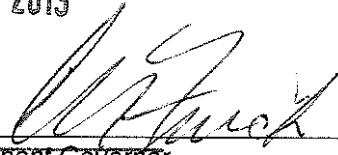


**PROVINCE OF BRITISH COLUMBIA**  
**ORDER OF THE LIEUTENANT GOVERNOR IN COUNCIL**

Order in Council No. **129**, Approved and Ordered **FEB 28 2013**

  
\_\_\_\_\_  
~~Lieutenant Governor~~  
Administrator

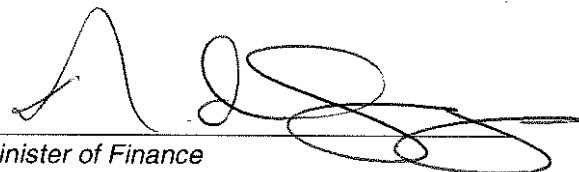
**Executive Council Chambers, Victoria**

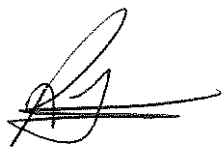
On the recommendation of the undersigned, the ~~Lieutenant Governor~~ <sup>Administrator</sup>, by and with the advice and consent of the Executive Council, orders that, effective April 1, 2013, the attached Provincial Sales Tax Regulation is made.

**DEPOSITED**

March 1, 2013

B.C. REG. **96/2013**

  
\_\_\_\_\_  
Minister of Finance

  
\_\_\_\_\_  
Presiding Member of the Executive Council

*(This part is for administrative purposes only and is not part of the Order.)*

**Authority under which Order is made:**

Act and section: Provincial Sales Tax Act, S.B.C. 2012, c. 35, sections 236 to 241 and 244 to 246

Other: \_\_\_\_\_

February 22, 2013

# PROVINCIAL SALES TAX REGULATION

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**PART 1 – INTERPRETATION**

**Division 1 – Definitions**

**Definitions**

1 In this regulation:

“**Act**” means the *Provincial Sales Tax Act*;

“**participating savings institution**” means a savings institution that will accept the payment or remittance of tax imposed under the Act to the account of the government.

**Accommodation**

2 (1) For the purposes of paragraph (a) of the definition of “accommodation” in section 1 of the Act, lodging excluded from that paragraph is lodging provided in a unit that

- (a) does not contain a bed, and
- (b) is to be used to display merchandise, to entertain or to hold a meeting, dinner or reception.

(2) For the purposes of paragraph (b) of the definition of “accommodation” in section 1 of the Act, the following dwellings are prescribed:

- (a) lodging houses other than hospitals, assisted living residences as defined in the *Community Care and Assisted Living Act* and long-term residential care facilities;
- (b) bunkhouses, cabins, condominiums, dormitories, hostels, mobile homes, trailers and vacation homes;
- (c) a dwelling operated by a club or association, whether or not a membership is required for use of the dwelling;
- (d) that part of a ship or train in which lodging is provided while the ship or train is not in transit or is not making a scheduled stopover in British Columbia.

**Fair market value – boats**

3 For the purposes of paragraph (a.1) of the definition of “fair market value” in section 1 of the Act, the property prescribed is the tangible personal property referred to in section 34 (1) [*marine safety equipment*] of the Provincial Sales Tax Exemption and Refund Regulation.

**Meal**

- 4 For the purposes of the definition of “meal” in section 1 of the Act, the following meals are prescribed:
- (a) a continental breakfast;
  - (b) a snack.

**Passenger vehicle**

- 5 (1) For the purposes of paragraph (a) of the definition of “passenger vehicle” in section 1 of the Act, the following motor vehicles are excluded:
- (a) a truck that is larger than a 3/4 ton truck;
  - (b) a van that is larger than a 3/4 ton van;
  - (c) a camperized van that is designed to be used primarily for accommodation during travel or recreation and that contains built-in sleeping facilities, a built-in stove and one or more of the following:
    - (i) a built-in sink;
    - (ii) a built-in refrigerator;
    - (iii) a built-in cooler;
  - (d) a motor home, as defined in the *Motor Vehicle Act*;
  - (e) a bus, as defined in the *Motor Vehicle Act*;
  - (f) an ambulance;
  - (g) a hearse;
  - (h) a motorcycle, as defined in the *Motor Vehicle Act*, with an engine capacity of 250 cc or less.
- (2) For the purposes of paragraph (b) of the definition of “passenger vehicle” in section 1 of the Act, the following vehicles are prescribed:
- (a) a truck that
    - (i) is or is smaller than a 3/4 ton truck, and
    - (ii) is not designed primarily as a means of transport for individuals;
  - (b) a van that
    - (i) is or is smaller than a 3/4 ton van, and
    - (ii) is not designed primarily as a means of transport for individuals;
  - (c) a station wagon, as defined in the *Motor Vehicle Act*.

**Portable building**

- 6 For the purposes of paragraph (f) of the definition of “portable building” in section 1 of the Act, the following buildings are prescribed:
- (a) a fabric-covered building;
  - (b) a fibreglass storage unit;
  - (c) a cargo container;
  - (d) a portable toilet building that is self-contained and designed for use by a single person;
  - (e) a hoop house;
  - (f) a greenhouse;

- (g) a switch house.

**Sale – incidental provision of tangible personal property**

- 7 (1) In this section, “**original**” and “**master**” mean the first final version and do not include any subsequent copies.
- (2) For the purposes of paragraph (k) of the definition of “sale” in section 1 of the Act, the provision of tangible personal property, software or a telecommunication service is merely incidental to a contract for the provision of services that are not subject to tax under the Act in the following prescribed circumstances:
- (a) in respect of the contract,
    - (i) the fundamental and overriding objective of the contract is the acquisition of the service and not the acquisition of the tangible personal property, software or telecommunication service,
    - (ii) there is no separate purchase price for the tangible personal property, software or telecommunication service, and
    - (iii) the total consideration payable for the service, including the tangible personal property, software or telecommunication service provided, is the same as, or only marginally different from, what would be the total consideration payable for the service if the tangible personal property, software or telecommunication service were not provided;
  - (b) the tangible personal property, software or telecommunication service is an original blueprint provided by an engineer or architect under a contract for professional services;
  - (c) the tangible personal property is a scale model provided by an engineer or architect under a contract for professional services;
  - (d) the tangible personal property, software or telecommunication service is a master audio recording provided under a contract with a recording studio for the use of the recording studio’s facilities and professional services;
  - (e) the tangible personal property, software or telecommunication service is a master recording, intended for general distribution, of
    - (i) a motion picture production,
    - (ii) a television production,
    - (iii) a radio production, or
    - (iv) a training video or filmprovided under a contract with a producer for professional services;
  - (f) the tangible personal property, software or telecommunication service is an original graphic design provided by a graphic designer under a contract for professional services;
  - (g) the tangible personal property, software or telecommunication service is the original design of advertising material provided under a contract for professional services.

## **Division 2 – Purchase Price**

### **Purchase price if accommodation purchased with other services**

- 8 (1) For the purposes of section 19 (3) [*original purchase price of accommodation*] of the Act, the following services are prescribed:
- (a) the services of a guide;
  - (b) the provision of hunting, fishing or horseback-riding equipment;
  - (c) the provision of fishing boats, riding horses or other types of transportation.
- (2) For the purposes of section 19 (3) of the Act, a prescribed person is a collector who
- (a) operates a fishing lodge or guest ranch, or
  - (b) is one of the following:
    - (i) a guide, as defined in the *Wildlife Act*;
    - (ii) a guide for fish, as defined in the *Wildlife Act*;
    - (iii) a transporter, as defined in section 5.01 of the *Wildlife Act Commercial Activities Regulation*.
- (3) For the purposes of section 19 (3) of the Act, the amount attributed to the purchase of accommodation is as follows:
- (a) if accommodation is also offered by the person prescribed under subsection (2) of this section without meals or services prescribed under subsection (1) of this section, the purchase price at which accommodation without meals or those services is offered;
  - (b) if paragraph (a) does not apply, the lesser of
    - (i) 15% of the amount equal to the total value of the consideration accepted by the person prescribed under subsection (2) of this section, including without limitation a price in money and the value of services accepted by that person, as the price or on account of the price of the accommodation, meals and services prescribed under subsection (1) of this section, and
    - (ii) \$100 per day.

### **Purchase price of legal services – excluded fees and charges**

- 9 For the purposes of section 20 (2) (a) [*original purchase price of legal services*] of the Act, fees and charges for the transmission, printing or copying of documents are prescribed as excluded if the amount of the fees or charges is reasonably related to the cost of the transmission, printing or copying of documents incurred by the person providing the legal services.

### **Depreciated purchase price of tangible personal property**

- 10 (1) In this section, “**partial year**”, in relation to tangible personal property, means a period that is less than a year and in which the tangible personal property was used by the person liable to pay tax under the Act.
- (2) For the purposes of section 25 of the Act, the following tangible personal property is prescribed:



- (a) aircraft;
- (b) railway rolling stock;
- (c) vehicles;
- (d) vessels;
- (e) equipment;
- (f) furnishings;
- (g) affixed machinery.

- (3) For the purposes of section 25 (2) (a) of the Act, the depreciated value of tangible personal property prescribed under subsection (2) of this section is the amount determined by the following formula:

$$\text{depreciated value} = \text{purchase price} - [\text{purchase price} \times \text{rate}]$$

where

purchase price = the purchase price of the tangible personal property under section 9 (a) to (d.2) of the Act;

rate = the rate of depreciation determined as follows:

- (a) in relation to aircraft, the total of
  - (i) 25% for each year that the aircraft was used by the person liable to pay tax under the Act, and
  - (ii) 2.0833% for each 30-day period in a partial year that the aircraft was used by the person liable to pay tax under the Act;
- (b) in relation to railway rolling stock or equipment mounted on railway rolling stock, the total of
  - (i) 10% for each year that the railway rolling stock or equipment was used by the person liable to pay tax under the Act, and
  - (ii) 0.8333% for each 30-day period in a partial year that the railway rolling stock or equipment was used by the person liable to pay tax under the Act;
- (c) in relation to a vehicle or equipment mounted on a vehicle, the total of
  - (i) 30% for each year that the vehicle or equipment was used by the person liable to pay tax under the Act, and
  - (ii) 2.5% for each 30-day period in a partial year that the vehicle or equipment was used by the person liable to pay tax under the Act;
- (d) in relation to a vessel or equipment mounted on a vessel, the total of
  - (i) 15% for each year that the vessel or equipment was used by the person liable to pay tax under the Act, and
  - (ii) 1.25% for each 30-day period in a partial year that

- the vessel or equipment was used by the person liable to pay tax under the Act;
- (e) in relation to equipment, furnishings or affixed machinery not described in paragraph (a), (b), (c) or (d), the total of
  - (i) 20% for each year that the equipment, furnishings or affixed machinery was used by the person liable to pay tax under the Act, and
  - (ii) 1.667% for each 30-day period in a partial year that the equipment, furnishings or affixed machinery was used by the person liable to pay tax under the Act.
- (4) For the purposes of subsection (3), depreciation must be determined separately for each item of equipment mounted on railway rolling stock, a vehicle or a vessel.
- (5) For the purposes of subsection (3), the use of tangible personal property by the person referred to in that subsection must be computed to the nearest 30-day period, with at least 15 days of use counted as one 30-day period.

