

# Ministry of Finance

## Tax Bulletin



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Bulletin SST 006

[www.fin.gov.bc.ca/rev.htm](http://www.fin.gov.bc.ca/rev.htm)

## Medical Supplies and Equipment

*Social Service Tax Act*

**Do you sell medications or health-related items?**

**Do you provide health-related services?**

This bulletin provides specific tax information to help medical service providers and medical equipment suppliers understand how the social service tax, also called the provincial sales tax (PST), applies to their businesses.

For general PST information that applies to all businesses, such as who needs to register, when general exemptions apply, and how to charge and collect the PST, please read our [Small Business Guide to Provincial Sales Tax \(PST\)](#).

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## Definitions

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A **medicament** is a drug, food or other substance, such as a pill, injection, medicated cream or similar type of item, which contains active ingredients and is used to remedy, treat or prevent a disease or disorder.

A **prescription** is a formula or direction given by a practitioner, as defined under the *Pharmacy Operations and Drug Scheduling Act*, to remedy, treat or prevent a disease or disorder. A practitioner includes doctors, dentists and other health care professionals who are authorized to prescribe medicaments.

## Services

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You do not charge PST on services provided to the non-taxable items listed in this bulletin. For more information, please see [Bulletin SST 018](#), *Taxable Services*.

## Sales

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Effective February 18, 2009, the following medicaments are exempt from PST whether they are sold with, or without, a prescription.

- Drugs listed on Schedule I or IA of the Drug Schedules Regulation.
- Vaccines listed on Schedule I or II of the Drug Schedules Regulation or vaccines that are a veterinary drug within the meaning of the *Veterinary Drugs Act*.

Other medicaments continue to be exempt from PST when sold on the prescription of a practitioner.

## Non-Taxable List

This is a list of non-taxable items sold by medical service providers. This is not a complete list.

Products not on this list may be taxable and may be found on the Taxable List below. If the item is not on either list and you are unsure how PST applies, please contact us.

For more information, please also see [Bulletin SST 003](#), *Equipment and Devices Used by Persons with a Permanent Disability*.

## A

- After Bite salve
- Acne preparations
- Alcohol swabs, pads and wipes
- AlumaFoam fence splints (foam-laminated aluminum splints)
- Analgesics
- Aneurysm clips (permanent)
- Ankle braces, lace up – qualify as orthopaedic appliances
- Antacids
- Antihistamines
- Anti-nauseants
- Anti-parasitic preparations
- Antiphlogistine rubs
- Antiseptics and germicides
- Aprons, lead – for use by radiologists
- Arch Bar Splints
- Arch supports – specially designed orthopaedic
- Artificial limbs, eyes, teeth for implant or attachment to humans
- A.S.A. tablets
- Asthma inhalers, nebulizers, valved holding chambers (aerochambers, optichambers) and masks designed for use with this equipment
- Autosyringe insulin infusion pumps

## B

- Bandages
- Bard Carotid Bypass Shunts – surgically implanted to provide long term access for direct drug or fluid infusion into heart or blood stream
- Beds – composed of sensor and pump controlled, inflating and deflating air cells to relieve the incidence and severity of bedsores for physically disabled or infirm persons
- Breath switch driven mouse emulator to assist quadriplegics in using computers

- Briefs, incontinence
- Bunion pads
- Burn pressure garments (elasticized clothing that support tissue while healing)

## C

- Callous pads, plasters
- Casting materials, (e.g. stockinette, plaster bandages, padding and casting tape)
- Catheters, retention
- Catheter kits (e.g. Curity Foley Cath Trays), and retention catheter collection devices
- Chairs, lift – designed to assist the physically impaired (e.g. Invacare)
- Chest rubs and inhalants
- Closed caption television decoders
- Cloth diapers and liners
- Carbon monoxide (CO) detectors – if they provide an audible warning of danger in a similar manner to smoke detectors
- Cold/hot packs for muscle pain relief
- Cold remedies
- Collection devices for retention catheters
- Compressed medical gases used as breathing air for patients
- Computer software packages – designed solely for use by visually impaired persons
- Contact lenses and samples of disposable contact lenses – when sold on the prescription of an optometrist or physician (see the section below, Dental and Optical Appliance Suppliers)
- Controls – hand or foot controls to operate a vehicle
- Controls to operate electric wheelchairs
- Corn plasters
- Coronary stent – metallic scaffolds permanently implanted to support arteries
- CPR masks, rescue breathing (reusable, qualify as safety equipment)
- Cotton, surgical

