

## Exemption for Members of the Diplomatic and Consular Corps

*Social Service Tax Act, Hotel Room Tax Act, Motor Fuel Tax Act, Tobacco Tax Act*

In accordance with the terms of the Vienna Conventions on Diplomatic Relations and Consular Relations, certain members of the diplomatic and consular corps are eligible for an exemption from the tax imposed under the above British Columbia statutes. This bulletin explains the exemptions and how to obtain them.

The information in this bulletin is provided for your convenience and guidance and is not a replacement for the legislation. The *Social Service Tax Act, Hotel Room Tax Act, Motor Fuel Tax Act, Tobacco Tax Act* and Regulations can be found on the web at [www.gov.bc.ca/sbr](http://www.gov.bc.ca/sbr)

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### **ELIGIBILITY FOR EXEMPTION**

As used in this bulletin, the terms "career consular officer", "consular employee", "consular post", "consular officer", "consular premises", "diplomatic agent" and "diplomatic mission" have the same meaning as in the *Foreign Missions and International Organizations Act (Canada)*.

Exemption from tax is provided for:

- career consular officers of a post situated in British Columbia, or with authority in British Columbia, who are citizens of the country operating the consular post;
- diplomatic agents of a diplomatic mission situated in Canada who are citizens of the country operating the diplomatic mission;

- United Nations officials who have been accorded diplomatic privileges by Foreign Affairs Canada under the *Foreign Missions and International Organizations Act (Canada)*, provided they are not landed immigrants or Canadian citizens;
- consular employees of a consular post situated in British Columbia who are citizens of the country operating the consular post; and
- the spouses of persons referred to in the above paragraphs provided they are not Canadian citizens or landed immigrants.

Purchases on the behalf of the Consulate office by a consular officer also qualify for exemption.

Eligibility for exemption is determined at the time the diplomatic or consular identity card is issued by Foreign Affairs Canada. The diplomatic and consular corps identity cards of persons who qualify for a point-of-sale exemption in British Columbia will have British Columbia shown as a province granting exemption on the reverse of the identity card.

Persons may not obtain exemption by presenting an identity card issued to their spouse. Only persons presenting valid identity cards issued to them personally may obtain exemption.

### **MAKING EXEMPT PURCHASES**

Persons eligible for the exemption may make purchases without paying provincial tax by

presenting their diplomatic identity card for the seller's inspection at the time of purchase. The cardholder will be required to sign the bill of sale after the seller has recorded the name of the purchaser, the identity card number, and the expiry date.

Eligible persons may receive a point-of-sale exemption on purchases or leases of the following.

- General merchandise (e.g., televisions, motor vehicles, clothing).
- Accommodation at hotels, motels, and establishments with similar accommodation (for both provincial and municipal or regional tax).
- Taxable services (repair or maintenance services), and legal services.
- Motor vehicle parking services (imposed in the Vancouver area only).

### IF SELLER DISPUTES VALIDITY OF IDENTITY CARD

If the seller disputes the validity of the identity card, the purchaser must pay the tax at the time of purchase. Eligible persons may then claim a refund of the tax paid. Application forms for a refund of tax are available from the Consumer Taxation Branch. Each application must contain the name, address, identity card number, expiry date, and diplomatic status of the person claiming a refund.

All claims must be accompanied by a photocopy of both sides of the claimant's identity card. Enclose sales invoices showing the amount of tax paid. Claims for a refund of tax paid may be submitted to the Consumer Taxation Branch at any time, provided that the claim is made within six years from the date of purchase.

### REAL PROPERTY

The exemption afforded members of the diplomatic and consular corps is not transferable to contractors working on their behalf. Therefore, where a consular officer enters a lump sum, or supply and install, contract for the construction or repair of real property, the contractor must pay tax on the materials used. The contractor is the consumer of materials and equipment used or set into place under the terms of the contract and is therefore responsible for the payment of all taxes due.

**More Info:** [Bulletin SST 072](#), *Contractors and Subcontractors Improvements to Realty*

### TELEPHONE, HYDRO, AND PAY TELEVISION SERVICES

Consular officers may obtain telecommunication services, such as telephone and pay television, as well as hydro services for their personal residences and for consular premises without payment of the tax. Requests for exemption must be submitted in writing to the Consumer Taxation Branch. The following information must be provided:

- type of service purchased;
- name of the company providing the service;
- account number with the supplier of the service and name under which service is billed;
- address to which the service is provided and whether the address is a personal residence or consular building; and
- name, address, identity card number, expiry date (if applicable), and diplomatic status of the person requesting exemption.

Upon receipt of this information, the Consumer Taxation Branch will make arrangements with the company providing the service to omit the tax from all billings to qualified accounts.

### LIQUOR

Consular posts may obtain beer, wine, and other liquor without payment of tax by contacting the Regional Collector of Customs, Canada Customs in Vancouver.

With the exception of alcoholic beverages purchased at hotels, bars, pubs, or restaurants, liquor which is not obtained through Canada Customs is not eligible for the point-of-sale exemption or for a refund of the tax paid on the purchase.

### TOBACCO PRODUCTS

Persons eligible for exemption may obtain tobacco products without payment of tax by contacting the manufacturer. Manufacturers are authorized to sell tobacco products exempt from tax to members of the diplomatic and consular corps. Foreign Affairs Canada provides manufacturers with a list of persons eligible for this exemption.

Tobacco sold to the general public (subject to provincial tobacco tax) is marked with British Columbia's unique mark. Tobacco that is sold exempt to members of the diplomatic and consular corps does not bear British Columbia's

unique mark. Only unmarked tobacco may be sold exempt to members of the diplomatic and consular corps.

**More Info:** [Bulletin TTA 006](#), *British Columbia's Tobacco Marking Program*

## PURCHASES OF FUEL FOR MOTOR VEHICLES

Retailers of fuel are not authorized to provide the exemption on retail fuel sales.

To obtain exemption on purchases of fuel for motor vehicles used exclusively by eligible persons, consular posts may apply to an oil company for credit cards issued in the name of each of their members who qualify for exemption. A list of the names and diplomatic identity card numbers of all persons eligible for exemption should be submitted to the oil company. The oil company will omit the tax from all billings to qualified accounts.

Cash payments of fuel purchases and payments on general credit cards **are not eligible** for a point-of-sale exemption or refund of tax paid.

## ENVIRONMENTAL LEVIES

Members of the diplomatic and consular corps are not exempt from paying environmental levies on new pneumatic tires and lead acid batteries, even though they may be entitled to purchase such items exempt from social service tax.

**More Info:** [Bulletin SST 015](#), *Environmental Levies on Tires and Batteries*

### NEED MORE INFO?

**This bulletin is provided for convenience and guidance. If you still have questions call us at 604 660-4524 in Vancouver or toll-free at 1 877 388-4440 elsewhere in Canada or refer to the legislation.**

**Information is also on the web at [www.gov.bc.ca/sbr](http://www.gov.bc.ca/sbr) While there, you can subscribe to our free electronic update service.**

**References:** Order-in-Council 26/86; *Hotel Room Tax Act, Section 43(2)(i)*; *Social Service Tax Act, Section 129*; *Tobacco Tax Act, Section 44(2)(f)*; *Motor Fuel Tax Act, Section 71(2)(i)*; *Foreign Missions and International Organizations Act (Canada)*