

**NON-RESIDENT CONTRACTOR
RETAIL SALES TAX REMITTANCE SCHEDULE
(Pursuant to section 14 of The Tax Administration
and Miscellaneous Taxes Act)**

Manitoba Finance
Taxation Division
Desk Audit Section
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Web Site: manitoba.ca/finance/taxation

File Number

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CONTRACTOR	PROJECT
Name	Name
Address	Location
Province or State	Name of Contractor or Principal

Instructions: See page 3.

CONTRACT VALUE: \$

TOTAL RETAIL SALES TAX (RST) PAYABLE

SECTION A: Real Property Contract:	
1) Total laid down cost of taxable materials purchased or brought into Manitoba net of GST (includes the value of any RST paid)	\$
2) Total cost of RST paid materials included in line 1 above net of GST	\$
3) Net value of taxable materials on which Manitoba RST is due - (line 1 minus line 2)	\$
SECTION B: Value of Machinery and Equipment	
4) Taxable value of equipment brought into Manitoba - carried forward from line 11, column (H) on page 2	\$
5) Taxable value of leased/rented machinery and equipment brought into Manitoba - carried forward from line 12, column (H) on page 2	\$
6) Value of crating, handling, transportation, uninstalling, installing, disassembling, assembling, or other costs related to above equipment	\$
SECTION C: Other Than Real Property Contract:	
7) Taxable selling price of tangible personal property contracts, includes labour & material	\$
8) Total taxable value of labour, materials and equipment – SUM OF LINES 3 to 7	\$
9) Total RST payable – 7% of the total on line 8	\$
10) Remittance – Make cheque payable to Minister of Finance and return with form to above address	\$

CERTIFICATION: TO THE BEST OF MY KNOWLEDGE AND BELIEF THE STATEMENTS ON THIS RETURN ARE CERTIFIED TO BE CORRECT.

NAME _____ TITLE _____
SIGNATURE _____ DATE _____

11) Owned Machinery and Equipment Brought into Manitoba for Temporary Use – refer to Bulletin No. 005 Information for Contractors

(A)	(B)	(C)	(D)		(E)	(F)	(G)	(H)
Date of purchasing the machinery	Type of machine (other than IRP registered vehicles) *	Serial Number	Date Equipment Brought		Number of full or partial months in Manitoba per Column D	Taxable Value as determined per instructions-Item 6 on Page 3	Monthly taxable value 1/36 th of Column (F)	Total Taxable value Column (E) x (G)
			IN	OUT				

* Contact our office if the vehicle is registered under the International registration Plan (IRP)

Line (11) –Taxable value
[Please enter in the box on page 1, line 4]

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12) Leased/Rented Machinery and Equipment Brought into Manitoba

(A)	(B)	(C)	(D)	(E)		(F)	(G)	(H)
Date lease/rental commenced	Name and address of company from whom leased/rented	Type of machine	Serial Number	Date Equipment Brought		Number of full or partial months in Manitoba per Column E	Average monthly lease/rental charge	Total taxable value is Column (F) x (G)
				IN	OUT			

Line (12) –Taxable value
[Please enter in the box on page 1, line 5]

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For Branch Use Only		Auditor	
Final Tax liability as estimated/assessed	\$	Date	
Payment received cash/application from deposit	\$	Manager	
Assessed for unpaid balance	\$	Date	

INSTRUCTIONS FOR RETAIL SALES TAX:

1. Complete all questions on this form and enter 'NIL' where applicable.
2. Report only one contract on this form and the related projects.
3. Include in line 1 the total laid down cost of all taxable material which was brought into or received in the province by the contractor for own consumption or use, or the consumption or use of others at the contractor's expense.
4. If any machinery or equipment, owned or leased by the contractor and brought into Manitoba, is used for more than one contract in progress, contact this office for instructions on reporting.
5. Make the Cheque payable to **THE MINISTER OF FINANCE** and return with this schedule to the address as noted.
6. **DETERMINATION OF TAXABLE VALUE OF MACHINERY and EQUIPMENT:**

Non-resident contractors who have purchased equipment (**other than a multijurisdictional vehicle(s) registered under IRP**) outside the province and bring it into Manitoba for a temporary period only may, instead of paying RST at 7% of the taxable value, pay RST for each calendar month or part of the month while the property is temporarily used or available for use in Manitoba. The temporary use tax is calculated at 7% of 1/36th of the taxable value of the equipment while it is in Manitoba. Contractors who subsequently wish to opt out of the monthly tax payments must contact the Taxation Division for the calculation of the final tax due.

For this purpose, taxable value (column F, line 11) must be established for owned machinery and equipment each time the equipment enters Manitoba and is the greater of:

(a) The price paid for the equipment when it is purchased, less 5% depreciation per year owned (minimum taxable value 20% of purchase price).

(b) New replacement cost of similar equipment (in Canadian dollars), less 10% depreciation per year the equipment has been owned (minimum taxable value, 20% of new replacement cost).

Please note: The cost of crating, handling, transportation, uninstalling, installing, disassembling, assembling and other costs related to bringing the equipment into Manitoba is fully taxable at 7% (enter this value in the box on page 1, line 6).

Example for Section B (page 1):

Line 4

If the taxable value as determined under 6(a) or 6(b) above is \$100,000 then the monthly value would be \$2,777.78 (1/36th of \$100,000). If the equipment was brought in on Sept 3rd and remained until December 10th the total time in the Province would be 4 months (2 full and 2 partial). The total taxable value in Column (H) and in the box on line 4 would be \$11,111.12 (\$2,777.78 x 4).

