

### **Can I get a cash refund from the Autopac agent?**

No. Autopac agents will not issue refund cheques. The RST refund is netted against the RST payable at the time of vehicle registration.

### **Can I get a refund if I purchase a vehicle more than six months after I sell my used vehicle?**

No. A refund is only allowed if both transactions take place within six months.

### **Can I get an additional RST refund if the vehicle I bought has a lower value than the vehicle I sold?**

No. An automatic refund cannot exceed the sales tax payable on the value of the privately purchased vehicle. However, a person who purchases more than one vehicle within six months after selling a vehicle may be eligible for an additional refund. Please contact the Taxation Division for more information.

If you qualify for a refund that cannot be processed by an Autopac agent, you may submit a refund application to the Taxation Division.

An administration fee of \$25 is deducted from the refundable amount for each vehicle buy/lease-and-sell refund application that is processed by the Taxation Division. When an Autopac agent nets a refund against the RST payable on a purchased vehicle, the \$25 fee does not apply.

If you require additional information, please contact Manitoba Finance – Taxation Division at:

**Winnipeg Office**  
101 – 401 York Avenue  
Winnipeg, MB R3C 0P8

Telephone: (204) 945-5603  
Toll-free in Manitoba: 1-800-782-0318  
Fax: (204) 948-2087  
E-mail: [MBTax@gov.mb.ca](mailto:MBTax@gov.mb.ca)  
Website: [www.gov.mb.ca/finance/taxation](http://www.gov.mb.ca/finance/taxation)

Office Hours: 8:00 a.m. – 4:30 p.m.

**Westman Regional Office**  
311, 340 – 9th Street  
Brandon, MB R7A 6C2

Telephone: (204) 726-6153  
Toll-free in Manitoba: 1-800-275-9290  
Fax: (204) 726-6763

Office Hours: 8:00 a.m.– 4:30 p.m.

This brochure is intended to serve as a guideline and is not all-inclusive. For the specific wording of the tax law, please refer to *The Retail Sales Tax Act and Regulations*.

## **Retail Sales Tax**

# **Automatic Refunds**

## **By Autopac Agents on Motor Vehicles**

# Automatic Retail Sales Tax Refunds by Autopac Agents on Motor Vehicles

When you sell a vehicle and purchase one privately within six months, you may be eligible for an automatic retail sales tax (RST) refund from your Autopac agent when you register and pay RST on the vehicle you purchased.

Both the vehicle sold and the vehicle purchased privately must be of a type that is required to be registered under *The Highway Traffic Act*, (car, truck, motorcycle). The vehicle sold must have been previously registered in your name or in your spouse's name.

Autopac agents are authorized to reduce the RST payable on the vehicle you purchased by the amount of the RST refund. You will pay only the net amount.

Your refund will be the **lesser** of:

- the RST you paid on the vehicle you purchased and
- 7 per cent of the selling price of the vehicle you sold.

## Example 1

On May 3, 2002, you sell a vehicle for \$6,000.

On October 20, 2002, you purchase a vehicle privately that has a taxable value\* of \$10,000.

- (a) 7 per cent of vehicle sold =  $\$6,000 \times 7$  per cent = \$420
- (b) RST payable on the vehicle purchased =  $\$10,000 \times 7$  per cent = \$700
- (c) Automatic refund = the lesser of (a) and (b) = \$420
- (d) Net RST payable =  $\$700 - \$420 = \$280$

## Example 2

On June 10, 2002, you sell a vehicle for \$15,000.

On October 1, 2002, you purchase a vehicle privately that has a taxable value\* of \$12,000.

- (a) 7 per cent of vehicle sold =  $\$15,000 \times 7$  per cent = \$1,050
- (b) RST payable on the vehicle purchased =  $\$12,000 \times 7$  per cent = \$840
- (c) Automatic refund = lesser of (a) and (b) = \$840
- (d) Net RST payable =  $\$840 - \$840 = \$0$

To be eligible for the automatic refund, the purchased vehicle cannot be registered before the sale of the other vehicle.

\* The taxable value is the greater of:

- the purchase price, or
- the average wholesale price.

More information can be found in the RST brochure *Vehicle Valuation Program for Motor Vehicles Purchased Privately* available from your Autopac agent, or Taxation Division offices, or on our website listed on the back of this brochure.

## Your questions ...

### What types of vehicles are eligible for an automatic RST refund from an Autopac agent?

The privately purchased vehicle and the vehicle sold must be either a passenger car, light truck, van (with a curb weight of 3,000 kilograms or less), motorcycle or moped. For other types of vehicles, you must pay the RST in full at the time of vehicle registration. You can then contact the Taxation Division to find out if you qualify for a refund.

Refund application forms are available from your Autopac agent or, Taxation Division offices, or on our website listed on the back of this brochure.

### Can I get an automatic RST refund from the Autopac agent when I register a vehicle I bought before I sell a vehicle?

No. Autopac agents cannot process an RST refund when a vehicle purchased privately is registered before another vehicle is sold. In these circumstances, you must pay the RST in full at the time of vehicle registration. You can then contact the Taxation Division to find out if you qualify for a refund.

### Can I get an automatic RST refund from the Autopac agent if I purchase a vehicle from a dealership or a leasing company instead of buying it privately?

No. An automatic RST refund from the Autopac agent is only available when the vehicle you purchase and register is bought privately.