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## TAX INFORMATION THE VANCOUVER 2010 OLYMPIC AND PARALYMPIC WINTER GAMES



August 2008

### Welcome to the 2010 Winter Games!

If you plan to conduct business in British Columbia during the Vancouver 2010 Olympic and Paralympic Winter Games, this brochure will help you to understand how the social service tax, also called the provincial sales tax (PST), may apply to your business. We also recommend that you read our [Small Business Guide to Provincial Sales Tax \(PST\)](#), which will provide you with more information. This guide and the other publications mentioned in this brochure are available on our website or by contacting us (see the section at the end of this brochure, More Information).

If you do not plan to conduct business in British Columbia, but you would like to know how PST may apply while you are visiting British Columbia, please see our brochure, [What Visitors Should Know](#).

### Overview

PST is British Columbia's retail sales tax. PST applies to most goods that are sold or leased in British Columbia. It also applies to many services provided in the province.

The tax rate is 7%, except on sales of alcohol, which are taxed at 10%, and on sales of passenger vehicles priced over \$55,000, which are taxed at up to 10%.

You are required to register with the Ministry of Small Business and Revenue to collect PST if you make regular sales or leases of taxable goods and/or taxable services in British Columbia. However, effective February 21, 2007, registration and collection of PST is optional for some individuals and groups who meet certain criteria. For more information, please see [Bulletin SST 044, Registering to Collect Provincial Sales Tax \(PST\)](#).

You also pay PST on most goods that you use in your business, including goods that you buy, rent or lease from outside the province. You do not pay PST on goods that you purchase for resale.

## Remitting PST

When you register to collect PST, the ministry will assign a reporting period to you based on your projected annual taxable sales and the nature of your business. The ministry will send you tax return forms for each reporting period.

Your tax return and payment must be received by the ministry before the close of business (4:30 pm) on the 23<sup>rd</sup> of the month following the end of your reporting period to be considered on time. Tax returns postmarked but not received by the due date are not on time. You can make payments at most Canadian financial institutions. For more information, please see [Bulletin GEN 012](#), *Remitting Tax*.

If you are not a registered vendor in British Columbia, and you do not meet the requirements for optional registration and collection, you are still responsible for collecting and remitting PST if you occasionally make taxable sales or leases. When you collect PST, you need to complete and send in a *Casual Remittance Return for Provincial Sales Tax (PST) due on Taxable Tangible Personal Property by a Seller Not Registered Under the Social Service Tax Act* form ([FIN 428S](#)).

## Contractors and Subcontractors

Real property is land and any items permanently attached to land (e.g. buildings and structures). Materials and equipment that become permanently attached to the land or buildings are called improvements to real property.

If you construct buildings, or supply and install materials and equipment that become improvements to real property, you are a real property contractor.

The labour component of improvements to real property is exempt from PST. However, PST applies to the materials and equipment that you supply and install to complete the contract. For contracts that you enter into **before October 1, 2008**, the way you structure your contract determines whether you pay PST or you charge your customer PST. For contracts that you enter into **on, or after, October 1, 2008**, generally, you are required to pay PST. However, under certain circumstances, you charge your customer PST.

If you are involved in real property contracts, it is important that you read [Bulletin SST 072](#), *Real Property Contractors*, for detailed information.

## Equipment and Materials Temporarily in the Province

You pay PST on any equipment or vehicles that you bring into British Columbia for business use. If you bring the equipment or vehicles in temporarily, you pay PST on 1/3 of their value for every 12-month period where they are in the province for more than 5 days. PST is due within 23 days of the date of entry. For more information, please see [Bulletin SST 098](#), *Equipment brought into the Province for Temporary Use (1/3 Formula)*.

## Taxable Services

Generally, services provided to taxable goods are subject to PST. You charge PST on the full price of your services, including any extra costs, such as travel time and parts. You also pay PST on all tools, equipment and machinery that you use to provide your services. For more information, please see [Bulletin SST 018](#), *Taxable Services*.

## PST Exemptions for Visitors

If you sell to out-of-province visitors and ship the goods to an out-of-province location, you do not charge PST. To show why you did not charge PST, your records must show that the goods were shipped out of the province. For more information, please see [Bulletin SST 030](#), *Purchases by Non-Residents of British Columbia*.

## Accommodation

For information on accommodation, please see the brochure, [Tax Information for Accommodation Providers – The Vancouver 2010 Olympic and Paralympic Winter Games](#).

## More Information

**E-mail:**

[ctb2010wintergames@gov.bc.ca](mailto:ctb2010wintergames@gov.bc.ca)

**Ministry of Small Business and Revenue Website:**

[www.gov.bc.ca/sbr](http://www.gov.bc.ca/sbr)

**Taxpayer Fairness and Service Code Online:**

<http://www.sbr.gov.bc.ca/msbr/TFSC/TFSC.htm>

**Taxpayer Services Information Line:**

Toll Free: 1 877 388-4440

Vancouver Area: 604 660-4524

**Consumer Taxes Forms and Public Information Online:**

[http://www.sbr.gov.bc.ca/business/Consumer\\_Taxes/consumer\\_taxes.htm](http://www.sbr.gov.bc.ca/business/Consumer_Taxes/consumer_taxes.htm)

**To Order Forms and Publications:**

E-mail: [SBRPublications@gov.bc.ca](mailto:SBRPublications@gov.bc.ca)

**One Stop – Business Registry:**

1 877 822-6727 or online at [www.bcbusinessregistry.ca](http://www.bcbusinessregistry.ca)

**Small Business BC:**

1 800 667-2272 or online at [www.smallbusinessbc.ca](http://www.smallbusinessbc.ca)

**2010 Commerce Centre Website:**

[www.2010CommerceCentre.com](http://www.2010CommerceCentre.com)

**Canada Revenue Agency Website:**

[www.cra-arc.gc.ca/2010games](http://www.cra-arc.gc.ca/2010games)