

Ministry of Finance

Tax Notice



ISSUED: July 2010

Notice 2010-011

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

Notice to Boat Vendors

Consumption Tax Rebate and Transition Act

Effective July 1, 2010, boats purchased in British Columbia from a person who is not a GST/HST registrant (i.e. at a private sale) are subject to a 12% provincial tax on designated property. Boats purchased from a GST/HST registrant are not subject to the tax on designated property as they will generally be subject to HST.

This notice provides information for boat vendors about ministry processes for confirming that the tax on designated property was paid on boats purchased at a private sale.

To ensure that the tax has been paid on all taxable boats, the ministry routinely reviews the records of Transport Canada and Canada Revenue Agency and matches changes in registered ownership with tax payments. Therefore, when a person registers a boat, the ministry will contact them by letter to confirm that they have paid the necessary tax. As the ministry no longer requires boat vendors to submit records of boat sales, this includes those who purchased a boat from you, a boat vendor (GST/HST registrant). We ask that you inform your customers that they will receive a letter from the ministry after they register their boat and that they will be required to submit a copy of the bill of sale showing that they purchased the boat from a GST/HST registrant. Your customers will not be required to pay the tax on designated property.

Please inform your customers to contact the Ministry of Finance if they have any questions.

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/Designated_Property/designated_property.htm

The information in this notice is for your convenience and guidance and is not a replacement for the legislation. The *Consumption Tax Rebate and Transition Act* and Regulations are also on our website at the above address.