



PST-10 Issued: September, 1990 Revised: September, 2005

THE PROVINCIAL SALES TAX ACT

Was this bulletin useful?

Click here to complete our short
READER SURVEY

INFORMATION REGARDING READY-MIX DELIVERY CHARGES

This bulletin has been prepared to help you apply and collect the Provincial Sales Tax. It is a general guide and not a substitute for the legislation.

The changes to this bulletin are indicated by a (I).

The contents of this bulletin are presented under the following sections:

- A. Calculation of Tax
- B. Sales of Used Business Assets
- C. Saskatchewan Electronic Tax Service (SETS)

A. Calculation of Tax

The maximum allowable delivery charge (local market area) for ready-mix concrete is \$26.50 per cubic metre (\$20.25 per cubic yard).

Please review the following rules to ensure the tax is applied properly:

- (1) The amount of the delivery charge (including local market area delivery) and the selling price of the ready-mix concrete must be shown separately on the invoice to the purchaser. (**Note:** Any vendor not complying with this requirement must collect the tax on the total amount shown on the invoice.)
- (2) The Provincial Sales Tax must be calculated on the selling price of the ready-mix concrete including charges for additives and winter heating, but excluding the GST and charges for waiting time shown separately on the customer's sales invoice.
- (3) The vendor must specify in his or her normal dealings with the public that the F.O.B. plant price quotation does not include delivery charges and that delivery charges will be extra.
- (4) The normal plant price of concrete cannot be reduced to offset the delivery charge, except where a volume discount is allowed.

- (5) The invoice cannot state more than one charge for delivery of ready-mix concrete. Delivery must be shown as (a) or (b) below, but **not** both.
- (a) \$26.50 per cubic metre (\$20.25 per cubic yard); or
- (b) a cartage charge based on a mileage rate per cubic metre or cubic yard.
- (6) Ready-mix concrete operators who act as their own contractor are required to pay the tax on the total cost of the raw materials plus fabrication charges.

B. SALES OF USED BUSINESS ASSETS

Businesses are required to collect tax on the sale of used assets, such as vehicles and equipment. When used assets are being sold as part of the closure of a business, the purchaser is required to self-assess and report the tax.

C. SASKATCHEWAN ELECTRONIC TAX SERVICE (SETS)

Saskatchewan Finance has made it possible to report and remit tax electronically through the use of a standard Internet connection. The Saskatchewan Electronic Tax Service (SETS) offers a secure, fast, easy and convenient alternative to filing returns in paper format. Several E-File services are currently available through SETS.

Businesses may use SETS to file and pay returns for Provincial Sales Tax and other provincial taxes.

SETS allows businesses to:

- File and pay returns or make payments on account.
- File a return and post-date the payment to the due date.
- View account balance and statement information.
- Authorize your accountant to file on your behalf.
- Subscribe to an E-mail Notification Service that allows the option to be notified by e-mail that a tax return should be filed (replaces the paper forms normally received in the mail).

FOR FURTHER INFORMATION

Write: Saskatchewan Finance
Revenue Division
2350 Albert Street
Regina, Saskatchewan
S4P 4A6

Telephone: Toll Free 1-800-667-6102
Regina 306-787-6645

E-mail: sask.tax.info@finance.gov.sk.ca

Fax: 306-787-6653

Internet: Provincial Sales Tax bulletins, forms and information are available on the Internet at:

<http://www.gov.sk.ca/finance/revenue/pst/pst.htm>

To receive automatic e-mail notification when this (or any other) bulletin is revised, click on the Bulletin Index and then click on the "Subscribe" button next to the bulletins you are interested in.