**Purchase price of accommodation if bundled purchase with meals**

- 11** For the purposes of section 26 (6) of the Act, the amount attributed to the purchase of accommodation is as follows:
  - (a) if accommodation without meals is also offered by the seller or the person from whom the accommodation is acquired, the purchase price at which accommodation without meals is offered;
  - (b) subject to paragraph (a) of this section, if accommodation with only one meal per day is also offered by the seller or the person from whom the accommodation is acquired, the purchase price at which the accommodation and one meal is offered;
  - (c) subject to paragraphs (a) and (b), if accommodation with 2 or more meals per day is also offered by the seller or the person from whom the accommodation is acquired, 60% of the purchase price at which the accommodation and meals are offered.

## **PART 2 – TAX PAYMENT AGREEMENTS**

**When director may enter into agreement**

- 12** (1) Subject to subsection (2), the director may enter into an agreement referred to in section 32 of the Act with a person if
  - (a) the person has, over the preceding 3-year period, a history of compliance with the tax payment, collection and remittance requirements of the Act that is satisfactory to the director,
  - (b) the person has, over the portion of the preceding 3-year period that is before April 1, 2013, a history of compliance with the tax payment,

collection and remittance requirements of the *Social Service Tax Act* and the *Excise Tax Act*,

- (c) the person maintains accounting and inventory management systems that the director is satisfied would ensure accurate remittance of tax in accordance with the agreement,
  - (d) the person is a registrant, and
  - (e) the person submits to the director
    - (i) an application in a form specified by the director, and
    - (ii) any information required by the director.
- (2) The director may enter into an agreement referred to in section 32 of the Act with a person if, in addition to the circumstances established under subsection (1) of this section,
- (a) the person owns or operates a commercial rail service that offers interprovincial or international rail transportation of passengers or goods to members of the public for a fee, or
  - (b) the person has, in the previous 3 calendar years,
    - (i) purchased or leased an average per calendar year of not less than \$250 000 worth of machinery, equipment or software eligible for an exemption from tax under Part 5 [*Production Machinery and Equipment*] of the Provincial Sales Tax Exemption and Refund Regulation, and received an exemption under that Part of that regulation on an average per calendar year of at least \$125 000 worth of that machinery, equipment or software,
    - (ii) purchased an average per calendar year of not less than \$250 000 worth of tangible personal property stored in inventory for later use either inside or outside British Columbia and received a refund of tax under section 158 [*property shipped out of British Columbia*] of the Act on an average per calendar year on at least \$125 000 worth of that property, or
    - (iii) both
      - (A) purchased or leased machinery, equipment or software referred to in subparagraph (i) of this paragraph and purchased the tangible personal property referred to in subparagraph (ii) worth a total on an average per calendar year of at least \$250 000, and
      - (B) received an exemption referred to in subparagraph (i) and a refund referred to in subparagraph (ii) in relation to an average per calendar year of at least \$125 000 worth of machinery, equipment and software or tangible personal property.
- (3) For the purposes of applying subsection (2) (b) in relation to the 2009 to 2013 calendar years, that subsection is to be applied as if
- (a) the Act and Part 5 of the Provincial Sales Tax Exemption and Refund Regulation were in force at the time the machinery, equipment or software referred to in subsection (2) (b) (i) of this section was purchased or leased

or the tangible personal property referred to in subsection (2) (b) (ii) was purchased, and

(b) the person received the exemptions and refunds referred to in subsection (2) (b) to which the person would have been entitled if the Act and Part 5 of that regulation were in force at that time.

(4) Subsection (1) (b) is repealed on April 1, 2016.

(5) Subsection (3) is repealed on January 1, 2017.

**Requirements when making purchases that are subject to agreement**

- 13
- (1) If the director enters into an agreement with a person under section 32 of the Act, the director must issue an agreement number to the person.
  - (2) For the purposes of section 32 (3) (b) of the Act, a person who has entered into an agreement with the director under section 32 of the Act must pay tax to a collector if the person does not provide to the collector, at or before the time the tax is payable, the agreement number issued to that person under subsection (1) of this section.
  - (3) For the purposes of section 32 (6) of the Act, a collector is relieved of the obligation to levy and collect tax if the collector, at or before the time the tax is payable, obtains from a person who alleges that the person has entered into an agreement under section 32 of the Act the agreement number issued to that person under subsection (1) of this section.
  - (4) If a collector obtains a person's agreement number in accordance with subsection (3), the collector must
    - (a) provide the person with a receipt, bill or invoice in relation to the sale or lease unless the collector has entered into a written agreement with the person, and
    - (b) record the agreement number on the receipt, bill, invoice or agreement.
  - (5) A collector who does not collect tax from a person who claims, but is not entitled to, a benefit under an agreement entered into under section 32 of the Act is exempt from the application of section 203 (1) *[failure to levy tax]* of the Act if the collector has complied with subsection (4) of this section.

**Prescribed date for payment of tax under agreement**

- 14
- For the purposes of section 32 (5) of the Act, the prescribed date is,
- (a) if the person's reporting period is a period of one or more months, the earlier of
    - (i) the last day of the month after the end of the person's reporting period in which the tangible personal property or software is used other than the use of storing, keeping or retaining the tangible personal property or software for any purpose, and
    - (ii) the last day of the month after the end of the person's reporting period that includes the month that is 12 months after the month in which the tangible personal property is purchased or leased or the software is purchased, or

- (b) if the person's reporting period is not a period of one or more months, the earlier of
  - (i) 30 days after the last day of the person's reporting period in which the tangible personal property or software is used other than the use of storing, keeping or retaining the tangible personal property or software for any purpose, and
  - (ii) 30 days after the last day of the person's reporting period that includes the last day of the month that is 12 months after the month in which the tangible personal property is purchased or leased or the software is purchased.

## **PART 3 – TAXES IN RELATION TO TANGIBLE PERSONAL PROPERTY**

### **Division 1 – General**

#### **Document requirements for section 30 of Act**

- 15** For the purposes of section 30 (7) (b) [*when tax is payable in respect of vehicles*] of the Act, in relation to a person who alleges that tax has been levied in accordance with section 179 [*collection and remittance of tax by collector*] of the Act in respect of a vehicle, the Insurance Corporation of British Columbia is required to obtain a receipt, bill, invoice or other document that shows the tax as a separate item on the document.

#### **Calculation and payment of tax in respect of vehicles used in petroleum or natural gas exploration or development**

- 16** (1) In this section, “**month**” has the same meaning as in the *Interpretation Act*.
- (2) For the purposes of section 51 (9) (a) of the Act, the amount of tax payable under section 51 (3) of the Act in relation to tangible personal property is equal to 1/36th of the tax that would, but for section 51 of the Act, be payable under section 49 of the Act by the person to whom section 51 of the Act applies in relation to the tangible personal property.
- (3) For the purposes of section 51 (9) (b) of the Act, the prescribed period is a month.
- (4) For the purposes of section 51 (9) (c) of the Act, the prescribed date for the payment of tax under section 51 (3) of the Act by a person who is not a registrant is the last day of the calendar month after the month in which the property is used in British Columbia.

#### **Prescribed number of days for section 53 of Act**

- 17** For the purposes of section 53 [*exemption if less than minimum threshold use in British Columbia*] of the Act, the prescribed number of days is
- (a) 41 days for barge-mounted cranes that have a lifting capacity of greater than 100 metric tonnes if those cranes are relieved, under the Vessel Duties Reduction or Removal Regulations (Canada), SOR/90-304, from customs duties, or

- (b) 6 days for all other tangible personal property.

**Prescribed parts for Division 6 of Part 3 of Act**

- 18 For the purposes of paragraph (b) (i) of the description of “BC usage” in sections 60 (2), 63 (3) and 64 (2) of the Act, the following parts are prescribed:
- (a) an aircraft engine;
  - (b) an aircraft airframe.

**Prescribed jurisdictions for section 70 of Act**

- 19 For the purposes of section 70 (2) [*when tax under section 69 must be paid*] of the Act, prescribed jurisdictions are those jurisdictions that are member jurisdictions in the International Registration Plan.

**Prescribed date for section 80.3 of Act**

- 20 For the purposes of section 80.3 (3) of the Act, the prescribed date is as follows:
- (a) if the tax is payable by a person who is not a registrant and the tangible personal property is used so that it ceases to be personal property at common law before the contractor obtains a refund under section 80.2 of the Act in relation to the tangible personal property, the last day of the month after the month in which the contractor obtained the refund under section 80.2 of the Act in relation to the tangible personal property;
  - (b) if the tax is payable by a person who is not a registrant and the tangible personal property is not used so that it ceases to be personal property at common law before the contractor obtains a refund under section 80.2 of the Act in relation to the tangible personal property, the last day of the month after the month in which the tangible personal property is used in a manner such that the tangible personal property ceases to be personal property at common law;
  - (c) if the tax is payable by a registrant, the registrant’s reporting period is a period of one or more months and the tangible personal property is used so that it ceases to be personal property at common law before the contractor obtains a refund under section 80.2 of the Act in relation to the tangible personal property, the last day of the month after the end of the registrant’s reporting period in which the contractor obtained the refund under section 80.2 of the Act in relation to the tangible personal property;
  - (d) if the tax is payable by a registrant, the registrant’s reporting period is a period of one or more months and the tangible personal property is not used so that it ceases to be personal property at common law before the contractor obtains a refund under section 80.2 of the Act in relation to the tangible personal property, the last day of the month after the end of the registrant’s reporting period in which the tangible personal property is used in a manner such that the tangible personal property ceases to be personal property at common law;
  - (e) if the tax is payable by a registrant, the registrant’s reporting period is not a period of one or more months and the tangible personal property is used so that it ceases to be personal property at common law before the contractor obtains a refund under section 80.2 of the Act in relation to the tangible personal property, 30 days after the last day of the registrant’s

reporting period in which the contractor obtained the refund under section 80.2 of the Act in relation to the tangible personal property;

- (f) if the tax is payable by a registrant, the registrant's reporting period is not a period of one or more months and the tangible personal property is not used so that it ceases to be personal property at common law before the contractor obtains a refund under section 80.2 of the Act in relation to the tangible personal property, 30 days after the last day of the registrant's reporting period in which the tangible personal property is used in a manner such that the tangible personal property ceases to be personal property at common law.

**Prescribed provisions for section 82.1 of Act**

- 21 For the purposes of section 82.1 (1) (a) *[tax on parts or material if property containing parts or material used for new purpose]* of the Act, the following provisions of the Provincial Sales Tax Exemption and Refund Regulation are prescribed:

- (a) section 40 (3) *[printers and publishers]*;
- (b) section 46 (3) *[farmers]*;
- (c) section 48 (3) *[commercial fishers]*;
- (d) section 49 (3) *[aquaculturists]*;
- (e) section 108 *[parts and materials]*.

