

Ministry of Finance

Tax Notice



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www.fin.gov.bc.ca/rev.htm

Final Supplemental PST Returns and Applicable Extensions

Social Service Tax Act

On July 1, 2010, British Columbia eliminated the social service tax, also called the provincial sales tax (PST), and implemented the harmonized sales tax.

This notice is a reminder of when final supplemental PST returns must be submitted to the Ministry of Finance.

General Rule

Final returns for PST that was collected or became payable before July 1, 2010, were required to be filed with the ministry on, or before, July 23, 2010. This rule applied regardless of filing frequency.

If PST is collected or becomes payable (e.g. on account) after June 2010, you must send in a supplemental PST return (**FIN 400S**), along with the tax due, by the 23rd day of the following month. For example, PST that is collected or becomes payable in October 2010 would be due by November 23, 2010.

All PST not otherwise payable on an earlier date under the Act, is payable on, and must be collected by, December 31, 2010. Therefore, you must file all supplemental returns and remit the PST due on, or before, January 23, 2011.

In limited circumstances, an extension is provided (see the section below, Extensions).

Please note: You can only claim a commission on supplemental returns filed on, or before, January 23, 2011.

Extensions

Interjurisdictional Conveyances

An extension is provided for the additional PST payable on conveyances (i.e. aircraft, vessels and railway rolling stock) used interjurisdictionally where PST is payable on a proportional basis. In these circumstances, you must self-assess and pay the additional PST within 23 days of the date the additional PST is determined.

Legal Services

An extension is provided for PST payable on legal services you provide under a contingent fee agreement if:

- you entered into the agreement before July 1, 2010, and
- the event triggering payment of the fee has not occurred by December 31, 2010.

In these circumstances, PST is payable on the date that the purchase price of the legal services is paid or payable, whichever comes first. You must remit the PST on, or before, the 23rd day of the following month.

If you provide legal services under a contingent fee agreement described above, you must report the number of these agreements that you have to the Ministry of Finance, in writing, on, or before, February 1, 2011.

Send the required information to the ministry by mail or fax at:

Consumer Taxation Programs Branch
Ministry of Finance
PO Box 9442 Stn Prov Govt
Victoria BC V8W 9V4
Fax: 250 356-2195

You may provide the information by letter simply stating the number of agreements. You are not required to provide any client information.

Please note: If you purchase legal services from a provider who is not required to collect PST (i.e. the provider of the service is located outside of British Columbia), you must self-assess and pay the PST on, or before, the 23rd day of the month following the month in which the purchase price of the legal service is paid or payable, whichever comes first.

Telecommunication Services

An extension is provided for PST payable on telecommunication services you provide to a purchaser outside British Columbia (i.e. roaming) if the service is provided, at least in part, by another telecommunication provider under an agreement with you.

In these circumstances, PST is payable on the date that the purchase price of the telecommunication service is paid or payable, or on June 30, 2011, whichever comes first. You must remit this tax on, or before, the 23rd day of the following month.

Budget Payment Arrangements

An extension is provided for PST payable on the sale of goods, taxable services, legal services or telecommunication services, if:

- the goods or services are delivered to a person over a period that began before July 1, 2010, and ends on, or after, July 1, 2010, and
- the consideration for the goods or service is payable under a budget payment arrangement with a reconciliation of the payments at the end of the period but before July 1, 2011.

An extension is provided for PST payable on the lease of goods, if:

- the goods are leased to a person under a lease with a term that began before July 1, 2010, and ends on, or after, July 1, 2010, and
- the consideration for the leased goods is payable under a budget payment arrangement with a reconciliation of the payments at the end of the period but before July 1, 2011.

In these circumstances, PST is payable on the date you issue the invoice for the reconciliation of payments. You must remit this tax on, or before, the 23rd day of the following month.

Other

An extension may be provided for PST payable on goods, taxable services, legal services or telecommunication services, or on the lease of goods, if, due to extraordinary circumstances, you are not able to determine the purchase price or lease price before January 1, 2011.

In these circumstances, you must give notice of the extraordinary circumstances to the ministry, in writing, before January 1, 2011. PST would then be payable on the date you determine the purchase price or lease price, or should have reasonably been able to determine the purchase price or lease price, whichever comes first. You must remit this tax on, or before, the 23rd day of the following month.

Further Information

If you have any questions, please call us toll-free at 1 877 388-4440, or e-mail your questions to CTBTaxQuestions@gov.bc.ca

You can also find information on our website at www.sbr.gov.bc.ca/business/Consumer_Taxes/Provincial_Sales_Tax/pst.htm

The information in this notice is for your convenience and guidance and is not a replacement for the legislation. The *Social Service Tax Act* and Regulations are on our website at www.sbr.gov.bc.ca/business/Consumer_Taxes/Provincial_Sales_Tax/legislation.htm