

Ministry of Finance

Tax Notice



ISSUED: May 2010

Notice 2010-002

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

Notice to Parking Sellers in the South Coast British Columbia Transportation Service Area

Social Service Tax Act

This notice explains that effective July 1, 2010, the imposition of the parking tax, currently administered by the Ministry of Finance on behalf of the South Coast British Columbia Transportation Authority (TransLink), is being transferred from the *Social Service Tax Act* to the *South Coast British Columbia Transportation Authority Act* and administration of the tax is being transferred to TransLink.

Parking tax payable on, or after, July 1, 2010 is required to be remitted to TransLink. TransLink will be responsible for all administration of the parking tax payable on, or after, July 1, 2010, including vendor registrations, refunds, audits, assessments and collections. In addition, TransLink will be responsible for refunds of the parking tax after July 1, 2010, regardless of whether the tax was paid before, on, or after July 1, 2010.

The Ministry of Finance remains responsible for audits, assessments and collections of parking tax payable prior to July 1, 2010.

Transition Rules

The rate for the parking tax and the type of parking on which the tax applies remains the same during the transition period. However, due to the transfer of administration to TransLink, there are transition rules that will impact your business. The rules determine whether, during the transition period, you must remit the tax you collect to the Ministry of Finance or to TransLink.

Tax Payable to the Ministry of Finance

If the purchase price of the parking right becomes due, or is paid without having become due, before July 1, 2010, then you must remit the tax to the Ministry of Finance

If only a portion of the purchase price of the parking right becomes due, or is paid without having become due, before July 1, 2010, then you must remit the tax payable on that portion of the purchase price that becomes due, or is paid without having become due, before July 1, 2010, to the Ministry of Finance

You remit the tax to the Ministry of Finance using a *Social Service Tax Return (FIN 400)*. The form is available on our website at www.sbr.gov.bc.ca/business/Consumer_Taxes/Provincial_Sales_Tax/forms.htm

You must remit the tax that is payable to the Ministry of Finance on, or before, July 23, 2010, regardless of your filing frequency.

Tax Payable to TransLink

If the purchase price for the parking right becomes due and is paid on, or after, July 1, 2010, then you must remit the tax to TransLink.

If only a portion of the purchase price for the parking right becomes due on, or after, July 1, 2010, and is not paid before July 1, 2010, then you must remit the tax payable on that portion of the purchase price that is not paid before July 1, 2010 and becomes due on, or after, July 1, 2010, to TransLink.

Registration

For the purposes of transition, your existing registration certificate issued by the Ministry of Finance remains valid until you are issued a new registration certificate by TransLink, or December 31, 2010, whichever is earlier.

Refunds

If you or your customer is applying for a refund of the parking tax before July 1, 2010, then you send the application to the Ministry of Finance using an *Application for Refund of Social Service Tax or Hotel Room Tax (FIN 413)*. The form is available on our website at www.sbr.gov.bc.ca/business/Consumer_Taxes/Provincial_Sales_Tax/forms.htm

If you or your customer is applying for a refund of the parking tax on, or after, July 1, 2010, then you apply directly to TransLink for the refund, regardless of whether the tax was paid before, on, or after July 1, 2010.

For general information on how the parking tax applies, please see **Bulletin SST 105, Motor Vehicle Parking**, available on our website at www.sbr.gov.bc.ca/business/Consumer_Taxes/Provincial_Sales_Tax/bulletins.htm

In the near future, TransLink will provide information on their registration, collection and remittance procedures.

For information on TransLink, please see their website at www.translink.ca

Further Information

If you have any questions, please call us toll-free at 1 877 388-4440, or e-mail your questions to CTBTaxQuestions@gov.bc.ca

The information in this notice is for your convenience and guidance and is not a replacement for the legislation. The *Social Service Tax Act* and Regulations are on our website at www.sbr.gov.bc.ca/business/Consumer_Taxes/Provincial_Sales_Tax/legislation.htm