



Information Bulletin

PST-54

Issued: March, 2000

Revised: May, 2004

THE PROVINCIAL SALES TAX ACT

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INFORMATION FOR VENDORS PROVIDING SECURITY AND INVESTIGATION SERVICES

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. Taxable Security and Investigation Services
- B. Exempt Security and Investigation Services
- C. Sales of Used Business Assets
- D. Goods and Services for Your Own Use
- E. Saskatchewan Electronic Tax Service (SETS)

A. TAXABLE SECURITY AND INVESTIGATION SERVICES

Security and investigation services are subject to Provincial Sales Tax if that service:

- (a) relates to a physical location, transaction, activity or contemplated transaction or activity in Saskatchewan; and,
- (b) is provided to a person who resides, ordinarily resides or carries on business in Saskatchewan at the time the service is provided.

Taxable security and investigation services include:

- Armoured car service;
- Building monitoring;
- Civil and criminal investigations;
- Electronic alarm monitoring of residential and commercial properties;

- Bailiff services (excluding fees for serving legal documents or court ordered seizures);
- Guard dog services;
- Patrol services (excluding RCMP policing charges);
- Investigation services, including surveillance, location services (skip tracing) and asset tracing;
- Security services; and,
- Seizures of tangible personal property and/or real property (excluding court ordered seizures).

B. EXEMPT SECURITY AND INVESTIGATION SERVICES

Exempt security and investigation services include:

- Fees for serving documents. To be exempt, the charge must be **segregated** on the invoice from taxable services (e.g. locating individuals);
- Bailiff fees for serving legal documents or court ordered seizures;
- Residential “house sitting” services;
- Services provided to federal government departments and agencies. (Services provided to federal Crown corporations are subject to tax.);
- Charges billed to clients for disbursements such as travel, sustenance, accommodation and towing are not subject to tax when clearly **segregated** on the invoice as a separate charge from the seizure fee; and,
- **Segregated** charges billed to clients for cleaning, storage, advertising and sales fees are not subject to tax as these services do not directly relate to the seizure.

C. 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.

D. 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 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.

E. 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. 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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