



Information Bulletin

PST-31 Issued: September, 1988 Revised: October, 2005

THE PROVINCIAL SALES TAX ACT

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INFORMATION FOR TOURIST OUTFITTERS, VACATION FARMS AND BED AND BREAKFAST FACILITIES

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. Lodging
- B. All-Inclusive Packages
- C. Equipment Rentals
- D. Exempt Sales
- E. Taxable Sales
- F. Sales of Used Business Assets
- G. Goods and Services for Your Own Use
- H. Saskatchewan Electronic Tax Services (SETS)

A. LODGING

Lodging is a taxable service and is subject to tax on the total price charged to your customer, excluding the GST.

Lodging provided for a continuous period of one month or more is not subject to tax.

Lodging provided to non-residents is subject to tax. A refund of tax is not available.

B. ALL-INCLUSIVE PACKAGES

Charges for meals, guide fees and transportation are not subject to tax. Where lodging services are included in a package with these services, tax must be collected on the lodging portion by using one of the following methods:

- (a) When there is a normal advertised room rate for lodging services only, segregate this amount on the invoice and collect tax on the lodging portion.

- (b) In the absence of a normal room rate for lodging, collect tax on 15% of the package price. If the package price includes transportation, the cost of this service may be deducted before calculating the taxable value of the lodging.

$$(\text{package price} - \text{transportation}) \times 15\% = \text{lodging}$$

- (c) Where the package price is for lodging and meals, tax applies to the total price, unless the lodging portion is itemized on the invoice and the assigned value is considered reasonable in relation to the total charge.

C. EQUIPMENT RENTALS

Charges billed to your customers for boat, motor, fishing and hunting equipment rentals are not subject to tax. However, tourist outfitters must pay tax on the total purchase price of the equipment (this includes new and used equipment). If tax is not paid to your supplier, you must self-assess the tax and remit it on your regular return.

D. EXEMPT SALES

The tax does not apply to the following sales:

- Fishing and hunting licences
- Guide fees
- Live bait
- Federal government departments and agencies (federal Crown corporations are taxable). Employees who are billed directly are required to pay the tax.
- Sales to Indians upon presentation of a Certificate of Indian Status identification card issued under the Indian Act, providing the goods are delivered to a reserve, or the services are provided to an Indian on a reserve (the card number must be recorded on the sales invoice)
- Soft drinks and confectionery items
- Telephone calls (the provider of the service must pay tax to the telephone company for telephone calls)

E. TAXABLE SALES

The tax must be collected on the following sales:

- Fishing and hunting supplies
- Frozen bait
- Laundry and drycleaning services
- Souvenirs

F. 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.

G. GOODS AND SERVICES FOR YOUR OWN USE

Businesses are required to pay tax on purchases of equipment, services, and supplies used in their business. If they are purchased from a licensed supplier, the tax must be paid to the supplier. If they are purchased from an unlicensed supplier located outside Saskatchewan, the tax must be self-assessed and submitted with the return on the laid down cost, which includes exchange, transportation charges, customs and excise duties, and importation charges, but not the GST.

If your business sells grocery items please refer to Information Bulletin PST-2.

H. 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>

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