- Cough remedies
- Creams, such as for diaper rash and first aid

## D

- Decongestants
- Defibrillators, electrodes and accessories for them – implanted, including sales to hospitals and health care facilities
- Dental appliances and samples of dental appliances – when sold on the prescription of a dentist or physician (see the section below, Dental and Optical Appliance Suppliers)
- Dentures – including adhesives, liners and repair kits
- Diabetic supplies when purchased by, or on behalf of, the diabetic, such as autolets, diabetic testing materials, glucose monitoring units, needles and syringes
- Diapers, cloth
- Diaper liners
- Diaper rash creams and ointments
- Dialysis machines
- Dietary supplements - for human consumption
- Door systems – automated, designed for handicapped persons that consist of a button mounted on the wheel chair or near the door, and an opening device mounted on the door
- Dressings, first aid
- Drugs – see Medicaments

## E

- Ear preparations
- Eczema preparations
- Elastic bandages
- Elbow pads, mattress pads, foot pillows and foot positioners – designed for use by bedridden persons to reduce bed sores
- Electric controls for wheelchairs and scooters
- Elevators, household – designed for persons with a permanent disability
- Epsom salts

- Eyes, artificial
- Eye drops

## F

- First aid kits
- First aid dressings and creams
- Foley trays – designed solely for use of persons with a permanent disability
- Foot pillows, elbow pads, mattress pads and foot positioners – designed for use by bedridden persons to reduce bed sores
- Foot medication, powder and sprays

## G

- Germicides and antiseptics
- Gloves, latex – used by doctors and health-care workers
- Grab poles – floor to ceiling

## H

- Hand cleaners – germicidal or antiseptic
- Hearing devices – designed solely to alert persons with a hearing impairment to various sounds, such as telephone rings, baby cries and doorbells
- Heat liniment
- Helium, prescribed
- Hemorrhoid preparations
- Hernia mesh (inguinal polypropylene hernia repair mesh) – pre-shaped mesh
- Hip belt for a commode
- Holding chambers, valved – deliver drugs in aerosol form from metered dose inhalers
- Hosiery, elastic – for use as a support to varicose veins
- Hot/cold packs for muscle pain relief
- Hoyer patient lifter

## I

- Insulin autosyringe infusion pumps
- Inhalants

- Inhalers
- Intravenous solutions for medicines and pain control
- Isopropyl marketed as rubbing alcohol

## K

- Kidney dialysis machines

## L

- Lactic acid drops or tablets
- Larynges, artificial
- Laryngeal speaking aids
- Latex gloves – used by doctors and health-care workers
- Laxatives
- Lead aprons – used by radiologists
- Lifts (power and manual) – used to lift and transport patients
- Lift chairs – designed to assist the physically impaired (e.g. Invacare)
- Limbs, artificial
- Liniments
- Liquid medical gases – used as a mild sedative during childbirth
- Lotions, medicated
- Lozenges

## M

- Masks – designed for use with inhalers, nebulizers and valved holding chambers
- Masks – reusable rescue breathing for CPR qualify as safety equipment
- Mastectomy prostheses and support garments for such prostheses
- Maternity pads serving the same purpose as sanitary napkins
- Mattress pads, elbow pads, foot pillows and foot positioners – designed for use by bedridden persons to reduce bed sores
- Medical alert transmitters

- Medicaments, if they are:
  - drugs listed on Schedule I or IA of the Drug Schedules Regulation,
  - vaccines listed on Schedule I or II of the Drug Schedules Regulation or vaccines that are a veterinary drug within the meaning of the *Veterinary Drugs Act*, or
  - sold on the prescription of a practitioner.
- Medications - commonly sold as household medical aids that are sold for the purpose of treating, mitigating or preventing a disease or ailment in humans
- Medtronic Carotid Nerve Stimulator – when purchased for use by a chronic invalid

## N

- Nasal sprays or drops
- Nebulizers – when designed solely for the use of persons with a permanent disability, such as asthma
- Needles – when sold to diabetics
- Nitrous oxide – used as an anaesthetic

