

THE FOLLOWING ITEMS MAY BE SOLD TAX EXEMPT IF THE SELLER OBTAINS A FARM-USE CERTIFICATE FROM THE PURCHASER.

- Aeration equipment
- Agitators
- Air compressors used for pond aeration
- Alarm systems for effluent disinfection and electrical failures
- Analyzers used for testing soil or water
- Bird scare cannons
- Bluestone purchased for adding to water in a pond for fish production purposes
- Cages used to confine fish

- Chemicals and medicines for fish production purposes (but not disinfectants or soap)
- Containers for transporting fish
- Diffusers
- Effluent disinfection equipment including chlorine injection and monitoring equipment
- Egg counting boards, graders, pickers
- Electric motors for use on exempt farm equipment
- Electric power converters used exclusively for the operation of exempt farm equipment
- Farm fencing to enclose tanks, raceways and ponds including barbed wire, fence posts and staples
- Feed prepared and sold in commercial volume as fish food
- Feeders - electrical, pneumatic, automatic and self-feeders, designed for use in the production, handling, feeding or care of fish. An exemption is not allowed on feed storage structures.
- Field drainage tiles and related materials
- Filters and refills connected to waterlines used exclusively for farm production
- Fish of a kind which, or the products of which ordinarily constitute food for human consumption. This includes gametes, fertilized eggs and fish of any age, stage of development or size
- Floats used in cages
- Heavy duty electrical generators used exclusively in farm production (lighting plants and generators for domestic use remain taxable)
- High pressure washer for hatchery disinfection
- Incubators
- Liners made of fabric, plastic or metal used in ponds or tanks
- Meters used in measuring conductivity, dissolved oxygen, salinity/ dissolved solids, temperature, turbidity and pH.
- Microscopes and laboratory glassware for fish production purposes
- Nets - dip, gill, hoop, seine

- Netting used in cages and pens
- On-line meters for measuring water pressure and flow rates
- Oxygen
- Pumps, pipes, valves and fittings for water supply to farm production areas
- Raceways
- Rigid screening used in incubation tanks
- Scales for weighing fish
- Seed collectors
- Settling chambers
- Tanks for confining fish (e.g. for growing, hatching, holding, transporting, spawning)
- Temperature chart recorders
- Test kits for water
- Timers used to control exempt farm equipment
- Water systems bought for farm production

Note: If the well is mainly for farm production use and is set up as a watering system with underground piping out to the farm production areas, then the well casing and pumps, as well as the underground piping and accessories leading to the production areas are exempt from the tax. The pipe and plumbing fixtures which serve the farmhouse are taxable. However, if the well is for a water pressure system intended mainly for household use, although there may be water taps or hose connections placed on the outside of the house or at the wellhead, all of the fixtures, piping and other materials are taxable.

- Water level controllers
- Water level alarm systems
- Water sterilization equipment including ultraviolet irradiation equipment and ozone generators
- Welding rod for use exclusively in repairing exempt farm equipment

List "B" THE FOLLOWING ITEMS ARE ALWAYS TAXABLE TO CONSUMERS
Taxable Items (INCLUDING FARMERS) AT THE TIME OF SALE.

- Air conditioners for household use
- Antifreeze and other additives
- Automobiles, trucks, trailers and other vehicles required to be registered under The Highway Traffic Act and all parts, repairs and services to such vehicles
- Batteries, tires and tubes of a size or type that can be used for an automobile or truck
- Boats *
- Boxes for trucks required to be registered under The Highway Traffic Act
- Clothing
- Equipment for clearing or leveling land or for moving earth *
- Farm buildings including hatchery buildings, barns, bins and other storage buildings or structures, whether movable or immovable
- Fuel storage tanks, pumps, hoses, etc. for handling fuel
- Grease and lubricating oil
- Hand trucks and pallets
- Hardware, electrical and plumbing supplies, lumber, paint and other building materials
- Household appliances
- Lawn mowers
- Lighting plants and generators for domestic use
- Miscellaneous steel, nuts, bolts, screws and other fasteners
- Road construction and maintenance equipment
- Rope, chain, cable
- Shop equipment, including all power equipment and hand tools
- Soaps, detergents and other cleaning compounds
- Snowmobiles, motorcycles and all-terrain vehicles

- Specialized materials **
- Tarpaulins and other covers for trucks or general purpose use
- Water pressure systems used mainly for household use (see Water Systems in List "A")
- Water softeners
- Welding equipment of all types

Note: The above items marked *

In the exceptional case, this equipment may be eligible for refund of the tax where the Taxation Division, upon investigation, is satisfied that the purchaser is using it directly and exclusively for farm production purposes. The seller must collect the tax on all such sales and the purchaser may subsequently apply to the Division to have a refund claim considered.

Note: The above items marked **

In the exceptional case specialized materials (e.g. P.V.C. or aluminum sheeting used in tanks, block styrofoam used in flotation) may be eligible for refund of the tax. The seller must collect the tax on all such sales and the purchaser may subsequently apply to the Taxation Division to have a refund claim considered.

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 Retail Sales Tax Act* and *Regulations*. 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
349, 340 - 9th Street
Brandon, Manitoba R7A 6C2
Telephone (204) 726-6153
Manitoba Toll Free 1-800-275-9290
Fax (204) 726-6763