**Prescribed provisions for section 82.2 of Act**

- 22 For the purposes of section 82.2 (1) (a) *[tax if conditions for exemption not maintained for specified period]* of the Act, the following provisions of the Provincial Sales Tax Exemption and Refund Regulation are prescribed:

- (a) section 149 *[tangible personal property transferred between related corporations]*;
- (b) section 151 *[tangible personal property transferred to new corporation – wholly owned and controlled]*;
- (c) section 152 *[tangible personal property transferred to new corporation – not wholly owned and controlled]*.

**Prescribed date for section 102 of Act**

- 23 For the purposes of section 102 (3) of the Act, the prescribed date for the payment of tax under section 102 (1) or (2) of the Act is the following applicable date:

- (a) if the tax is payable by a person who is not a registrant, the last day of the month after the month in which the person enters into the agreement;
- (b) if the tax is payable by a registrant and the registrant's reporting period is a period of one or more months, the last day of the month after the end of the registrant's reporting period in which the person enters into the agreement;
- (c) if the tax is payable by a registrant and the registrant's reporting period is not a period of one or more months, 30 days after the last day of the registrant's reporting period in which the person enters into the agreement.

#### Prescribed provisions for section 103 of Act

- 24 For the purposes of section 103 (3) (d) of the Act, the following provisions of the Provincial Sales Tax Exemption and Refund Regulation are prescribed:
- (a) Part 2 [*Exemptions in Relation to Tangible Personal Property*];
  - (b) Part 5 [*Production Machinery and Equipment*];
  - (c) Part 9 [*Related Party Asset Transfers*].

#### **Division 2 – Change in Use of Motor Vehicle by Dealer or Manufacturer**

#### Interpretation

- 25 (1) In this Division:
- “dealer”** has the same meaning as in section 84.1 of the Act;
  - “dealer-use vehicle”**, in relation to a dealer, means a motor vehicle that is readily available for sale or lease by the dealer;
  - “donated vehicle”** means a motor vehicle that
    - (a) is readily available for sale or lease, except while being provided to organizers or participants referred to in paragraph (b),
    - (b) is provided by the manufacturer or dealer, at the manufacturer or dealer’s own expense, to organizers of or participants in a community event,
    - (c) is returned to the manufacturer or dealer at the conclusion of the event, and
    - (d) is, on return under paragraph (c), either returned to the sale or lease inventory of the manufacturer or dealer, or sold by the manufacturer or dealer;
  - “manufacturer”** has the same meaning as in section 84.1 of the Act;
  - “parts delivery or shuttle vehicle”**, in relation to a dealer, means a motor vehicle that is readily available for sale or lease by the dealer and is used by the dealer to transport motor vehicle parts or the dealer’s customers.
- (2) For the purpose of the definition of “dealer-use vehicle” in subsection (1), a vehicle is not readily available for sale or lease if the vehicle
- (a) is dedicated to a specific use, including, without limitation, a vehicle used for racing or as a tow truck, or
  - (b) is not usually left on the business premises of the dealer during normal business hours.
- (3) For the purpose of the definition of “donated vehicle” in subsection (1), a vehicle is not readily available for sale or lease if the vehicle is not usually left on the business premises of the manufacturer or dealer during normal business hours when the vehicle is not being used during a community event.

#### Change in use of motor vehicle by dealer

- 26 (1) In this section, **“business vehicle”**, in relation to a dealer for a month, means the following:



- (a) a dealer-use vehicle that is used in the month only for a use prescribed under subsection (3) (a) (iii);
  - (b) a donated vehicle that is used in the month only for a use prescribed under subsection (3) (b);
  - (c) a parts delivery or shuttle vehicle that is used in the month only for a use prescribed under subsection (3) (c).
- (2) The following motor vehicles are prescribed for the purposes of section 84.1 (2) and (3) of the Act:
- (a) a dealer-use vehicle;
  - (b) a donated vehicle;
  - (c) a parts delivery or shuttle vehicle.
- (3) The following uses of a motor vehicle prescribed under subsection (2) are prescribed for the purposes of section 84.1 (2) and (3) of the Act:
- (a) in relation to a dealer-use vehicle, use in one or more of the following ways:
    - (i) by a dealer, or by an officer, salesperson or employee of the dealer, for any purpose related to the dealer's business as a motor dealer;
    - (ii) by a dealer, or by an officer, salesperson or employee of the dealer, for transportation between home and the dealer's place of business;
    - (iii) as a courtesy car;
  - (b) in relation to a donated vehicle, use by the organizers of or participants in a community event solely for use during the event;
  - (c) in relation to a parts delivery or shuttle vehicle, use only in one or both of the following ways:
    - (i) by a dealer, or by an officer, salesperson or employee of the dealer, to transport motor vehicle parts in the course of the dealer's business;
    - (ii) by a dealer, or by an officer, salesperson or employee of the dealer, to transport the dealer's customers while the customers' vehicles are being serviced in the course of the dealer's business.
- (4) For the purposes of section 84.1 (2) and (3) of the Act, the amount of tax payable by a dealer in respect of the dealer-use vehicles that are used in a month only for a use prescribed under subsection (3) (a) (i) or (ii) of this section is equal to the amount calculated by the following formula:

$$\text{tax payable} = 1.75\% (\text{average vehicle value} \times \text{users} \times \text{applicable percentage})$$

where

- average vehicle value = the dealer's average vehicle value for the month as determined under subsection (5);
- users = the number of the dealer's employees authorized to use dealer-use vehicles, other than courtesy cars, during that month;

applicable percentage = as follows:

- (a) 7%, if the dealer's average vehicle value for the month is less than \$55 000;
- (b) 8%, if the dealer's average vehicle value for the month is \$55 000 or more but less than \$56 000;
- (c) 9%, if the dealer's average vehicle value for the month is \$56 000 or more but less than \$57 000;
- (d) 10%, if the dealer's average vehicle value for the month is \$57 000 or more.

(5) For the purposes of subsection (4), a dealer's average vehicle value for a month is equal to the amount determined by the following formula:

$$\text{average vehicle value} = \frac{\text{total value}}{\text{total vehicles}}$$

where

total value = the total of the following applicable amounts in respect of each vehicle that at the end of the month is in the dealer's sale or lease inventory for British Columbia in which the dealer-use vehicles are held:

- (a) the total consideration paid for the vehicle by the dealer;
- (b) the costs and expenses described in section 10 (2) (f) of the Act and incurred by the dealer in respect of the vehicle;
- (c) the dealer's costs in manufacturing the vehicle;
- (d) if tax is payable under section 84.1 (3) of the Act, the total consideration paid by the dealer for the tangible personal property that is exempt from tax under section 141 (1) (a) of the Act and that has been processed, fabricated or manufactured into, attached to or incorporated into the vehicle;

total vehicles = the total number of vehicles that at the end of the month are in the dealer's sale or lease inventory for British Columbia in which the dealer-use vehicles are held.

(6) For the purposes of section 84.1 (2) and (3) of the Act, the amount of tax payable by a dealer in respect of vehicles that, in a month, are business vehicles of the dealer is equal to the amount calculated by the following formula:

$$\text{tax payable} = 1.75\% (\text{average vehicle value} \times \text{number of vehicles} \times \text{applicable percentage})$$

where

- average vehicle value = the dealer's average vehicle value for the month as determined under subsection (7);
- number of vehicles = the number of vehicles used by the dealer as business vehicles during that month;
- applicable percentage = as follows:
- (a) 7%, if the dealer's average vehicle value for the month is less than \$55 000;
  - (b) 8%, if the dealer's average vehicle value for the month is \$55 000 or more but less than \$56 000;
  - (c) 9%, if the dealer's average vehicle value for the month is \$56 000 or more but less than \$57 000;
  - (d) 10%, if the dealer's average vehicle value for the month is \$57 000 or more.

(7) For the purposes of subsection (6), a dealer's average vehicle value for a month is equal to the amount determined by the following formula:

$$\text{average vehicle value} = \frac{\text{total value}}{\text{total vehicles}}$$

where

- total value = the total of the following applicable amounts in respect of each vehicle that at the end of the month is in the dealer's sale or lease inventory for British Columbia in which the dealer's business vehicles are held:
- (a) the total consideration paid for the vehicle by the dealer;
  - (b) the costs and expenses described in section 10 (2) (f) of the Act and incurred by the dealer in respect of the vehicle;
  - (c) the dealer's costs in manufacturing the vehicle;
  - (d) if tax is payable under section 84.1 (3) of the Act, the total consideration paid by the dealer for the tangible personal property that is exempt from tax under section 141 (1) (a) of the Act and that has been processed, fabricated or manufactured into, attached to or incorporated into the vehicle;
- total vehicles = the total number of vehicles that at the end of the month are in the dealer's sale or lease inventory for British Columbia in which the dealer's business vehicles are held.

#### **Change in use of motor vehicle by manufacturer**

- 27 (1) Donated vehicles are prescribed for the purposes of section 84.1 (4) and (5) of the Act.

- (2) In relation to a donated vehicle prescribed under subsection (1), use of the vehicle by the organizers of or participants in a community event solely for use during the event is prescribed for the purposes of section 84.1 (4) and (5) of the Act.
- (3) For the purposes of section 84.1 (4) and (5) of the Act, the amount of tax payable by a manufacturer in respect of a donated vehicle used for a use prescribed under subsection (2) of this section is equal to the amount calculated by the following formula:

$$\text{tax payable} = 1.75\% (\text{average vehicle cost} \times \text{number of vehicles} \times \text{applicable percentage})$$

where

average vehicle cost = the manufacturer's average vehicle cost for the month as determined under subsection (4);

number of vehicles = the number of vehicles used as donated vehicles during that month;

applicable percentage = as follows:

- (a) 7%, if the manufacturer's average vehicle cost for the month is less than \$55 000;
- (b) 8%, if the manufacturer's average vehicle cost for the month is \$55 000 or more but less than \$56 000;
- (c) 9%, if the manufacturer's average vehicle cost for the month is \$56 000 or more but less than \$57 000;
- (d) 10%, if the manufacturer's average vehicle cost for the month is \$57 000 or more.

- (4) For the purposes of subsection (3), a manufacturer's average vehicle cost for a month is equal to the amount determined by the following formula:

$$\text{average vehicle cost} = \frac{\text{total value}}{\text{total vehicles}}$$

where

total value = the total of the following applicable amounts in respect of each vehicle that at the end of the month is in the manufacturer's sale or lease inventory for British Columbia in which the donated vehicles are held or, if the manufacturer does not have a sale or lease inventory for British Columbia, in respect of all of the manufacturer's donated vehicles that are in British Columbia at the end of the month:

- (a) the costs and expenses described in section 10 (2) (f) of the Act and incurred by the

manufacturer in respect of the vehicle;

- (b) the manufacturer's costs in manufacturing the vehicle;
- (c) if tax is payable under section 84.1 (5) of the Act, the total consideration paid by the manufacturer for the tangible personal property that is exempt from tax under section 141 (1) (a) of the Act and that has been processed, fabricated or manufactured into, attached to or incorporated into the vehicle;

total vehicles = one of the following:

- (a) the total number of vehicles that at the end of the month are in the manufacturer's sale or lease inventory for British Columbia in which the donated vehicles are held;
- (b) if the manufacturer does not have a sale or lease inventory for British Columbia, the total number of the manufacturer's donated vehicles that are in British Columbia at the end of the month.

