

## Exemption for Members of the Diplomatic and Consular Corps

*Motor Fuel Tax Act, Carbon Tax Act, Tobacco Tax Act, Consumption Tax Rebate and Transition Act, and Hotel Room Tax Act*

**Do you sell fuel, tobacco products, designated property or accommodation to members of the diplomatic or consular corps?**

**Are you a member of the diplomatic and consular corps and need to know how to purchase fuel, tobacco products, designated property and accommodation exempt from tax in British Columbia?**

This bulletin provides information to help businesses, and members of the diplomatic and consular corps, understand how eligible persons can claim an exemption from British Columbia's motor fuel tax, carbon tax, tobacco tax, tax on designated property, and municipal and regional district tax.

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## Eligibility for Exemption

Certain members of the diplomatic and consular corps are eligible for an exemption from motor fuel tax, carbon tax, tobacco tax, tax on designated property, and municipal and regional district tax.

You qualify for an exemption from tax if you are:

- a career consular officer of a post situated in British Columbia and you are a citizen of the country operating the consular post,

- a diplomatic agent of a diplomatic mission situated in Canada and you are a citizen of the country operating the diplomatic mission,
- a United Nations official who has been granted diplomatic privileges by the Department of Foreign Affairs and International Trade Canada (DFAIT) and you are not a landed immigrant or Canadian citizen,
- a consular employee of a consular post situated in British Columbia and you are a citizen of the country operating the consular post, or
- the spouse of a person referred to above and you are not a Canadian citizen or landed immigrant.

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

## **Identity Cards**

Your eligibility is determined when you receive your diplomatic or consular identity card from DFAIT. If you qualify for a point-of-sale exemption in British Columbia, the reverse of your identity card will show BC as a province granting exemption.

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, e.g. BC, ON, PE (if tax is payable, the words NIL or NO TAX EXEMPTION will be inserted or the area will be left blank)
- information which can be read by machine
- name of country/organization

**Please note:** You cannot receive an exemption by presenting an identity card issued to your spouse. Only persons presenting a valid identity card issued to them personally qualify for an exemption.

## **Claiming Exemptions**

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### **Fuel**

If you purchase fuel with a cash payment or with a credit card issued by a financial institution, you are required to pay the motor fuel tax and carbon 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 the section below, *Applying for a Refund*).

To receive a point-of-sale exemption from motor fuel tax and carbon tax, the consular post may apply to a fuel seller for credit cards to be issued in the name of each member who qualifies for an exemption. The consular post must provide the fuel seller with a list of the names and identity card numbers of each member. The fuel seller will then issue credit cards in the names of the qualified members and exclude motor fuel tax and carbon tax from its credit card billings to qualified member accounts.

### **Tobacco Products**

If you purchase tobacco products from a retail dealer, other than an Exempt Sale Retail Dealer (ESRD), you are required to pay the tobacco tax at the time of purchase, even if you hold a valid identity card. However, you may apply for a refund of the tax paid (see the section below, *Applying for a Refund*).

To receive a point-of-sale exemption from tobacco tax, you must purchase tobacco products from an ESRD or contact the tobacco manufacturer. FAITC provides tobacco manufacturers with a list of persons eligible for an exemption. The ESRD and tobacco manufacturer are required to follow the procedures described in the section below, *Procedures for Sellers*.

### **Designated Property**

Generally, the tax on designated property applies to the purchase of vehicles, boats and aircraft that are not subject to the harmonized sales tax (HST), i.e. purchased from a private individual and not a HST registrant. For more information on when the tax applies, please see [Bulletin CTR 001](#), *Tax on Designated Property (Vehicles, Boats and Aircraft)*.

To receive the exemption in the case of vehicles, you must show your identity card to the Insurance Corporation of British Columbia (ICBC) agent at the time of registering the vehicle. The ICBC agent is required to follow the procedures described in the section below, *Procedures for Sellers*.

If the ICBC agent disputes the validity of your identity card, you are required to pay the tax on designated property at the time of registering the vehicle. However, you may apply for a refund of the tax paid (see the section below, Applying for a Refund).

In the case of boats and aircraft, the ministry may contact you to request proof that you are eligible for the exemption.

### **Accommodation**

To receive a point-of-sale exemption from municipal and regional district tax, you must show your identity card to the operator of the establishment. The operator is required to follow the procedures described in the section below, Procedures for Sellers.

If the operator disputes the validity of your identity card, you are required to pay the municipal and regional district tax at the time of purchase. However, you may apply for a refund of the tax paid (see the section below, Applying for a Refund).

### **Residential Energy Credit and Rebate Program**

Diplomats, members of the consular corps and members of visiting forces are NOT eligible for the residential energy credit, or for the residential energy rebate, as they are entitled to claim a rebate from the Canada Revenue Agency for any HST paid.

For more information on the program, please see [HST Notice #10](#), *Residential Energy Credit and Rebate Program - Notice to Consumers*.

### **Procedures for Sellers**

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 and that British Columbia (BC) is included in the list of provinces in which the cardholder is entitled to exemption. Also, check that the card has not passed the expiry date.

Record the purchaser's name, card number and card expiry date, and obtain the purchaser's signature on the sales slip, invoice or in a log book kept for this purpose. Check that the purchaser's signature matches the signature on the card. You must keep this record to show why you did not collect tax on that sale.

You may make the sale without collecting tax if you follow the instructions above. If you fail to document the purchaser'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 are required to pay tax in any of the situations above, you may apply for a refund of the tax paid as outlined below.

To apply for a refund of motor fuel tax and carbon tax, complete the *Application for Refund of Motor Fuel Tax – Purchaser of Fuel* form ([FIN 147](#)) and *Application for Refund of Carbon Tax – Purchaser of Fuel* form ([FIN 108](#)).

To apply for a refund of tobacco tax, write to the ministry at the address below.

To apply for a refund of the tax on designated property, complete the *Application for Refund of Tax Paid on Designated Property* form ([FIN 318](#)).

To apply for a refund of municipal and regional district tax, complete the *Application for Refund of Social Service Tax or Hotel Room Tax* form ([FIN 413](#)).

Each refund application needs to contain your name, address, identity card number, expiry date and diplomatic status. You are also required to submit a photocopy of both sides of your identity card and sales invoices showing the amount of tax paid.

Send the refund application and supporting documentation to:

Ministry of Finance  
Refund Section  
PO Box 9628 Stn Prov Govt  
Victoria BC V8W 9N6

### **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 August 12, 2008, the ministry must receive your refund claim by August 11, 2012.

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

## **Need more info?**

Toll free in Canada: 1 877 388-4440

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

For more information on foreign representatives in Canada, visit the Department of Foreign Affairs and International Trade Canada website at [www.international.gc.ca/international/index.aspx](http://www.international.gc.ca/international/index.aspx)

The information in this bulletin is for your convenience and guidance and is not a replacement for the legislation. The *Motor Fuel Tax Act*, *Carbon Tax Act*, *Tobacco Tax Act*, *Consumption Tax Rebate and Transition Act*, and *Hotel Room Tax Act* and Regulations are on our website at [www.sbr.gov.bc.ca/business/Consumer\\_Taxes/consumer\\_taxes.htm](http://www.sbr.gov.bc.ca/business/Consumer_Taxes/consumer_taxes.htm)