

Exemption for Members of the Diplomatic and Consular Corps: Instructions to Vendors and Operators

Social Service Tax Act and Hotel Room Tax Act

Career consular officers of a post situated in British Columbia, visiting diplomatic agents of a mission situated in Canada, the spouses of such consular officers and diplomatic agents, and other foreign officials granted diplomatic immunity by Foreign Affairs Canada are eligible for exemption from social service tax and hotel room tax at the point of sale.

This bulletin outlines the procedures to be followed by vendors and operators when such an exemption is requested. It is a companion bulletin to [Bulletin GEN 007](#), *Exemption for Members of the Diplomatic and Consular Corps*, which provides information on who is eligible for this exemption.

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* and *Hotel Room Tax Act* and Regulations can be found on the web at www.gov.bc.ca/sbr

In this issue...

- **Eligibility for exemption**
- **What may be sold without collecting tax**
- **What may not be sold without collecting tax**
- **Environmental levies**
- **Procedures for vendors and operators**

ELIGIBILITY FOR EXEMPTION

Members of the diplomatic and consular corps who are eligible for exemption have been issued identity cards by Foreign Affairs Canada.

Identity cards are plasticized wallet cards printed in shades of pastel green, blue, pink, or grey. The front of the card bears the name, date of birth, sex, photo, signature, and designation of the cardholder, and the name of the cardholder's country or organization. It also bears the signature of the chief of protocol and the date of validity.

The back of the card shows the provinces in which the cardholder is entitled to tax exemption and the card number. The card number begins with one of the letters "D", "C", "J", or "I", depending on the position held by the cardholder. The back of the

card also carries machine readable information.

A person requesting exemption from social service tax or hotel room tax as a diplomatic agent or consular officer must present this card for the seller's inspection at the time of sale. Exemption may only be granted if the Province of British Columbia is shown on the back of the identity card.

Please Note: 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.

WHAT MAY BE SOLD WITHOUT COLLECTING TAX

When presented with a valid identity card, you are not required to collect tax on sales of general merchandise, services, alcoholic beverages, or parking that are subject to social service tax, or on accommodation that is subject to hotel room tax. However, in making such exempt sales, you are required to follow the procedures described in **Procedures for Vendors and Operators** on the following page.

WHAT MAY NOT BE SOLD WITHOUT COLLECTING TAX

Members of the diplomatic and consular corps must pay tax on purchases of fuel and tobacco products from retail outlets, even if the purchaser holds a valid identity card.

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*

PROCEDURES FOR VENDORS AND OPERATORS

When presented with a diplomatic or consular corps identity card by a person requesting exemption, the vendor or operator should proceed as follows.

- Ensure that the photograph is that of the purchaser and that British Columbia is included in the list of provinces in which the cardholder is entitled to exemption. Also ensure that the card has not passed the expiry date.

- Record the purchaser's name, card number, and card expiry date and obtain the purchaser's signature on the sales slip, invoice, or in a log book maintained for this purpose. Ensure that the purchaser's signature matches the signature on the card. This record must be retained by the seller to substantiate the non-collection of tax on that sale.

The sale may be made without collection of tax provided the above procedures have been followed. Failure to document the purchaser's eligibility for exemption as outlined above may result in the vendor being liable for an amount equal to the tax which should have been collected, plus interest.

If the seller questions the identity of the cardholder, then tax must be collected on the full purchase price at the time of sale. Under these circumstances, eligible persons may apply to the Consumer Taxation Branch for a refund of the tax paid.

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 While there, you can subscribe to our free electronic update service.

References: *Hotel Room Tax Act*, Section 43(2)(i) and *Social Service Tax Act*, Section 129