#### **Prescribed date for section 84.1 of Act**

28 For the purposes of section 84.1 (6) of the Act, the prescribed date is the following applicable date:

- (a) if the dealer or manufacturer is a registrant and the dealer or manufacturer's reporting period is a period of one or more months, the last day of the month after the end of the dealer or manufacturer's reporting period in which the motor vehicle is used for the use prescribed for the purposes of section 84.1 (2), (3), (4) or (5) of the Act;
- (b) if the dealer or manufacturer is a registrant and the dealer or manufacturer's reporting period is not a period of one or more months, 30 days after the last day in the dealer or manufacturer's reporting period in which the motor vehicle is used for the use prescribed for the purposes of section 84.1 (2), (3), (4) or (5) of the Act;
- (c) in any other case, the last day of the month after the month in which the motor vehicle is used for the use prescribed for the purposes of section 84.1 (2), (3), (4) or (5) of the Act.

### **PART 4 – TAXES IN RELATION TO SOFTWARE**

#### **Prescribed period for section 107 of Act**

29 For the purposes of the descriptions of "BC usage" and "total usage" in section 107 (2) of the Act, the prescribed period is,

- (a) if the software is software referred to in paragraph (a) of the definition of "software" in section 1 of the Act and the purchaser is referred to in section 107 (1) (b) (i) of the Act, 3 years beginning on the date the purchaser purchased the software,

- (b) if the software is software referred to in paragraph (a) of the definition of “software” in section 1 of the Act and the purchaser is referred to in section 107 (1) (b) (ii) of the Act, 3 years beginning on the date the purchaser first uses the software or allows the software to be used on or with an electronic device ordinarily situated in British Columbia, or
- (c) if the software is software referred to in paragraph (b) of the definition of “software” in section 1 of the Act, the shortest of the following periods:
  - (i) the term of the right to use the software;
  - (ii) if the purchaser is referred to in section 107 (1) (b) (i) of the Act, 3 years beginning on the date the purchaser purchased the software;
  - (iii) if the purchaser is referred to in section 107 (1) (b) (ii) of the Act, 3 years beginning on the date the purchaser first uses the software or allows the software to be used on or with an electronic device ordinarily situated in British Columbia.

**Prescribed provisions for section 109.1 of Act**

- 30** For the purposes of section 109.1 (1) (a) *[tax if conditions of exemption for software not maintained for specified period]* of the Act, the following provisions of the Provincial Sales Tax Exemption and Refund Regulation are prescribed:
- (a) section 153 *[software transferred between related corporations];*
  - (b) section 154 *[software transferred to new corporation – wholly owned and controlled];*
  - (c) section 155 *[software transferred to new corporation – not wholly owned and controlled].*

**PART 5 – TAXES IN RELATION TO TAXABLE SERVICES**

**Telephone services**

- 31** (1) If the purchase price for a telecommunication service that is a telephone service provided by means of a coin-operated telephone is, at the time of using the service, to be paid by coin, the amount of tax payable under the Act on the purchase is, subject to subsection (2), as follows:

<b>Purchase Price</b>	<b>Tax</b>
Less than \$0.65	0¢
\$0.65 to \$1.35	5¢
\$1.40 to \$2.05	10¢
\$2.10 to \$2.75	15¢
\$2.80 to \$3.45	20¢
\$3.50 to \$4.20	25¢
\$4.25 to \$4.90	30¢
\$4.95 to \$5.60	35¢
\$5.65 to \$6.35	40¢
\$6.40 to \$7.05	45¢

<b>Purchase Price</b>	<b>Tax</b>
\$7.10 to \$7.75	50¢
\$7.80 to \$8.45	55¢
\$8.50 to \$9.20	60¢
\$9.25 to \$9.90	65¢
\$9.95 to \$10.60	70¢

- (2) If the purchase price for a telecommunication service referred to in subsection (1) is in excess of \$10.60, the amount of tax payable under the Act on the purchase is equal to the amount determined by the following formula and rounded up to the next multiple of \$0.05:

$$\text{amount} = \frac{[(\text{purchase price} \times 1.4) - \$0.90]}{20}$$

## **PART 6 – PRESCRIBED DATES FOR PAYMENT OF TAX BY REGISTRANTS**

### **Division 1 – Tangible Personal Property**

#### **Section 30 of Act – when tax is payable in respect of vehicles**

- 32** For the purposes of section 30 (1.1) (c) of the Act, the prescribed date is,
- (a) if the registrant's reporting period is a period of one or more months, the last day of the month after the end of the registrant's reporting period,
    - (i) in the case of section 37 of the Act, in which the vehicle is purchased at a sale in British Columbia,
    - (ii) in the case of section 49 or 52 of the Act, that includes the entry date of the vehicle, or
    - (iii) in the case of section 100 (1) of the Act, in which the registrant receives the gift of the vehicle, or
  - (b) if the registrant's reporting period is not a period of one or more months, 30 days after the last day of the registrant's reporting period,
    - (i) in the case of section 37 of the Act, in which the vehicle is purchased at a sale in British Columbia,
    - (ii) in the case of section 49 or 52 of the Act, that includes the entry date of the vehicle, or
    - (iii) in the case of section 100 (1) of the Act, in which the registrant receives the gift of the vehicle.

#### **Section 31 of Act – when tax is payable in respect of gifts of boats or aircraft**

- 33** For the purposes of section 31 (3) of the Act, the prescribed date is,

- (a) if the registrant's reporting period is a period of one or more months, the last day of the month after the end of the registrant's reporting period in which the registrant receives the gift of the boat or aircraft, or
- (b) if the registrant's reporting period is not a period of one or more months, 30 days after the last day of the registrant's reporting period in which the registrant receives the gift of the boat or aircraft.

**Section 41 of Act – tax if leased property used  
in British Columbia during rental period**

- 34 For the purposes of section 41 (5) of the Act, the prescribed date is,
- (a) if the registrant's reporting period is a period of one or more months, the last day of the month after the end of the registrant's reporting period in which the rental period ends, or
  - (b) if the registrant's reporting period is not a period of one or more months, 30 days after the last day of the registrant's reporting period in which the rental period ends.

**Section 42 of Act – tax if balance of lease price  
becomes due on breach of lease**

- 35 For the purposes of section 42 (2.1) of the Act, the prescribed date is,
- (a) if the registrant's reporting period is a period of one or more months, the last day of the month after the end of the registrant's reporting period in which the payment referred to in section 42 (1) (b) of the Act becomes due under the terms of the lease, or
  - (b) if the registrant's reporting period is not a period of one or more months, 30 days after the last day of the registrant's reporting period in which the payment referred to in section 42 (1) (b) of the Act becomes due under the terms of the lease.

**Section 51 of Act – tax if tangible personal property  
brought into British Columbia for temporary use**

- 36 (1) For the purposes of section 51 (10) of the Act, the prescribed date for the payment of tax under section 51 (3) of the Act by a registrant in relation to tangible personal property to which section 51 (9) of the Act does not apply is,
- (a) if the registrant's reporting period is a period of one or more months, the last day of the month after the end of the registrant's reporting period in which the tangible personal property is first used in British Columbia during the calculation year in respect of which tax is payable, or
  - (b) if the registrant's reporting period is not a period of one or more months, 30 days after the last day of the registrant's reporting period in which the tangible personal property is first used in British Columbia during the calculation year in respect of which tax is payable.
- (2) For the purposes of section 51 (10) of the Act, the prescribed date for the payment of tax under section 51 (3) of the Act by a registrant in relation to tangible personal property to which section 51 (9) of the Act applies is,



- (a) if the registrant's reporting period is a period of one or more months, the last day of the month after the end of the registrant's reporting period in which the tangible personal property is used in British Columbia, or
- (b) if the registrant's reporting period is not a period of one or more months, 30 days after the last day of the registrant's reporting period in which the tangible personal property is used in British Columbia.

**Section 51.1 of Act – tax if tangible personal property  
no longer for temporary use**

- 37 For the purposes of section 51.1 (5) of the Act, the prescribed date is,
- (a) if the registrant's reporting period is a period of one or more months, the last day of the month after the end of the registrant's reporting period in which the registrant uses the tangible personal property, or allows the tangible personal property to be used, for a purpose other than for temporary use, or
  - (b) if the registrant's reporting period is not a period of one or more months, 30 days after the last day of the registrant's reporting period in which the registrant uses the tangible personal property, or allows the tangible personal property to be used, for a purpose other than for temporary use.

**Section 60 of Act – tax if conveyance purchased in  
British Columbia for interjurisdictional use**

- 38 For the purposes of section 60 (4) of the Act, the prescribed date is,
- (a) if the registrant's reporting period is a period of one or more months, the last day of the month after the end of the registrant's reporting period in which the registrant purchased the conveyance or the part for a conveyance, or
  - (b) if the registrant's reporting period is not a period of one or more months, 30 days after the last day of the registrant's reporting period in which the registrant purchased the conveyance or the part for a conveyance.

**Sections 61, 61.1 and 62 of Act – lease of conveyance**

- 39 For the purposes of sections 61 (6) *[tax if sale and lease-back of conveyance]*, 61.1 (8) *[tax if sale and lease-back of conveyance for which tax paid under former Act]* and 62 (6) *[tax if leased conveyance used in British Columbia]* of the Act, the prescribed date is,
- (a) if the registrant's reporting period is a period of one or more months, the last day of the month after the end of the registrant's reporting period in which the rental period ends, or
  - (b) if the registrant's reporting period is not a period of one or more months, 30 days after the last day of the registrant's reporting period in which the rental period ends.

**Section 63 of Act – tax if conveyance brought into  
and used in British Columbia**

- 40 For the purposes of section 63 (5) of the Act, the prescribed date is,

- (a) if the registrant's reporting period is a period of one or more months, the last day of the month after the end of the registrant's reporting period that includes the entry date of the taxable conveyance, or
- (b) if the registrant's reporting period is not a period of one or more months, 30 days after the last day of the registrant's reporting period that includes the entry date of the taxable conveyance.

**Section 64 of Act – tax if change in use of conveyance acquired for resale**

- 41** For the purposes of section 64 (4) of the Act, the prescribed date is,
- (a) if the registrant's reporting period is a period of one or more months, the last day of the month after the end of the registrant's reporting period in which the registrant first becomes a user of the conveyance, or
  - (b) if the registrant's reporting period is not a period of one or more months, 30 days after the last day of the registrant's reporting period in which the registrant first becomes a user of the conveyance.

**Section 66 of Act – adjustment of tax**

- 42** For the purposes of section 66 (3.1) of the Act, the prescribed date is,
- (a) if the registrant's reporting period is a period of one or more months, the last day of the month after the end of the registrant's reporting period in which the relevant period ends, or
  - (b) if the registrant's reporting period is not a period of one or more months, 30 days after the last day of the registrant's reporting period in which the relevant period ends.

