



# Information Bulletin

---

PST-25      Issued: December, 1986      Revised: September, 2002

---

## THE PROVINCIAL SALES TAX ACT

Was this bulletin useful?

Click here to complete our short  
**READER SURVEY**

## INFORMATION FOR VIDEO PRODUCERS, PHOTOGRAPHERS AND PHOTOFINISHERS

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. Sales of Photographs and Portraits
- B. Photofinishing Services
- C. Developing Services – Taxable Services
- D. Sales of Video Taped Events
- E. Sales of Other Merchandise
- F. Exempt Sales
- G. Sales of Used Business Assets
- H. Taxable Purchases
- I. Exempt Purchases
- J. Direct Agents
- K. Saskatchewan Electronic Tax Service (SETS)

### **A. SALES OF PHOTOGRAPHS AND PORTRAITS**

The tax applies to the total selling price of photographs and portraits, including professional fees, sitting charges and charges for travel. All these charges are taxable, even if they are shown separately on the customer's sales invoice.

### **B. PHOTOFINISHING SERVICES**

The tax applies to the total selling price of prints, reprints and enlargements. Charges for developing a customer's film and producing finished prints are subject to tax.

**C. DEVELOPING SERVICES – TAXABLE SERVICES**

Charges for developing film, or for tinting, retouching or colouring a customer's own photograph, are subject to tax.

When a customer's film is developed and mounted as a slide, the charges for this service are subject to tax.

**D. SALES OF VIDEO TAPED EVENTS**

Sales of video tapes of events, such as weddings and birthday parties, are subject to tax on the total selling price, including charges for filming, editing and travel. The charges for filming, editing and travel are taxable, even if they are shown separately on the customer's sales invoice.

**E. SALES OF OTHER MERCHANDISE**

Photographers and photofinishers are required to collect the tax on sales of photographic equipment and supplies. This includes sales of camera equipment, flash equipment, slide equipment, enlargers, darkroom equipment, projectors, photo albums, picture frames and unprocessed film.

**F. EXEMPT SALES**

Video producers, photographers and photofinishers are not required to collect the tax on the following sales:

- Photographic books, magazines and periodicals **excluding** photo albums
- Goods sold to other vendors for resale (the purchaser's Provincial Sales Tax licence number must be recorded on the sales invoice)
- Goods sold to non-residents when the goods are shipped out-of-province by the vendor (evidence of shipment must be retained)
- Goods sold to the federal government
- Goods sold to an Indian Band or an Indian upon presentation of a Certificate of Indian Status identification card issued under the Indian Act, providing the goods are delivered to the reserve by the retailer. (The complete 10 digit card number must be recorded on the sales invoice. If the federal identification card number is only 3 to 5 digits, record the number and the name of the Band on the sales invoice.)

**G. 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.

## H. **TAXABLE PURCHASES**

Video producers, photographers and photofinishers are required to pay the tax on the following items for their own use:

- Equipment and repairs to equipment (this includes cameras, lighting equipment and processing equipment)
- Materials and supplies which do not become incorporated into the finished product sold to the customer
- Materials used for advertising and display purposes, such as portfolios and photo albums

The tax on these items must be paid to a licensed supplier or directly to the Revenue Division where:

- The supplier did not charge the tax
- The items are taken from stock which has not had the tax paid

The tax payable on items purchased outside Saskatchewan is due on the total purchase cost, including transportation costs, currency exchange, customs and excise duties and any other importation costs, but excluding the GST.

## I. **EXEMPT PURCHASES**

Video producers, photographers and photofinishers are not required to pay the tax on purchases of the following items:

- All materials that are attached to or that become incorporated into the finished product which is sold to a customer, including print paper and blank video tapes
- Materials and supplies which are consumed in providing a service, such as slide mounts, slide boxes and transparent sleeves
- Wrapping materials, envelopes and other similar items used to deliver merchandise sold to the customer
- Chemicals used in the developing and processing of exposed film or prints
- Direct agents

## J. **DIRECT AGENTS**

Video producers, photographers and photofinishers are able to purchase direct agents tax free by quoting their vendor's licence number to the supplier. Direct agents are those materials consumed or used by a video producer, photographer and photofinisher in the transformation or manufacture of a product by contact or temporary incorporation into the finished product.

Direct agents include:

- Film used by photographers to produce portraits and prints (**only businesses that perform their own photofinishing services qualify for the exemption**)
- Film, music (pre-recorded audio), video tape and artwork used to edit video productions, excluding the finished product

#### **K. SASKATCHEWAN ELECTRONIC TAX SERVICE (SETS)**

Saskatchewan Finance has made it possible for collectors 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: 306-787-9644

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.