

NOTICE TO VENDORS OF MOBILE, MODULAR, AND READY-TO-MOVE HOMES

The 2006 Provincial Budget announced that, effective April 1, 2006 a point of sale exemption will be provided on the sale of mobile, modular, and ready-to-move homes. Purchasers will no longer be required to pay sales tax at 7% when they purchase these homes and then apply for a partial refund or arrange for an assignment of the refund with the vendor.

Effective April 1, 2006 vendors will apply sales tax at a rate of 4% on the basic selling price of these homes. All other taxable goods, such as furniture and appliances which may be sold with the home, remain taxable at 7%. Sales invoices must be sufficiently itemized, such that any goods sold with the home are segregated along with their selling price and the tax applied accordingly.

This change will apply to all homes sold on or after April 1, 2006. Purchasers invoiced for their homes prior to April 1, 2006 will still be required to apply to the Taxation Division for refund or arrange for an assignment with the vendor.

Applying sales tax at a rate of 4% effectively provides for an exemption on the non-taxable labour included in the selling price of the home.

For further information, please contact:

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Westman Regional Office

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