

Exemption for Members of the Diplomatic and Consular Corps

Carbon Tax Act, Motor Fuel Tax Act, Provincial Sales Tax Act, Tobacco Tax Act

Latest Revision: The revision bar (|) identifies changes to the previous version of this bulletin dated July 2013. For a summary of the changes, see Latest Revision at the end of this document.

This bulletin provides information to help members of the diplomatic and consular corps understand how to claim an exemption from BC's carbon tax, motor fuel tax, municipal and regional district tax (MRDT), provincial sales tax (PST) and tobacco tax. The bulletin also provides information for businesses on how to document exempt sales to members of the diplomatic and consular corps.

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Eligibility for Exemption

Certain members of the diplomatic and consular corps are eligible for an exemption from carbon tax, motor fuel tax, MRDT, PST and tobacco tax.

You qualify for an exemption from these taxes if you are:

- a diplomatic agent of a diplomatic mission situated in Canada and you are a citizen of the country operating the diplomatic mission,
- a member of the administrative and technical staff of a diplomatic mission situated in Canada and you are a citizen of the country operating the diplomatic mission,

- an official of a United Nations' agency situated in Canada, or of another international organization situated in Canada, who has diplomatic privileges and immunities recognized by the Department of Foreign Affairs, Trade and Development Canada (DFATD),
- a career consular officer of a consular post situated in BC or of a consular post situated elsewhere in Canada that is accredited for BC by DFATD and you are a citizen of the country operating the consular post,
- a career consular employee of a consular post situated in BC and you are a citizen of the country operating the consular post, or
- the spouse of a person referred to above.

You may also make exempt purchases on behalf of the consulate office.

You do not qualify for an exemption if you are:

- a Canadian citizen,
- a permanent resident as defined in the *Immigration and Refugee Protection Act* (Canada), or
- an honorary consular officer.

Identity Cards

DFATD issues diplomatic or consular identity cards. The identity cards are plasticized wallet cards printed in shades of pastel green, blue, pink and grey. Each identity card has the information noted below.

Front of card

- photograph of the cardholder
- name, date of birth and sex of the cardholder
- expiry date of the card
- designation/official title of the cardholder
- signature of the Chief of Protocol
- signature of the cardholder

Back of card

- card identification number (letter C, D, I or J followed by seven numbers)
- list of provinces where the cardholder is exempt from paying tax (see the section below, Procedures for Sellers and Lessors)
- information which can be read by machine
- name of country/organization

Claiming Exemptions

Fuel

If you purchase fuel with cash or with a credit card issued by a financial institution, you are required to pay the carbon tax and motor fuel tax at the time of purchase, even if you hold a valid identity card. However, you may apply for a refund of the taxes paid (see Applying for a Refund below).

To receive a point-of-sale exemption from carbon tax and motor fuel tax, you must purchase fuel using a credit card issued by the fuel seller in your name, where the issuance of the credit card results from an application by the consular post. A consular post may request to have a fuel seller issue fuel seller credit cards to each person eligible for the exemption by providing the fuel seller with a list of the names and identity card numbers for each eligible person. The fuel seller will then exclude carbon tax and motor fuel tax from its credit card account billings to each eligible person.

Tangible Personal Property (Goods), Software, Related Services, Legal Services, Telecommunication Services and Accommodation

You may receive a point-of-sale exemption from the following taxes under the *Provincial Sales Tax Act*:

- PST on purchases or leases of tangible personal property (including liquor) purchases of software, related services, legal services and telecommunication services
- PST (and MRDT, if applicable) on purchases of accommodation in BC
- the \$1.50 per day passenger vehicle rental tax (PVRT)
- the 0.4% tax on energy products (ICE Fund tax)

To receive your exemption, you must show your identity card to the seller or lessor. The seller or lessor is required to follow the procedures described in Procedures for Sellers and Lessors below.

If the seller disputes the validity of your identity card, you are required to pay the PST (and MRDT, PVRT and ICE Fund tax, if applicable) at the time of purchase or lease. However, you may apply for a refund of the tax paid (see Applying for a Refund below).

Tobacco Products

You may only purchase tax-exempt tobacco products from an excise warehouse or special excise warehouse.

Procedures for Sellers and Lessors

In the situations above where a person is required to show you their diplomatic or consular corps identity card to receive a point-of-sale exemption, you are required to proceed as follows.

- Check that the photograph is that of the purchaser or lessee and that the card has not expired.
- Record the name of the purchaser or lessee, their card number and card expiry date, and obtain their signature on the sales slip or invoice. Check that their signature matches the signature on the card. You must keep this record to show why you did not collect tax on that sale or lease.

Some identity cards list BC as a province where the cardholder is exempt from paying tax, while others do not. Sellers and lessors should accept diplomatic or consular identity cards as proof that the purchaser or lessee is an eligible member of the diplomatic or consular corps, whether or not BC is listed on the card. This applies even if the card has the words NIL or NO TAX EXEMPTION on the back of the card, or if the card is for an eligible member of the diplomatic or consular corps who resides outside BC.

Please note: You must not provide an exemption to a person who is claiming an exemption with an identity card issued to that person's spouse. Only persons presenting a valid identity card issued to them personally qualify for an exemption. You may make the sale or lease without collecting tax if you follow the instructions above. If you do not document the purchaser or lessee's eligibility for exemption, you may be liable for an amount equal to the tax that should have been collected, plus interest.

Applying for a Refund

If, as a member of the diplomatic or consular corps, you have paid tax, you may apply for a refund of the tax paid as outlined below.

To apply for a refund of carbon tax, complete the *Application for Refund of Carbon Tax – Purchaser of Fuel* ([FIN 108](#)).

To apply for a refund of motor fuel tax, complete the *Application for Refund of Motor Fuel Tax – Purchaser of Fuel* ([FIN 147](#)).

To apply for a refund of PST or MRDT, complete the *Application for Refund – General* ([FIN 355](#)).

Each refund application needs to provide your name, address, identity card number, expiry date and diplomatic status. You must also submit a photocopy of both sides of your identity card and sales invoices showing the amount of tax paid. We may contact you to request proof that you are the holder of a specific credit or debit card if multiple debit or credit cards have been used for purchases included in your application.

Time Limit and Minimum Amount for Claiming a Refund

Your refund claim must be received by the ministry within four years of the date that you pay the tax. For example, if you paid the tax on April 1, 2013, the ministry must receive your refund claim by March 31, 2017.

The ministry cannot issue a refund of less than \$10.

Need more info?

Online: gov.bc.ca/consumertaxes

Toll free in Canada: 1 877 388-4440

Email: CTBTaxQuestions@gov.bc.ca

For more information on foreign representatives in Canada, visit the Department of Foreign Affairs, Trade and Development Canada website at international.gc.ca/international/index.aspx

Access our forms, publications, legislation and regulations online at gov.bc.ca/consumertaxes

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The information in this bulletin is for your convenience and guidance and is not a replacement for the legislation.

Latest Revision

September 2014

- Clarify process if multiple debit/credit cards are used for purchases included in a refund application.
 - Update reference to Foreign Affairs and International Trade Canada to Department of Foreign Affairs, Trade and Development Canada.
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Reference: Consular Tax Exemption Regulation