## O

- Ointments
- OptiChambers with masks for dispensing asthma medication
- Oral contraceptives – only when sold or dispensed on the prescription of a physician
- Orthopaedic appliances:
  - orthopaedic shoes specially constructed, with a doctor's prescription,
  - bone plates, joint and hip prostheses, Smith Peterson nails, bone screws, Kirschner wire, Steinman pins and similar items when used in the internal repair of a bone or joint in the human body,
  - cervical collars and traction apparatus, leg braces, knee cage supports, walking callipers, growth guidance chairs, Denis Browne splints, shoulder abduction splints, congenital dislocation of the hip braces, splints for peripheral nerve injuries, specialized arch supports, and spinal supports including braces and lumbo-sacral, dorso-lumbar and Sacroiliac pelvic belts,

- interior cervical plates that are permanently inserted into the neck to provide support while bones in the neck fuse,
  - cranial fixation bioplates that are permanently inserted and screwed to the skull to cover a hole in the skull,
  - Erich Arch Bars that align and hold fractured jaw bones while they mend, and Link Finger Splints that protect and extend injured finger tips during healing, and
  - accessories for an orthopaedic appliance, such as undersleeves, knee cups and hinge covers, that are attached to, or form part of, the appliance at the time of sale and that are sold with the appliance for a single lump sum.
- Ostomy supplies – must be purchased by, or on behalf of, a person requiring such specialized items for their own use (purchases by doctors or hospitals are taxable):
    - bag covers (to reduce perspiration and skin irritation),
    - bedside urinary drainage sets and parts for same,
    - chiron plast tape, chiron double-sided plasters,
    - disposable drain sleeves,
    - expando-bottle, bedside drain sets,
    - foam pads (ostomy supplies),
    - irrigating kits, curity bedside drainage pads,
    - karaya gum washers, sheets and rings,
    - lavage kits – to relieve obstruction or blockage due to high residue food particles,
    - mucosperse, Uri-Kleen (bag cleaning agents),
    - protex sheets, protex powder pads, double faced adhesive discs, adhesive gaskets, stoma guide strips (to position washer accurately around stoma), ileo cement and plastic lock rings,
    - reliaseals and colly seals,
    - spenco absorption flakes, and
    - stomaseal colostomy dressings.
  - Oxygen, oxygen containers or oxygen dispensing apparatus – purchased for medical or emergency use

- Oxygen concentrators and their humidifier attachments – purchased for medical or emergency use

## P

- Pain relief medications
- Patient lifters
- Permanently implanted medical devices and accessories, such as defibrillators, stents, pacemakers, trachea tubes, vascular patches, peri-strips dry, periguard pericardium and dural repair patches
- Peroxide
- Plaster of paris stockinettes – qualify as orthopaedic appliances
- Polymer patient glides – used to transfer patient between stretcher and bed
- Porous plasters
- Prescription glasses and frames – sold together
- Prostheses – mastectomy and support garments for such prostheses
- Protein supplements – for human consumption
- Psoriasis medication

## R

- Ramps – designed to move a wheelchair into a vehicle or building
- Reading machines for persons with a visual impairment
- Rescue breathing masks and barriers
- Resuscitators – purchased for medical or emergency use
- Retention catheter collection devices
- Rubbing alcohol

## S

- Saline solution
- Salves
- Sanitary napkins, tampons and sanitary belts
- Shoes – orthopaedic shoes specially constructed, with a doctor's prescription
- Shower and bathtub systems – designed to enable a person with a disability to shower or bathe (such as the ARJO bathtub and shower system)

- Sleep preparations
- Soaps – medicated
- Sodium chloride for human consumption
- Software – designed solely for use by visually impaired persons
- Splints
- Stents, coronary (metallic scaffolds permanently implanted to support arteries)
- Sterile water
- Suppositories
- Syringe injectors – when specifically designed for use by persons with a permanent disability or when purchased by, or on behalf of, a diabetic
- Syringes – when purchased by, or on behalf of, a diabetic

## T

- Tampons
- Teeth, artificial
- Transportation devices (e.g. wheelchairs, power operated carriages, elevators and power operated lifts) – designed to facilitate entry into otherwise inaccessible accommodation, or vehicles and replacement batteries purchased for these devices
- Tricycles – custom modified to hold a child with a disability in an upright position

## V

- Vaccines – see Medicaments
- Valved holding chambers – deliver drugs in aerosol form from metered dose inhalers
- Ventilators for dispensing oxygen
- Visual ear – Vu-Phone
- Vitamins – for human consumption

## W

- Worm preparations

## X

- X-rays

## **Taxable List**

This is a list of taxable items sold by medical service providers. This is not a complete list.

