



Information Bulletin

PST-20 Issued: November, 1985 Revised: April, 2004

THE PROVINCIAL SALES TAX ACT

INFORMATION FOR PRINTERS

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READER SURVEY

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 Sales to Consumer
- B. Taxable Printed Materials
- C. Exempt Printed Materials
- D. Sales of Used Business Assets
- E. Material Consumed or Used in the Manufacturing Process
- F. Direct Agents
- G. Goods and Services for Your Own Use
- H. Sales to Status Indians
- I. Saskatchewan Electronic Tax Service (SETS)

A. TAXABLE SALES TO CONSUMERS

- The finished product, including all labour charges, is taxable.

B. TAXABLE PRINTED MATERIALS

- Advertising flyers
- Albums, photos, stamps, coins
- Annual reports
- Application forms
- Ballots
- Binders, printed and non-printed
- Books ruled for bookkeeping and accounting **but not** farm account books purchased by farmers
- Business cards
- Business reports
- Calendars
- Cards for use in teaching of reading, arithmetic, etc.
- Catalogues
- Charts, wall
- Coupon books
- Credit reports

- Day Planners
- Diplomas
- Directories
- Drawing books
- Exercise books
- Financial reports
- Forms (i.e. income tax, wills, etc.)
- Greeting cards
- Invitations
- Maps **but not** atlases
- Music books (blank)
- Paper, art plain, bristol board plain, carbon, computer lined, computer blank, construction plain, foolscap lined, graph, refills lined, refills plain, refills ruled, columnar, tracing plain, music manuscript, accounting
- Parts books
- Patterns, clothing, knitting, crochet
- Photographic reproductions and other pictorial illustrations
- Post and ring binders
- Posters
- Price lists
- Rate books **except** amortization tables
- Sales flyers and similar advertising matter
- Sales pamphlets and brochures
- School and office supplies, such as stationery, scratch pads and scribblers
- School report cards
- Test papers, answer sheets
- Time tables
- Travel brochures
- Workbooks (plain, non-printed)

C. EXEMPT PRINTED MATERIALS

- Amortization tables **but not** rate books
- Atlases **but not** maps and charts
- Biographies
- Books that are printed and bound, contain no advertising and are published solely for educational, technical, cultural or literary purposes
- Colouring books
- Comic books
- Cook books
- Crossword puzzle books
- Curriculum books for schools and universities
- Dictionaries and thesauri
- Education program calendar booklets
- Encyclopedia
- Event programs
- Farm account books purchased by farmers
- History books which outline the history of a family, association, organization, town, municipality
- Information bulletins

- Information books made available at art galleries or museums which provide data on the exhibits
- Knitting and crocheting pattern books
- Library books
- Loose-leaf sheets or pages that are printed and punched for insertion in a ring or post binder, contain no advertising and are published solely for educational, technical, cultural or literary purposes
- Magazines
- Manuals
- Manuscripts
- Newsletters
- Newspapers. A newspaper is defined to be a printed publication for regular distribution to the general public, the contents of which are principally a factual reporting of current news of interest to the general public, together with general advertisements and literary matter. Current news and literary matter should comprise 20% or greater of the total content of the newspaper.
- Novels
- Pamphlets and brochures that are published solely for educational, technical, cultural or literary purposes and contain no advertising
- Paste books
- Periodicals
- Printed music books
- Prize books, providing they contain no advertising
- Religious publications, including bibles, missals, prayer books, psalm and hymn books, tracts, Sunday school lessons, books bound and unbound, booklets, leaflets, scripture books, hymn and mass cards
- Resumes
- School yearbooks
- Sheet music
- Sticker books and cutout books
- Teacher daily planners
- Trade magazines
- Trade show news
- Unbound literary and technical papers that contain no advertising and are published solely for educational, technical, cultural or literary purposes
- Union agreement books
- Workbooks (printed to accompany a text/program)

D. 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.

E. MATERIAL CONSUMED OR USED IN THE MANUFACTURING PROCESS

(a) Taxable

- All equipment, repair parts and repair labour
- Computer programming, function and data tapes, including all electronic media

(b) Exempt

- All materials which are attached to or that become incorporated into the end product provided to the customer, including:
 - Paper
 - Ink
 - Laminating and shrink films
 - Binding supplies
 - Xerographic developer
 - Stitching supplies and staples
 - Padding compound
 - Binding glues
 - Toner/dry ink
 - Overhead transparencies
 - Spray and adhesive powders
- Direct agents (see Section F for information on direct agents)
- Labour component of in-house production costs for computer programming, printing plates and artwork
- Electricity consumed in the printing process

F. DIRECT AGENTS

- Direct agents are those materials consumed or used by a printer for the manufacture of printed matter by contact or temporary incorporation into the materials being printed, and includes artwork, separations, typesetting, negatives and plates.
- Direct agents include the following:

<ul style="list-style-type: none"> · Cuts and dies · Plates · Photographic and proofing materials · Chemicals, including developer and activator · Negatives · Alcohol, water and ink form rollers, but not ink distribution rollers and transfer rollers · Fountain concentrate, fountain solutions, but not when used as a cleaner 	<ul style="list-style-type: none"> · Film · Perforating supplies · Press blankets · Dampener covers · Anti-marking net · Anti-skin additives · Anti-foaming additives · Anti-static eliminators · Anti-set off powders · Copy protection sprays · Slip agents
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- The following are not considered to be direct agents:
 - Production machinery and equipment, including repair parts
 - Lubricating oils, grease and maintenance supplies
 - Press, plate and film cleaners, including deglazers, conditioners and washers
 - Developing pads
 - Air cleaner supplies
 - Filters
 - Camera and light bulbs
 - Clothing and safety supplies
 - Hand cleaners and dispensers
 - Wipes, rags and cleaning pads
 - Power air and hand tools
 - Alcohol cleaning solutions
 - Cutting sticks
 - Cutting rubbers

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 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.

H. SALES TO STATUS INDIANS

Sales to Indians are not subject to tax upon presentation of a Certificate of Indian Status identification card issued under the Indian Act, providing the goods are delivered by the retailer to a reserve. 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.

I. 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>

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