Line 5

The lease/rental agreement must have commenced prior to the equipment entering the Province. Based on the same entry and exit dates and an annual lease/rental of \$24,000 or a monthly lease/rental of \$2,000 the total taxable value would be \$8,000 (\$2,000/month X 4).

Line 6

In addition, if the cost of transportation and other costs related to bringing in and installing the equipment in Manitoba were \$4,500.00 then this amount must be included in the box on line 6.

7. For additional information see the following Bulletins available from our web site or by contacting our office as noted above:

Retail Sales Tax:

- No. 005 - "Information for Contractors"
- No. 008 - "Installation, Repairs and Improvements to Real Property"
- No. 030 - "Summary of Taxable and Exempt Goods and Services"
- No. 031 - "Mechanical and Electrical Trades"

Health and Post Secondary Education Tax Levy Tax known commonly as the Payroll Tax:

- HE – 001 - "Information for Employers"
- HE – 002 - "Remuneration"

**NON-RESIDENT CONTRACTOR
PAYROLL TAX REMITTANCE SCHEDULE
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Taxation Division
Desk Audit Section
300 – 401 York Avenue
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CONTRACTOR	PROJECT
Name	Name
Address	Location
Province or State	Name of Contractor or Principal

Instructions: See page 5.

TOTAL PAYROLL TAX PAYABLE

1) Total salaries paid to resident and non-resident employees who worked in Manitoba for the calendar year	\$
2) Less notch amount if applicable, if not, go to line 5 (see instructions on calculating notch range)	\$
3) Net taxable salaries at the notch rate– if negative enter “NIL”	\$
4) Payroll tax calculated at the notch rate of 4.3% of any balance on LINE 3.	\$
5) Payroll tax calculated at the full rate of 2.15% of the amount on LINE 1.	\$
6) Remittance payable to The Minister of Finance per either LINE 4 or 5	\$

CERTIFICATION: TO THE BEST OF MY KNOWLEDGE AND BELIEF THE STATEMENTS ON THIS RETURN ARE CERTIFIED TO BE CORRECT.

NAME _____ TITLE _____

SIGNATURE _____ DATE _____

For Branch Use Only		Auditor	
Final Tax liability as estimated/assessed	\$	Date	
Payment received cash/application from deposit	\$	Manager	
Assessed for unpaid balance	\$	Date	

INSTRUCTIONS FOR PAYROLL TAX:

1. Employers that have a permanent establishment in Manitoba and pay remuneration to employees who report for work at a permanent establishment of the employer are required to pay payroll tax in accordance with The Health and Post-Secondary Education Tax Levy Act (also known as the Payroll Tax). Non-resident contractors that maintain a permanent establishment in Manitoba for only part of a calendar year are required to prorate the amount of the exemption or notch provision (as the case may be) for that year. The prorated exemption/notch provision is proportional to the number of days the employer maintained a permanent establishment in Manitoba for that year. Please complete this form and return to the above address.
2. Example of payroll tax due from a non-resident contractor in Manitoba for 100 days during a calendar year:
 - a) For the period prior to January 1, 2008 the calculation of the prorated exemption/notch amount based on the annual range of \$1 million to \$2 million.

- $100/365 \text{ days} \times \$1,000,000 = \$273,972$. The notch range in this example would range from \$273,972 to \$547,944 ($\$273,972 \times 2$) and tax is only payable if remuneration is in this prorated notch range or exceeds \$547,944.

Therefore, the amount of tax that would be payable in that partial calendar year in respect of the contract is indicated by the following scenarios:

- if remuneration paid is \$200,000 – no tax is payable as this amount is less than the prorated exemption of \$273,972:
 - if remuneration paid is \$400,000 – the tax payable is in the notch range i.e., $(\$400,000 - \$273,972 = \$126,028) \times 4.3\% = \$5,419$:
 - if the remuneration paid is \$600,000 – this exceeds the prorated notch range of \$547,944 and the tax is payable on the total amount, i.e., $\$600,000 \times 2.15\% = \$12,900$
- b) For a partial calendar year period after December 31, 2007 the calculation of the prorated exemption/notch amount is based on the new annual range of \$1.25 million to \$2.50 million.
 - $100/365 \text{ days} \times \$1,250,000 = \$342,466$. The notch range in this example would range from \$342,466 to \$684,932 ($\$342,466 \times 2$) and tax is only payable if remuneration is in this prorated notch range or exceeds \$684,932.
 - no tax is payable on remuneration that is less than the prorated exemption of \$342,466:
 - if remuneration paid is \$400,000 – the tax payable is in the notch range i.e., $(\$400,000 - \$342,466 = \$57,534) \times 4.3\% = \$2,474$:
 - if the remuneration paid is \$800,000 – this exceeds the prorated notch range of \$684,932 and the tax is payable on the total amount, i.e., $\$800,000 \times 2.15\% = \$17,200$

3. Report total remuneration paid on any and all contracts in Manitoba in the same calendar year.
4. This report should only be made at the end of a calendar year or once the contractor has left the Province and will not return in the same calendar year.
5. Make the cheque payable to **THE MINISTER OF FINANCE** and return with this schedule to address as noted..
6. For additional information see our Bulletin No. HE 001 – “Information for Employers” available on our web site – manitoba.ca/finance/taxation or by contacting our office at (204) 945-5603 or Manitoba Toll Free 1-800-782-0318.