Products not on this list may be non-taxable and may be found on the non-taxable list above. If the item is not on either list and you are unsure how PST applies, please contact us.

### **A**

- AC locators – silicone implants sutured to a vein
- Air mattresses, pillows (general use) and wool mattress underlays
- Airway guedels
- Aneurysm clips, temporary
- Anti-embolism stockings
- Arch supports, generic

### **B**

- Basket stretchers and spinal boards used to move an injured person
- Bathboards
- Beds – including hospital style beds (certain beds are exempt under certain conditions, please see the Non-Taxable List above)
- Biohazard waste canisters
- Biomagnetic jewellery
- Blood collection units and transfer packs
- Blood pressure monitors and equipment
- Blood testing reagents
- Breast pads and pumps

### **C**

- Cardiac scanners
- Casting saws and stands
- Carbon dioxide gas injected in veins during operations
- Catheters – used in balloon angioplasty and intravascular stenting procedures
- Cellular telephones

- Chemical reagents used for blood testing
- Clamps
- Clip-on sunglasses – when sold (or itemized) separately from prescription glasses
- Compressors
- Contact lenses and samples of contact lenses without a prescription
- Containers, sterile
- CO<sub>2</sub> detectors that are part of equipment used to treat a patient
- CPR training dolls and body parts

## D

- Defibrillators – external, and ancillary support equipment
- Devices used for diagnosis or treatment
- Diagnostic agents, reagents
- Diagnostic equipment
- Dilators
- Disposable diapers
- Disposal containers for needles and syringes
- Drapes, surgical – for infection control

## E

- Ear candles
- Electronic stimulators
- Emergency safety chairs – designed to evacuate persons with acute and chronic injuries from buildings
- Endotracheal tubes, disposable
- Enema administration kits

## F

- Filters
- First aid training dolls and body parts
- Frames for glasses – when sold separately from prescription lenses

## G

- Gastro intestinal feeding tubes
- Gowns – surgical and patient
- Guedels and sylets

## H

- Helium – not prescribed
- Home automation systems

## I

- Incentive spirometers
- Infant incubators
- Infant intensive care warmer
- Infusion pumps
- Instruments
- Instrument cleaners, lubricants and disinfectants
- Internal vessel occluder
- Intraluminal shunt – temporary/disposable
- Intravascular probes
- Intravenous apparatus
- Intubation tubes
- Irrigation trays and syringes
- Isopropyl marketed as a cleaning supply

## K

- Kangaroo feeding bag infusion pump systems

## L

- Laboratory equipment and supplies
- Lamps or light devices that provide light for treating "winter blues" or SAD syndrome
- Laparoscopic instruments
- Lubricating jelly – used with catheters

## M

- Masks, paper or cloth (with or without a fluid shield) – used by physicians or surgeons
- Massage units
- Medical instrument cleaning and lubricating products
- Medical staples
- Medicine droppers
- Monitors

## N

- Nasal dilators
- Nasopharyngeals
- Niagra Cyclo Massage
- Needle and syringe disposal containers
- Needleless syringes – unless purchased by, or on behalf of, a diabetic
- Needles for blood collection
- Nitrogen, nitrogen mixtures, nitrogen containers and apparatus – purchased by hospitals
- Nursing pads

## O

- Obus Forme orthopaedic brace
- Operating room instruments and equipment
- Orthopaedic appliance accessories, such as undersleeves, knee cups and hinge covers, that **are not** attached to the appliance at the time of sale or that are invoiced separately from the tax exempt appliance
- Orthopaedic appliances used to treat animals

## P

- Patient gowns
- Paper or cloth surgical/dental masks
- Paramedic cardiac scanner
- Peak flow meters
- Pill boxes

- Plastic surgery garments (elasticized clothing that supports soft tissue after cosmetic surgery)
- Portable therapeutic massage units
- Pumps