**Section 80.4 of Act – tax if change in use of tangible personal property used to improve real property**

- 43** For the purposes of section 80.4 (4) of the Act, the prescribed date is,
- (a) if the registrant's reporting period is a period of one or more months, the last day of the month after the end of the registrant's reporting period in which the registrant first uses the tangible personal property, or allows the tangible personal property to be used, as referred to in section 80.4 (1) (c) of the Act, or
  - (b) if the registrant's reporting period is not a period of one or more months, 30 days after the last day of the registrant's reporting period in which the registrant first uses the tangible personal property, or allows the tangible personal property to be used, as referred to in section 80.4 (1) (c) of the Act.

**Section 80.5 of Act – transitional tax on tangible personal property used by contractor to improve real property**

- 44** For the purposes of section 80.5 (5) of the Act, the prescribed date is,
- (a) if the registrant's reporting period is a period of one or more months, the last day of the month after the end of the registrant's reporting period in which the registrant uses the tangible personal property in a manner such that the tangible personal property ceases to be personal property at common law, or

- (b) if the registrant's reporting period is not a period of one or more months, 30 days after the last day of the registrant's reporting period in which the registrant uses the tangible personal property in a manner such that the tangible personal property ceases to be personal property at common law.

**Section 80.7 of Act – transitional tax on tangible personal property incorporated into property subject to tax under *New Housing Transition Tax and Rebate Act***

45 For the purposes of section 80.7 (7) of the Act, the prescribed date is,

- (a) if the registrant's reporting period is a period of one or more months, the last day of the month after the end of the registrant's reporting period in which the tangible personal property is incorporated into the property referred to in section 80.7 (2) (b) of the Act, or
- (b) if the registrant's reporting period is not a period of one or more months, 30 days after the last day of the registrant's reporting period in which the tangible personal property is incorporated into the property referred to in section 80.7 (2) (b) of the Act.

**Section 80.8 of Act – transitional tax on mobile homes affixed to land situated in British Columbia**

46 For the purposes of section 80.8 (6) of the Act, the prescribed date is,

- (a) if the registrant's reporting period is a period of one or more months, the last day of the month after the end of the registrant's reporting period in which the mobile home is affixed to land as referred to in section 80.8 (2) (b) of the Act, or
- (b) if the registrant's reporting period is not a period of one or more months, 30 days after the last day of the registrant's reporting period in which the mobile home is affixed to land as referred to in section 80.8 (2) (b) of the Act.

**Section 81 of Act – tax if change in use of property acquired for resale**

47 For the purposes of section 81 (4) of the Act, the prescribed date is,

- (a) if the registrant's reporting period is a period of one or more months, the last day of the month after the end of the registrant's reporting period in which the registrant first becomes a user of the tangible personal property, or
- (b) if the registrant's reporting period is not a period of one or more months, 30 days after the last day of the registrant's reporting period in which the registrant first becomes a user of the tangible personal property.

**Section 82 of Act – tax if property used for new purpose**

48 For the purposes of section 82 (4) of the Act, the prescribed date is,

- (a) if the registrant's reporting period is a period of one or more months, the last day of the month after the end of the registrant's reporting period in which the registrant first uses the tangible personal property, or allows the tangible personal property to be used, as referred to in section 82 (1) (b) of the Act, or

- (b) if the registrant's reporting period is not a period of one or more months, 30 days after the last day of the registrant's reporting period in which the registrant first uses the tangible personal property, or allows the tangible personal property to be used, as referred to in section 82 (1) (b) of the Act.

**Section 82.1 of Act – tax on parts or material if property containing parts or material used for new purpose**

**49** For the purposes of section 82.1 (4) of the Act, the prescribed date is,

- (a) if the registrant's reporting period is a period of one or more months, the last day of the month after the end of the registrant's reporting period in which the registrant first uses the tangible personal property, or allows the tangible personal property to be used, as referred to in section 82.1 (1) (b) of the Act, or
- (b) if the registrant's reporting period is not a period of one or more months, 30 days after the last day of the registrant's reporting period in which the registrant first uses the tangible personal property, or allows the tangible personal property to be used, as referred to in section 82.1 (1) (b) of the Act.

**Section 82.2 of Act – tax if conditions for exemption not maintained for specified period**

**50** For the purposes of section 82.2 (4) of the Act, the prescribed date is,

- (a) if the registrant's reporting period is a period of one or more months, the last day of the month after the end of the registrant's reporting period in which the conditions referred to in section 82.2 (1) of the Act are not maintained, or
- (b) if the registrant's reporting period is not a period of one or more months, 30 days after the last day of the registrant's reporting period in which the conditions referred to in section 82.2 (1) of the Act are not maintained.

**Section 82.3 of Act – tax if change in use of vehicle, boat or aircraft exempt from tax under *Consumption Tax Rebate and Transition Act***

**51** For the purposes of section 82.3 (5) of the Act, the prescribed date is,

- (a) if the registrant's reporting period is a period of one or more months, the last day of the month after the end of the registrant's reporting period in which the registrant first uses the tangible personal property, or allows the tangible personal property to be used, as referred to in section 82.3 (2) (b) of the Act, or
- (b) if the registrant's reporting period is not a period of one or more months, 30 days after the last day of the registrant's reporting period in which the registrant first uses the tangible personal property, or allows the tangible personal property to be used, as referred to in section 82.3 (2) (b) of the Act.

**Section 83 of Act – tax if change in use of property acquired for lease**

**52** For the purposes of section 83 (3) of the Act, the prescribed date is,

- (a) if the registrant's reporting period is a period of one or more months, the last day of the month after the end of the registrant's reporting period in

which the registrant first ceases to capitalize the property as lease inventory in the registrant's business accounting records, or

- (b) if the registrant's reporting period is not a period of one or more months, 30 days after the last day of the registrant's reporting period in which the registrant first ceases to capitalize the property as lease inventory in the registrant's business accounting records.

**Section 84 of Act – tax if change in use of resulting tangible personal property**

**53** For the purposes of section 84 (3) of the Act, the prescribed date is,

- (a) if the registrant's reporting period is a period of one or more months, the last day of the month after the end of the registrant's reporting period in which the registrant first becomes a user of the tangible personal property first mentioned in section 84 (1) (b) of the Act, or
- (b) if the registrant's reporting period is not a period of one or more months, 30 days after the last day of the registrant's reporting period in which the registrant first becomes a user of the tangible personal property first mentioned in section 84 (1) (b) of the Act.

**Section 85 of Act – tax if change in use of prototype**

**54** For the purposes of section 85 (4) of the Act, the prescribed date is,

- (a) if the registrant's reporting period is a period of one or more months, the last day of the month after the end of the registrant's reporting period in which the earliest of the following occurs:
  - (i) the registrant first becomes a user of the prototype or copy of the prototype;
  - (ii) the consideration for use of the prototype or copy of the prototype is paid;
  - (iii) the consideration for use of the prototype or copy of the prototype becomes due, or
- (b) if the registrant's reporting period is not a period of one or more months, 30 days after the last day of the registrant's reporting period in which the earliest of the following occurs:
  - (i) the registrant first becomes a user of the prototype or copy of the prototype;
  - (ii) the consideration for use of the prototype or copy of the prototype is paid;
  - (iii) the consideration for use of the prototype or copy of the prototype becomes due.

**Section 87 of Act – tax if recording exhibited**

**55** For the purposes of section 87 (3) of the Act, the prescribed date is,

- (a) if the registrant's reporting period is a period of one or more months, the last day of the month after the end of the registrant's reporting period in which the motion picture is exhibited, or

- (b) if the registrant's reporting period is not a period of one or more months, 30 days after the last day of the registrant's reporting period in which the motion picture is exhibited.

## **Division 2 – Software**

### **Section 106 of Act – tax on use of software on device in British Columbia**

- 56** For the purposes of section 106 (5) of the Act, the prescribed date is,
- (a) if the registrant's reporting period is a period of one or more months, the last day of the month after the end of the registrant's reporting period in which the software is first used as referred to in section 106 (1) (a) or (b) of the Act, or
  - (b) if the registrant's reporting period is not a period of one or more months, 30 days after the last day of the registrant's reporting period in which the software is first used as referred to in section 106 (1) (a) or (b) of the Act.

### **Section 107 of Act – tax on business use of software on devices in and outside British Columbia**

- 57** For the purposes of section 107 (4) of the Act, the prescribed date is,
- (a) if section 107 (1) (b) (i) of the Act applies to the registrant in relation to the software and the registrant's reporting period is a period of one or more months, the last day of the month after the end of the registrant's reporting period in which the software is purchased,
  - (b) if section 107 (1) (b) (i) of the Act applies to the registrant in relation to the software and the registrant's reporting period is not a period of one or more months, 30 days after the last day of the registrant's reporting period in which the software is purchased,
  - (c) if section 107 (1) (b) (ii) of the Act applies to the registrant in relation to the software and the registrant's reporting period is a period of one or more months, the last day of the month after the end of the registrant's reporting period in which the registrant first uses that software or allows that software to be used as referred to in section 107 (1) (b) (ii) of the Act, or
  - (d) if section 107 (1) (b) (ii) of the Act applies to the registrant in relation to the software and the registrant's reporting period is not a period of one or more months, 30 days after the last day of the registrant's reporting period in which the registrant first uses that software or allows that software to be used as referred to in section 107 (1) (b) (ii) of the Act.

### **Section 108 of Act – adjustment of tax under section 107 of Act**

- 58** For the purposes of section 108 (4.1) of the Act, the prescribed date is,
- (a) if the registrant's reporting period is a period of one or more months, the last day of the month after the end of the registrant's reporting period in which the BC usage ends, or
  - (b) if the registrant's reporting period is not a period of one or more months, 30 days after the last day of the registrant's reporting period in which the BC usage ends.

#### **Section 109 of Act – tax if use of software changes**

- 59** For the purposes of section 109 (3) of the Act, the prescribed date is,
- (a) if the registrant's reporting period is a period of one or more months, the last day of the month after the end of the registrant's reporting period in which the registrant first uses the software, or allows the software to be used, as referred to in section 109 (1) (b) of the Act, or
  - (b) if the registrant's reporting period is not a period of one or more months, 30 days after the last day of the registrant's reporting period in which the registrant first uses the software, or allows the software to be used, as referred to in section 109 (1) (b) of the Act.

#### **Section 109.1 of Act – tax if conditions of exemption for software not maintained for specified period**

- 60** For the purposes of section 109.1 (4) of the Act, the prescribed date is,
- (a) if the registrant's reporting period is a period of one or more months, the last day of the month after the end of the registrant's reporting period in which the conditions referred to in section 109.1 (1) of the Act are not maintained, or
  - (b) if the registrant's reporting period is not a period of one or more months, 30 days after the last day of the registrant's reporting period in which the conditions referred to in section 109.1 (1) of the Act are not maintained.

#### **Section 110 of Act – tax if change in use of resulting software or tangible personal property**

- 61** For the purposes of section 110 (3) of the Act, the prescribed date is,
- (a) if the registrant's reporting period is a period of one or more months, the last day of the month after the end of the registrant's reporting period in which the registrant first becomes
    - (i) a user of the software first referred to in section 110 (1) (b) of the Act, or
    - (ii) a user of the tangible personal property referred to in section 110 (1) (b) of the Act, or
  - (b) if the registrant's reporting period is not a period of one or more months, 30 days after the last day of the registrant's reporting period in which the registrant first becomes
    - (i) a user of the software first referred to in section 110 (1) (b) of the Act, or
    - (ii) a user of the tangible personal property referred to in section 110 (1) (b) of the Act.

