

THE RETAIL SALES TAX ACT

EXEMPTION ON USED FURNITURE

- The Retail Sales Tax Act allows the following exemptions for used furniture.
 - (1) when sold by one individual to another, in a non-commercial transaction, used furniture is entirely exempted from the tax.
 - (2) when sold in a commercial transaction, used furniture with a selling price of \$100 or less per item, per set, or in respect of the total sale, is exempted from the tax.
- To qualify as "used", the furniture must have been previously owned by a consumer.
- The attached lists of items that are commonly found in a household have been prepared to assist businesses in applying the tax.

List "A" - shows examples of household items which are regarded to be furniture for the purpose of this exemption.

List "B" - shows examples of household items that are not considered to be furniture, and are taxable when sold commercially, regardless of their price.

- Baby furniture and certain other goods and accessories used to care for babies are fully exempt from tax. Examples include cribs, playpens, strollers, safety gates, see Bulletin 055 – *Baby Supplies* for further information.

List "A"

THE FOLLOWING ARE EXAMPLES OF ITEMS THAT ARE REGARDED TO BE FURNITURE:

- Beds, dressers
- Chairs, tables, cabinets, shelving
- Chesterfields, davenports
- China, dishes, cutlery and jars
- Clocks
- Fireplaces and fireplace accessories

Note: Revisions to content of previous Bulletin (May 1989) have been identified by shading ().

- Household appliances, e.g. fridges, stoves, freezers, microwave ovens, toasters, blenders, can openers, mixers, irons, vacuum cleaners
- Lamps and fixtures
- Office furniture, e.g. desks, chairs, filing cabinets (but not office equipment)
- Paintings, carvings, ornaments
- Pianos and organs
- Pillows, linens and blankets
- Pool tables, ping pong tables, shuffle boards, other games and toys
- Pots and pans
- Rugs, drapery, mirrors
- Stereos, televisions, radios
- Window air conditioners

List "B"

THE FOLLOWING ARE EXAMPLES OF ITEMS THAT ARE NOT REGARDED TO BE FURNITURE AND ARE TAXABLE WHEN SOLD IN A COMMERCIAL TRANSACTION:

- Bicycles, tricycles, skate boards, toboggans
- Cameras
- Camping equipment, e.g. tents, lanterns, coleman stoves
- Guns
- Hand tools, power tools, garden tools
- Jewellery
- Lawn mowers, snow blowers, garden tillers
- Music or video recordings in hardcopy format, i.e. records, discs
- Musical instruments (except pianos and organs)
- Office equipment, e.g. computers, copiers, etc. (see List "A" for items that are regarded to be furniture)
- Sports equipment, e.g. golf clubs, skis, snow shoes, skates, shoulder pads, knee pads
- Vehicles and snowmobiles

FURTHER INFORMATION

This bulletin is intended to serve as a guideline and is not all-inclusive. For the specific wording of the law, please refer to *The Retail Sales Tax Act and Regulations*. Further information may be obtained from:

Winnipeg Office

Manitoba Finance
Taxation Division
101 - 401 York Avenue
Winnipeg, Manitoba R3C 0P8
Telephone (204) 945-5603
Manitoba Toll Free 1-800-782-0318
Fax (204) 948-2087

Westman Regional Office

Manitoba Finance
Taxation Division
314, 340 - 9th Street
Brandon, Manitoba R7A 6C2
Fax (204) 726-6763

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ONLINE SERVICES

Our Web site at manitoba.ca/finance/taxation provides tax forms and publications about taxes administered by Taxation Division, and a link to Manitoba's laws and regulations. Forms and publications can also be obtained by contacting the Taxation Division.

Our online service at manitoba.ca/TAXcess provides a simple, secure way to apply for, and to file, pay and view your Taxation Division tax accounts.