## Q

- Q-tips

## R

- Respiratory monitors
- Reverse osmosis machine

## S

- Scissors – unless sold in a first aid kit
- Sequential vascular compression devices
- Shoe insoles
- Speaker phones
- Spinal boards and basket stretchers – used to move an injured person
- Spirometers, incentive
- Staples
- Stents – temporarily implanted
- Stethoscopes
- Stockings, anti-embolism
- Surgical gowns – for surgeons or patients
- Surgical instruments
- Surgical markers
- Surgical masks – including masks with fluid shields
- Sutures
- Suture boots
- Swim moulds – used by hearing impaired
- Sylets and guedels – airway management products
- Syringe and needle disposal containers

- Syringe pumps
- Syringes – unless purchased by, or on behalf of, a diabetic

## T

- Tape recorders – used in teaching persons with hearing impairments
- Telephones, cellular telephones and speaker phones
- Therapeutic massage units
- Tourniquets
- Trach care kits and trays
- Trachea tubes, disposable
- Traction equipment
- Tubing

## U

- Underpads – for beds or chairs
- Urine test kits

## V

- Vacutainers – for blood collection

## W

- Wigs
- Wool mattress underlays (e.g. Ultimate)

## X

- X-ray cassette covers

### **Sales to Out-of-Province Customers**

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

### **Sales to Other Retailers**

You do not charge PST on goods sold to other retailers if they provide their PST registration number. When you sell to other retailers, you record their PST registration number on each invoice and keep it in your records to show why you did not charge PST.

## Purchases

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### When to Pay PST

You pay PST on the purchase or lease of new or used goods that you use in your business, such as:

- stationery, furniture and office equipment,
- advertising materials, such as flyers and brochures,
- goods you purchase to give away as free promotions, and
- computer hardware and software (unless custom software).

If your supplier does not charge you PST on the above items, you self-assess and record the PST due at Step 3 of your next tax return.

### When Not to Pay PST

You do not pay PST on the following:

- goods you purchase for resale or lease to your customers,
- prescription optical and dental appliances, such as disposable contact lenses, obtained as samples from appliance suppliers at no charge, and
- containers, labels or packaging materials that are included with your sales at no extra charge to your customers.

To purchase the above items without paying PST, give the supplier your PST registration number.

If you take taxable goods from your resale inventory for business or personal use, you self-assess PST on your cost of the goods.

**Please note:** If you purchase a drug listed on Schedule I or IA of the Drug Schedules Regulation, or a vaccine listed on Schedule I or II of the Drug Schedules Regulation or vaccines that are a veterinary drug within the meaning of the *Veterinary Drugs Act*, you do not pay PST, even if the cost of the drug or vaccine is included in your charge for providing a medical service.

### Pharmaceutical Companies

If you are a pharmaceutical company and provide prescription drug samples to practitioners, you do not self-assess PST on your cost of these items.

## Dental and Optical Appliance Suppliers

If you are an optical or dental appliance supplier and provide prescription optical or dental appliance samples, such as disposable contact lenses, to physicians, opticians, optometrists or dentists, you do not self-assess PST on your cost of these items.

## Purchases from Out-of-Province Suppliers

If you purchase taxable goods from an out-of-province supplier, you pay PST on the total amount that you pay to bring the goods into British Columbia, including charges for transportation, customs, excise, and any other costs, except the goods and services tax (GST). If the supplier does not charge you PST, you self-assess and record the PST due at Step 3 of your next tax return.

### Need more info?

Medical Industry website: [www.sbr.gov.bc.ca/industry\\_specific/medical/medical.htm](http://www.sbr.gov.bc.ca/industry_specific/medical/medical.htm)

Telephone (Vancouver): 604 660-4524

Toll free in Canada: 1 877 388-4440

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

The information in this bulletin 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](http://www.sbr.gov.bc.ca/business/Consumer_Taxes/Provincial_Sales_Tax/legislation.htm)

References: *Social Service Tax Act*, Sections 40 and 71(a)-71(i), and Regulations 2.12, 2.16, 2.17, 2.18, 2.19, 2.20, 2.20.1, 2.31, 2.32, 2.33, 2.45, 3.16, 3.21, 3.25, 3.26, 3.28.3 and 3.35.