### **Division 3 – Taxable Services**

#### **Section 117.1 of Act – tax if resulting property used for new purpose**

- 62** For the purposes of section 117.1 (4) of the Act, the prescribed date is,
- (a) if the registrant's reporting period is a period of one or more months, the last day of the month after the end of the registrant's reporting period in which the registrant first uses the resulting tangible personal property, or

allows the resulting tangible personal property to be used, as referred to in section 117.1 (2) (b) of the Act, or

- (b) if the registrant's reporting period is not a period of one or more months, 30 days after the last day of the registrant's reporting period in which the registrant first uses the resulting tangible personal property, or allows the resulting tangible personal property to be used, as referred to in section 117.1 (2) (b) of the Act.

**Section 120 of Act – tax if related service provided outside British Columbia**

- 63 For the purposes of section 120 (4) of the Act, the prescribed date is,
- (a) if the registrant's reporting period is a period of one or more months, the last day of the month after the end of the registrant's reporting period in which the registrant subsequently brings or sends into British Columbia, or receives delivery of in British Columbia, the tangible personal property, or
  - (b) if the registrant's reporting period is not a period of one or more months, 30 days after the last day of the registrant's reporting period in which the registrant subsequently brings or sends into British Columbia, or receives delivery of in British Columbia, the tangible personal property.

**Section 120.1 of Act – tax if change in use of related service**

- 64 For the purposes of section 120.1 (3) of the Act, the prescribed date is,
- (a) if the registrant's reporting period is a period of one or more months, the last day of the month after the end of the registrant's reporting period in which the registrant subsequently uses the related service, or allows the related service to be used, as referred to in section 120.1 (1) (b) of the Act, or
  - (b) if the registrant's reporting period is not a period of one or more months, 30 days after the last day of the registrant's reporting period in which the registrant subsequently uses the related service, or allows the related service to be used, as referred to in section 120.1 (1) (b) of the Act.

**Section 123.2 of Act – tax if change in use of accommodation purchased for resale**

- 65 For the purposes of section 123.2 (6) of the Act, the prescribed date is,
- (a) if the registrant's reporting period is a period of one or more months, the last day of the month after the end of the registrant's reporting period in which the registrant first becomes a user of the accommodation, or
  - (b) if the registrant's reporting period is not a period of one or more months, 30 days after the last day of the registrant's reporting period in which the registrant first becomes a user of the accommodation.

**Section 123.3 of Act – tax if accommodation used for new purpose**

- 66 For the purposes of section 123.3 (5) of the Act, the prescribed date is,
- (a) if the registrant's reporting period is a period of one or more months, the last day of the month after the end of the registrant's reporting period in



which the registrant first uses the accommodation, or allows the accommodation to be used, as referred to in section 123.3 (1) (b) or (2) (b) of the Act, or

- (b) if the registrant's reporting period is not a period of one or more months, 30 days after the last day of the registrant's reporting period in which the registrant first uses the accommodation, or allows the accommodation to be used, as referred to in section 123.3 (1) (b) or (2) (b) of the Act.

**Section 130.1 of Act – tax on telecommunication service  
purchased substantially for resale**

- 67 For the purposes of section 130.1 (3) of the Act, the prescribed date is,
- (a) if the registrant's reporting period is a period of one or more months, the last day of the month after the end of the registrant's reporting period in which the telecommunication service is purchased, or
  - (b) if the registrant's reporting period is not a period of one or more months, 30 days after the last day of the registrant's reporting period in which the telecommunication service is purchased.

**Section 130.2 of Act – additional tax on telecommunication  
service purchased substantially for resale**

- 68 For the purposes of section 130.2 (5) of the Act, the prescribed date is,
- (a) if the registrant's reporting period is a period of one or more months, the last day of the month after the end of the registrant's reporting period that includes the month referred to in section 130.2 (1) (b) of the Act, or
  - (b) if the registrant's reporting period is not a period of one or more months, 30 days after the last day of the registrant's reporting period that includes the end of the month referred to in section 130.2 (1) (b) of the Act.

**Section 130.3 of Act – tax on telecommunication service  
if no longer substantially for resale**

- 69 For the purposes of section 130.3 (5) of the Act, the prescribed date is,
- (a) if the registrant's reporting period is a period of one or more months, the last day of the month after the end of the registrant's reporting period that includes the month referred to in section 130.3 (1) (b) of the Act, or
  - (b) if the registrant's reporting period is not a period of one or more months, 30 days after the last day of the registrant's reporting period that includes the end of the month referred to in section 130.3 (1) (b) of the Act.

**Section 132.1 of Act – tax if telecommunication  
service used for new purpose**

- 70 For the purposes of section 132.1 (3) of the Act, the prescribed date is,
- (a) if the registrant's reporting period is a period of one or more months, the last day of the month after the end of the registrant's reporting period in which the registrant first uses the telecommunication service, or allows the telecommunication service to be used, as referred to in section 132.1 (1) (b) of the Act, or

- (b) if the registrant's reporting period is not a period of one or more months, 30 days after the last day of the registrant's reporting period in which the registrant first uses the telecommunication service, or allows the telecommunication service to be used, as referred to in section 132.1 (1) (b) of the Act.

**Section 133 of Act – tax if motion picture exhibited**

- 71 For the purposes of section 133 (3) of the Act, the prescribed date is,
- (a) if the registrant's reporting period is a period of one or more months, the last day of the month after the end of the registrant's reporting period in which the motion picture is exhibited, or
  - (b) if the registrant's reporting period is not a period of one or more months, 30 days after the last day of the registrant's reporting period in which the motion picture is exhibited.

**PART 7 – TAX COLLECTION**

**Division 1 – Tax Remittance**

**Prescribed date for remitting tax**

- 72 (1) For the purposes of section 179 (2) [*remittance of tax by collector*] of the Act, the prescribed date is,
- (a) if the collector's reporting period is a period of one or more months, the last day of the month after the end of the collector's reporting period in which the amount of tax under the Act is levied by the collector, or
  - (b) if the collector's reporting period is not a period of one or more months, 30 days after the last day of the collector's reporting period in which the amount of tax under the Act is levied by the collector.
- (2) For the purposes of section 179 (3) [*remittance of amounts collected*] of the Act, the prescribed date is the last day of the month after the month in which the amount referred to in that section is collected.
- (3) For the purposes of section 179 (4) [*remittance of tax by direct seller*] of the Act, the prescribed date is,
- (a) if the direct seller's reporting period is a period of one or more months, the last day of the month after the end of the direct seller's reporting period in which the amount of tax under section 99 (4) of the Act is collected by the direct seller, or
  - (b) if the direct seller's reporting period is not a period of one or more months, 30 days after the last day of the direct seller's reporting period in which the amount of tax under section 99 (4) of the Act is collected by the direct seller.

**Prescribed manner for remitting tax**

- 73 For the purposes of section 179 (2), (3) and (4) of the Act, the prescribed manner is as follows:

- (a) if the person remitting the tax had a total of \$1.5 million or more of sales or leases of property or services in Canada in the previous 12 months, by an electronic method specified by the director;
- (b) in any other case,
  - (i) by an electronic method specified by the director,
  - (ii) by a money order or cheque delivered to a Service BC Centre, a participating savings institution or a government office specified by the director,
  - (iii) by a money order or cheque mailed to the director at an address specified by the director,
  - (iv) by cash delivered to a Service BC Centre, a participating savings institution or a government office specified by the director, if cash is accepted as a manner of payment at that location, or
  - (v) by use of a debit card at a Service BC Centre or a government office specified by the director, if the use of a debit card is accepted as a manner of payment at that location.

#### **Allowance for registrants**

- 74 (1) For the purposes of section 185 of the Act, the prescribed allowance in respect of a reporting period is the amount set out in column 2 of the following table opposite the amount of tax, set out in column 1 of the table, remitted as required under the Act for the reporting period, other than tax imposed under section 123 of the Act:

<b>Column 1</b> <b>Amount of Tax Remitted</b>	<b>Column 2</b> <b>Allowance</b>
\$0 – \$22	The amount of tax remitted
\$22.01 – \$333.33	\$22
more than \$333.33	6.6% of the tax remitted to a maximum of \$198

- (2) For the purposes of section 185 of the Act, the following conditions and limitations apply in respect of the deduction of an allowance by a registrant:
- (a) a registrant may not deduct more than one allowance for a reporting period if the registrant has more than one place of business in British Columbia or remits tax to the government more than once during a reporting period;
  - (b) if a registrant has been issued more than one registration number, the registrant may deduct an allowance for tax remitted in relation to only one registration number.

### **Division 2 – Filing of Collector's Return**

#### **Collector's return for each registration number**

- 75 If a registrant has been issued more than one registration number, the registrant must file a separate collector's return for each registration number.

#### **Collector's return for each designated accommodation area**

- 76 Subject to section 75, if a collector levies tax imposed under section 123 of the Act, the collector must file separate collector's returns as follows:
- (a) for each designated accommodation area in respect of which the collector levies tax under section 123 of the Act, a collector's return that relates only to the tax imposed under that section in that designated accommodation area;
  - (b) a collector's return that relates to all other tax under the Act that the collector levies.

#### **Prescribed date for filing collector's return**

- 77 (1) For the purposes of section 186 (1) [*collector's returns*] of the Act, the prescribed date for the filing of a collector's return by a collector is,
- (a) if the collector's reporting period is a period of one or more months, the last day of the month after the end of the collector's reporting period, or
  - (b) if the collector's reporting period is not a period of one or more months, 30 days after the last day of the collector's reporting period.
- (2) For the purposes of section 186 (1) of the Act, the prescribed date for the filing of a collector's return by a person referred to in section 186 (1) (b) or (c) of the Act is the last day of the month after the month in which the amount referred to in section 186 (1) (b) or (c) of the Act is collected.

#### **Prescribed manner for filing collector's return**

- 78 For the purposes of section 186 (1) of the Act, the prescribed manner is as follows:
- (a) if the person remitting the tax had a total of \$1.5 million or more of sales or leases of property or services in Canada in the previous 12 months, by an electronic method specified by the director;
  - (b) in any other case,
    - (i) by an electronic method specified by the director,
    - (ii) by delivery to a Service BC Centre, a participating savings institution or a government office specified by the director, or
    - (iii) by mail to the director at an address specified by the director.

### **Division 3 – Payment of Tax and Filing of Taxpayer Return**

#### **Manner for payment of tax**

- 79 (1) If a person who is not a registrant must pay tax imposed under any of the sections referred to in section 192 (1) of the Act, the person must pay the tax in one of the following manners:
- (a) by a money order or cheque delivered to a Service BC Centre or a government office specified by the director;
  - (b) by a money order or cheque mailed to the director at an address specified by the director;
  - (c) by cash delivered to a Service BC Centre or a government office specified by the director, if cash is accepted as a manner of payment at that location;

- (d) by use of a debit card at a Service BC Centre or a government office specified by the director, if the use of a debit card is accepted as a manner of payment at that location.
- (2) For the purposes of sections 30 (5), 31 (3), 32 (5), 41 (5), 42 (2.1), 51 (10), 51.1 (5), 60 (4), 61 (6), 61.1 (8), 62 (6), 63 (5), 64 (4), 66 (3.1), 80.4 (4), 80.5 (5), 80.7 (7), 80.8 (6), 81 (4), 82 (4), 82.1 (4), 82.2 (4), 82.3 (5), 83 (3), 84 (3), 85 (4), 87 (3), 106 (5), 107 (4), 108 (4.1), 109 (3), 109.1 (4), 110 (3), 117.1 (4), 120 (4), 120.1 (3), 123.2 (6), 123.3 (5), 130.1 (3), 130.2 (5), 130.3 (5), 132.1 (3) and 133 (3) of the Act, the prescribed manner is as follows:
- (a) by an electronic method specified by the director;
  - (b) by a money order or cheque delivered to a Service BC Centre, a participating savings institution or a government office specified by the director;
  - (c) by a money order or cheque mailed to the director at an address specified by the director;
  - (d) by cash delivered to a Service BC Centre, a participating savings institution or a government office specified by the director, if cash is accepted as a manner of payment at that location;
  - (e) by use of a debit card at a Service BC Centre or a government office specified by the director, if the use of a debit card is accepted as a manner of payment at that location.
- (3) For the purposes of section 80.3 (3), 84.1 (6) and 102 (3) of the Act, if the tax imposed under the section is payable by a registrant, the prescribed manner is as follows:
- (a) by an electronic method specified by the director;
  - (b) by a money order or cheque delivered to a Service BC Centre, a participating savings institution or a government office specified by the director;
  - (c) by a money order or cheque mailed to the director at an address specified by the director;
  - (d) by cash delivered to a Service BC Centre, a participating savings institution or a government office specified by the director, if cash is accepted as a manner of payment at that location;
  - (e) by use of a debit card at a Service BC Centre or a government office specified by the director, if the use of a debit card is accepted as a manner of payment at that location.
- (4) For the purposes of section 80.3 (3), 84.1 (6) and 102 (3) of the Act, if the tax is payable by a person who is not a registrant, the prescribed manner is as follows:
- (a) by a money order or cheque delivered to a Service BC Centre or a government office specified by the director;
  - (b) by a money order or cheque mailed to the director at an address specified by the director;
  - (c) by cash delivered to a Service BC Centre or a government office specified by the director, if cash is accepted as a manner of payment at that location;

- (d) by use of a debit card at a Service BC Centre or a government office specified by the director, if the use of a debit card is accepted as a manner of payment at that location.

#### **Prescribed date for filing taxpayer return**

- 80** For the purposes of section 193 (2) of the Act, the prescribed date is the last day of the month in which the tax imposed under the Act must be paid.

#### **Prescribed manner for filing taxpayer return**

- 81** For the purposes of section 193 (2) of the Act, the prescribed manner is as follows:
- (a) by delivery to a Service BC Centre or a government office specified by the director;
  - (b) by mail to the director at an address specified by the director.

### **Division 4 – When Payments and Returns are Received**

#### **Amount paid or remitted to government**

- 82** A payment or remittance of an amount to the government under the Act is deemed not to be paid or remitted to the government until,
- (a) if the manner of payment or remittance is an electronic method specified by the director, the day of receipt by the government,
  - (b) if the payment or remittance is delivered to a Service BC Centre, a participating savings institution or a government office specified by the director, the day recorded as the day of receipt by the Service BC Centre, participating savings institution or government office,
  - (c) if the payment or remittance is delivered by mail, the day of deposit with Canada Post, and
  - (d) if the payment or remittance is made by use of a debit card at a Service BC Centre or a government office specified by the director, the day recorded as the day of receipt by the Service BC Centre or government office.

#### **Return filed with director**

- 83** A collector's return or a taxpayer return is deemed not to be filed with the director until,
- (a) if the return is filed by an electronic method specified by the director, the day of receipt by the government,
  - (b) if the return is delivered to a Service BC Centre, a participating savings institution or a government office specified by the director, the day recorded as the day of receipt by the Service BC Centre, participating savings institution or government office, and
  - (c) if the return is delivered by mail, the day of deposit with Canada Post.

### **Division 5 – Receipts**

#### **Requirement to provide receipt, bill or invoice**

- 84** A collector must provide a person with a receipt, bill or invoice if
- (a) the collector

- (i) sells or provides tangible personal property, software or a taxable service to the person at a retail sale in British Columbia,
  - (ii) causes tangible personal property to be delivered into British Columbia to the person, or
  - (iii) leases, as lessor, tangible personal property to the person, and
- (b) that person requests a receipt, bill or invoice.

**Tax to be shown on receipt, bill or invoice**

- 85 A collector must show the tax imposed under the Act that is levied by the collector as a separate item on a receipt, bill or invoice if the collector
- (a) levies tax imposed under the Act in relation to
    - (i) a sale or provision of tangible personal property, software or a taxable service at a retail sale, or
    - (ii) a lease of tangible personal property to a lessee, and
  - (b) provides a receipt, bill or invoice in relation to the sale, provision or lease.

**Registration number to be shown on receipt, bill, invoice or written agreement**

- 86 (1) This section applies to a collector if the collector
- (a) provides a receipt, bill or invoice in relation to a sale or provision of tangible personal property, software or a taxable service or a lease of tangible personal property to a lessee, or
  - (b) enters into a written agreement with a purchaser of tangible personal property, software or a taxable service or a lessee of tangible personal property.
- (2) If a collector to whom this section applies obtains a person's registration number in accordance with section 37 (3), (5) or (6), 49 (10), (11) or (12), 92 (2), 93 (4), 123.1 or 130 (2.1) of the Act, the collector must record the person's registration number on the receipt, bill, invoice or written agreement.
- (3) Despite subsection (2), a collector to whom that subsection applies may record the number of a licence issued under the *Liquor Control and Licensing Act* to a person on the receipt, bill, invoice or written agreement instead of the person's registration number if the collector
- (a) sells liquor to the person other than under a special occasion licence, and
  - (b) obtains, in addition to obtaining the person's registration number, the number of the licence issued under that Act to the person.
- (4) If a collector to whom this section applies obtains, in accordance with section 37 (4) (a) of the Act, the account number referred to in that section that is assigned to a person, the collector must record the person's account number on the receipt, bill, invoice or written agreement.
- (5) If a collector to whom this section applies obtains a person's registration number in accordance with section 130 (3) (b) of the Act and section 89 of the Provincial Sales Tax Exemption and Refund Regulation, the collector must record the person's registration number on the receipt, bill, invoice or written agreement.

- (6) If a collector to whom this section applies obtains a person's registration number in accordance with section 145 (1.1) (b) of the Act and section 31 (3), 33 (4), 62, 63 or 70 of the Provincial Sales Tax Exemption and Refund Regulation, the collector must record the person's registration number on the receipt, bill, invoice or written agreement.
- (7) If a collector to whom this section applies obtains a person's registration number in accordance with section 145 (2) (b) of the Act and section 73 (3) of the Provincial Sales Tax Exemption and Refund Regulation, the collector must record the person's registration number on the receipt, bill, invoice or written agreement.
- (8) If a collector to whom this section applies obtains a person's registration number in accordance with section 119 (2), 130 (3) or 145 (1.1) or (2) of the Act because the registration number is information required by the director, the collector must record the person's registration number on the receipt, bill, invoice or written agreement.

**Information respecting modified motor vehicle or modified business vehicle shown on receipt, bill or invoice**

- 87
- (1) A collector who sells a modified motor vehicle to a person at a retail sale in British Columbia, causes a modified motor vehicle to be delivered into British Columbia to a person or leases a modified motor vehicle to a lessee must
    - (a) provide the person with a receipt, bill or invoice in relation to the sale or lease, and
    - (b) record on the receipt, bill or invoice the portion of the price that can reasonably be attributed to those special features or modifications of the vehicle for which the sole purpose is to
      - (i) facilitate the use of the vehicle by, or the transportation of, an individual using a wheelchair, or
      - (ii) equip the vehicle with an auxiliary driving control that facilitates the operation of the vehicle by an individual with a disability.
  - (2) A collector who sells a modified business vehicle to a person at a retail sale in British Columbia or causes a modified business vehicle to be delivered into British Columbia to a person must
    - (a) provide the person with a receipt, bill or invoice in relation to the sale, and
    - (b) record on the receipt, bill or invoice the portion of the price that can reasonably be attributed to the modifications referred to in paragraph (b) of the definition of "modified business vehicle" in section 1 of the Act.
  - (3) A collector who leases a modified business vehicle to a lessee must
    - (a) provide that person with a receipt, bill or invoice in relation to the lease, and
    - (b) record on the receipt, bill or invoice the portion of the fair market value of the modified business vehicle that can reasonably be attributed to the modifications referred to in paragraph (b) of the definition of "modified business vehicle" in section 1 of the Act.



## PART 8 – RECORDS

### Collector records

- 88 (1) A collector must keep records of the following:
- (a) the total value of the consideration accepted by the collector from a sale or lease of tangible personal property;
  - (b) the total value of the consideration accepted by the collector from a sale or provision of software or a taxable service;
  - (c) the total value of the consideration accepted by the collector from all sales or leases of tangible personal property;
  - (d) the total value of the consideration accepted by the collector from all sales or provisions of software or taxable services;
  - (e) the amount of tax levied or collected under the Act;
  - (f) the amount of tax remitted under the Act;
  - (g) a taxable sale, provision or lease of tangible personal property;
  - (h) a taxable sale or provision of software or a taxable service;
  - (i) a non-taxable sale of tangible personal property, including sales for resale;
  - (j) a non-taxable sale of accommodation, including sales for resale;
  - (k) a price reduction in relation to a sale or lease of tangible personal property;
  - (l) a price reduction in relation to a sale or provision of software or a taxable service;
  - (m) a refund or credit provided in relation to a sale or lease of tangible personal property, including the amount of the refund or credit;
  - (n) a refund or credit provided in relation to a sale or provision of software or a taxable service, including the amount of the refund or credit;
  - (o) an exemption from tax under the Act allowed in relation to a sale or lease of tangible personal property, including information and documents obtained in accordance with the Act from a person alleging that the person is exempt from tax;
  - (p) an exemption from tax under the Act allowed in relation to a sale or provision of software or a taxable service, including information and documents obtained in accordance with the Act from a person alleging that the person is exempt from tax;
  - (q) tangible personal property brought or sent into British Columbia, or for which delivery is received in British Columbia, for sale or lease;
  - (r) tangible personal property purchased or taken from inventory in British Columbia by the collector for the collector's own use or consumption, or supplied to the collector's employees if the supply has not been included as a retail sale;
  - (s) software or a taxable service purchased or taken from inventory in British Columbia by the collector for the collector's use or benefit, or supplied to the collector's employees if the supply has not been included as a retail sale;

- (t) registration numbers, declarations and other information and documents obtained in accordance with section 37 (3), (4), (5) or (6), 44 (2), 49 (10), (11) or (12), 92 (2), 93 (4), 95 (3), 105 (3), 119 (2), 123.1, 130 (2.1) or (3) or 145 (1.1) or (2) of the Act.
- (2) A collector must keep an entry in a record referred to in subsection (1) separate and distinguishable from other entries in the record.

#### **Small seller records**

- 89 A small seller must keep records sufficient to furnish the director with the necessary particulars of sales of eligible tangible personal property or software or provisions of taxable services.

#### **Independent sales contractor records**

- 90 An independent sales contractor must keep records sufficient to furnish the director with the necessary particulars of sales of exclusive products and refunds and credits provided in relation to sales of exclusive products.

#### **Records of person who must self-assess tax**

- 91 A person who is required to file a taxpayer return under section 29, 31 or 192 of the Act must keep records of the following as each relates to the taxpayer return:
- (a) the person's purchase of tangible personal property, software or a taxable service at a retail sale in British Columbia;
  - (b) tangible personal property brought or sent into British Columbia or for which delivery is received in British Columbia;
  - (c) a vehicle, boat or aircraft received as a gift;
  - (d) tangible personal property used in British Columbia;
  - (e) software used in British Columbia;
  - (f) the person's use of a taxable service.

#### **Records of person exempt from tax**

- 92 A person who is exempt from paying tax imposed under the Act must keep records sufficient to furnish the director with the necessary particulars of the exemption.

#### **Retention of records**

- 93
- (1) A person who is required to keep records under the Act must retain the records for a period of 5 years from the date the record is created.
  - (2) If a person who is required to retain records under subsection (1) makes a written application to the director for permission to destroy a record, the director may authorize the requested destruction prior to the expiry of the period described in subsection (1).
  - (3) Despite any other provision of this section, if a record might be necessary for the purposes of an appeal under section 211 [*appeal to minister*] or 212 [*appeal to court*] of the Act, the person required to keep records must retain the record after the expiry of the period described in subsection (1) and until the appeals have been exhausted.

## **PART 9 – PENALTIES AND INTEREST**

### **Prescribed circumstance for penalty under section 204 of Act**

- 94 For the purposes of section 204 (1) of the Act, the prescribed circumstance is a circumstance in which
- (a) the person declares that the person would be exempt under Part 5 [*Production Machinery and Equipment*] of the Provincial Sales Tax Exemption and Refund Regulation, other than section 112 [*software related to qualifying machinery or equipment*] or 113 [*services related to qualifying machinery or equipment*], if the person were to purchase the tangible personal property, or
  - (b) the person declares that the person would be exempt under Part 5 of the Provincial Sales Tax Exemption and Refund Regulation, other than section 112 or 113, if the person were to bring or send into British Columbia, or receive delivery of in British Columbia, the tangible personal property.

### **Prescribed circumstance and amount for penalty under section 205 of Act**

- 95 (1) For the purposes of section 205 (c) (i) of the Act, the prescribed circumstance is the failure to remit tax in accordance with the manner prescribed in section 73 (a) of this regulation.
- (2) For the purposes of section 205 (c) (i) of the Act, the prescribed amount is 5% of the amount not remitted in accordance with the manner prescribed in section 73 (a) of this regulation.

### **Calculation of interest**

- 96 Interest payable under the Act must be
- (a) compounded monthly, and
  - (b) calculated on the number of days since the last compounding of interest, or if no compounding has yet occurred, from the date that interest is payable under the Act.

## **PART 10 – CLAIMS OF SOLICITOR-CLIENT PRIVILEGE**

### **Definition**

- 97 In this Division, “**client**” has the same meaning as in section 244 of the Act.

### **Retention or seizure of records for which solicitor-client privilege is claimed**

- 98 (1) If the director is about to inspect, audit or examine a record that is in the possession of a lawyer and the lawyer claims that a client of the lawyer has a solicitor-client privilege in respect of the record,
- (a) the director must not inspect, audit or examine the record, and
  - (b) the lawyer must

- (i) place the record in a package, together with any other records in respect of which the lawyer at the same time makes the same claim on behalf of the same client,
  - (ii) suitably seal and identify the package or, if the director and the lawyer agree, allow pages of the record to be initialled and numbered or otherwise suitably identified, and
  - (iii) retain the package and ensure that the package is preserved until the package is produced to a court under section 99 or 100 and an order under that section is made in respect of the record or until the record is otherwise dealt with in accordance with this regulation.
- (2) If a person acting under the authority of a warrant in relation to a possible contravention of the Act or regulations under the Act is about to seize a record that is in the possession of a lawyer and the lawyer claims that a client of the lawyer has a solicitor-client privilege in respect of the record,
  - (a) the person seizing the record must not inspect, examine or make copies of the record, and
  - (b) that person must
    - (i) seize the record and place the record in a package, together with any other records subject to seizure in respect of which the lawyer at the same time makes the same claim on behalf of the same client,
    - (ii) suitably seal and identify the package, and
    - (iii) place the package in the custody of a sheriff or, if the lawyer and that person agree in writing on another person to act as custodian, in the custody of that other person.
- (3) For the purposes of subsections (1) and (2), if a record is in electronic form only, the lawyer must make a copy of the record in printed, electronic or other form and the person required to place the record in a package must include in the package either the original record or the copy.
- (4) A lawyer who makes a claim under this section must
  - (a) make a reasonable effort to inform the client of the claim, and
  - (b) advise the director in writing as to whether the lawyer informed the client of the claim and, if the client was informed, whether the client waives the claim of solicitor-client privilege.

**Custody of seized documents while claim determined**

- 99** (1) The custodian of a record seized under section 98 (2) must not deliver the record to any person except
- (a) in accordance with an order under section 100 or 101,
  - (b) to the lawyer in accordance with a written consent of the director, or
  - (c) to the director in accordance with a written consent of the lawyer or the client.
- (2) At any time while a record seized under section 98 (2) is in the custody of a custodian, the lawyer who made the claim under that section may apply to the Supreme Court without notice to any other person for an order that

- (a) authorizes the lawyer to examine or make a copy of the record in the presence of the custodian or a judge of the court, and
  - (b) contains provisions that the court considers necessary to ensure that the record is repackaged and the package resealed without alteration or damage.
- (3) If any question arises as to the course to be followed in connection with anything done or being done under this section or section 100 or 101 and there is no direction in this section or section 100 or 101 on the matter, on application, the Supreme Court may give such direction as is in the court's opinion most likely to carry out the object of sections 98 to 101 of allowing solicitor-client privilege for proper purposes.

**Application to court by lawyer or client**

- 100**
- (1) Within 14 days after a record is retained under section 98 (1) or seized under section 98 (2), the lawyer or the client may apply to the Supreme Court by way of a petition proceeding for a determination of whether the client has solicitor-client privilege with respect to the record.
  - (2) In the petition filed under subsection (1), the government must be designated "Her Majesty the Queen in right of the Province of British Columbia".
  - (3) Within 7 days after the filing of the petition under subsection (1), the petition must be served on the government in accordance with section 8 of the *Crown Proceeding Act*.
  - (4) If the person who filed the petition under subsection (1) sets the matter down for hearing, that person must, at least 7 days before the date set for the hearing,
    - (a) serve a notice of hearing on the government and on the custodian of the record, if any, and
    - (b) pay to the custodian, if any, the estimated expenses of transporting the record to and from the place of hearing and of safeguarding the record.
  - (5) The hearing of an application must exclude the public if
    - (a) the lawyer or the client requests that the public be excluded, or
    - (b) the court orders that the public be excluded.
  - (6) On the hearing of an application, the court must,
    - (a) if the court decides that the client has solicitor-client privilege with respect to the record, order the release of the record to the lawyer or the client, or
    - (b) if the court decides that the client does not have solicitor-client privilege with respect to the record,
      - (i) in the case of a record retained under section 98 (1), order that the lawyer make the record available for inspection, audit or examination by the director, or
      - (ii) in the case of a record seized under section 98 (2), order the custodian to deliver the record to the director.
  - (7) The court may inspect the record if the court considers this necessary for the purposes of subsection (6) of this section and, if the inspection is done, the

court must ensure that the record is repackaged and the package resealed and the reasons for judgment must not divulge any details of the record.

#### **Application to court by government**

- 101** (1) The government may apply to the Supreme Court for an order under this section if
- (a) no application under section 100 (1) is commenced within the time limit set by that section in relation to a record that was retained or seized, or
  - (b) the person bringing an application under section 100 does not set the matter down to be heard on a date no later than 30 days after the commencement of the application or a later date agreed to by the government.
- (2) The government must give notice of the hearing to
- (a) the lawyer, and
  - (b) the client, if the identity of the client is known to the government.
- (3) If the identity of the client is not known to the government, a lawyer who is given notice of the hearing under subsection (2) must
- (a) make reasonable efforts to give notice of the hearing to the client, and
  - (b) advise the court as to whether the lawyer gave notice of the hearing to the client.
- (4) A client who is given notice of the hearing under subsection (3) is deemed to have been given notice of the hearing by the government.
- (5) On the hearing of an application under this section, the court may,
- (a) in the case of a record retained under section 98 (1), order that the lawyer make the record available for inspection, audit or examination by the director, or
  - (b) in the case of a record seized under section 98 (2), order the custodian to deliver the record to the director.

### **PART 11 – RECOVERY OF AMOUNTS OWING**

#### **Certificate of lien form**

- 102** The form set out in the Schedule is prescribed for the purposes of section 221 (2) (a) of the Act.

### **PART 12 – OFFENCES AND PENALTIES**

#### **Offences and penalties**

- 103** A person who contravenes section 75, 76, 84, 85, 86 (2), (4), (5), (6), (7) or (8), 87 (1), (2) or (3), 88 (1) or (2), 89, 90, 91, 92 or 93 commits an offence and is liable,
- (a) on the first conviction, to a fine of not less than \$200 and not more than \$500, and

- (b) on a subsequent conviction for contravention of the same or another provision of this regulation, to a fine of not less than \$500 and not more than \$2 000.

## SCHEDULE

(Section 102)

CREST      Province of British Columbia      Ministry of Finance

IN THE MATTER OF THE *PROVINCIAL SALES TAX ACT*, S.B.C. 2012, CHAPTER 35,  
SECTION 221 AND IN THE MATTER OF THE INTEREST

OF ..... [name]

IN .....

..... [P.I.D. number and full legal description of land]

### CERTIFICATE OF LIEN

I certify that:

1 .....  
[Debtor name]

.....  
[Debtor address]

is

- (a) required to pay or remit an amount to the government under the *Provincial Sales Tax Act* but has not paid or remitted that amount, or
- (b) an associated corporation or related individual, as defined in the *Provincial Sales Tax Act*, of a person who is required to pay or remit an amount to the government under the *Provincial Sales Tax Act* and has not paid or remitted that amount.

2 The amount remaining unpaid or unremitted as of the date of this certificate is  
\$.....

AND TAKE NOTICE that on registration of this certificate in the land title office, the amount of the indebtedness to Her Majesty the Queen in right of the Province of British Columbia is a lien against the land described above.

Dated at....., British Columbia on.....[Date]

.....  
Director, *Provincial Sales Tax Act*