

## School Supplies

### *Social Service Tax Act*

#### Do you sell school supplies?

#### Do you sell to both students and schools?

This bulletin provides specific tax information to help retailers who sell school supplies 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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## Sales to Students

### When to Charge PST

You charge PST on sales to students of certain school supplies, such as:

- athletic equipment, including balls, bats, hockey sticks etc. (but not helmets),
- bags not specifically designed to carry school books and supplies, such as briefcases, backpacks, sport bags etc.,

The revision bar ( | ) identifies changes to the previous version of this bulletin dated August 2006.

- books that contain advertising and not solely for educational, technical, cultural or literary purposes, including directories, price lists, rate books, catalogues and reports,
- CDs containing books in electronic format,
- equipment, such as adding machines, calculators, typewriters, computer hardware and software,
- film and photo processing materials,
- highlighter pens or markers,
- music stands, equipment or instruments, and
- theatrical makeup, including brushes and carrying cases (effective August 21, 2006).

For a detailed list of taxable school supplies, please see our website at [www.sbr.gov.bc.ca/industry\\_specific/school\\_supplies/school\\_supplies.htm](http://www.sbr.gov.bc.ca/industry_specific/school_supplies/school_supplies.htm)

### **When Not to Charge PST**

You do not charge PST on sales to students of the following:

- books that are printed and bound that contain no advertising and are published solely for educational, technical, cultural or literary purposes,
- crayons, both wax and pencil,
- drawing instruments, such as geometry sets and stencils,
- drawing paper, graph paper and music manuscript paper,
- erasers,
- foolscap, both lined and unlined paper,
- ink,
- paints and brushes,
- paste,
- pencils,
- pens, other than fountain pens and nibs,
- ring binders,
- rulers,
- school art portfolios,
- schoolbags, and
- work books.

Your customer does not need to fill out any forms to purchase the above items without paying PST.

## Sales to Schools and School Boards

### When to Charge PST

You charge PST on sales to schools and school boards of the following:

- administrative, cleaning and maintenance supplies,
- athletic equipment, including balls, bats, hockey sticks etc. (but not helmets),
- audio and visual aid equipment and material, such as cleaning cloths, display stands, record players, projectors etc.,
- awards and trophies,
- equipment, such as calculators and computer hardware, and parts for the equipment,
- software for administrative purposes, and
- services to repair or maintain taxable equipment (for more information, please see **Bulletin SST 018, Taxable Services**).

### When Not to Charge PST

You do not charge PST on sales to schools or school boards of the following items used in the direct instruction of students:

- arts and crafts materials, including paint brushes and modelling clay,
- audio and visual aid materials, such as film clips and film strips, photographs, slides etc.,
- automotive engine parts and consumable supplies for automotive courses,
- CDs containing books in electronic format,
- items that are quickly consumed, such as paints, paint brushes, pens, pencils, paper, glue and paper clips, and
- materials for courses, such as fabric for home economics courses, gases for science courses, and pipes and fittings for industrial arts courses.

For detailed lists of taxable and non-taxable school supplies, please see our website at [www.sbr.gov.bc.ca/industry\\_specific/school\\_supplies/school\\_supplies.htm](http://www.sbr.gov.bc.ca/industry_specific/school_supplies/school_supplies.htm)

### How to Make Sales to Schools or School Boards

You do not charge PST on sales of certain school supplies to *qualifying* schools and school boards when the items are for the use of students or used in the direct instruction of students. Examples of qualifying schools and school boards are:

- all public schools funded by the Ministry of Education (Kindergarten through Grade 12),

- independent or private schools registered with the province to provide recognized education programs from Kindergarten to Grade 12,
- post-secondary institutions, such as colleges and universities, registered with the province to provide recognized education programs leading to a degree or diploma,
- private career training institutions that are registered **and** accredited with the Private Career Training Institutions Agency ([www.pctia.bc.ca](http://www.pctia.bc.ca)), and
- school boards that act on behalf of a qualifying school.

Music, dance, nursery and Sunday schools, daycares and in-house employee training programs do not qualify.

The school or school board must give you a detailed list or purchase order, clearly indicating which purchases are exempt and which are taxable. You do not charge PST on the items that the school or school board has indicated are exempt. Your customer does not need to fill out any forms.

If the school or school board purchases an item they will use partly for instructing students and partly for administrative purposes, the school or school board must estimate the portion they will use for administrative purposes. You charge PST only on the portion they have indicated is taxable. For example, if your customer is buying paper, 60% for student use and 40% for administrative purposes, you charge PST on the 40% they have indicated is taxable for administrative use.

Schools and school boards can pay PST on all their purchases and apply for a refund on the items, or portion of items, that are for student use. For more information on refunds, please see [Bulletin GEN 008](#), *Refunds of Overpayment of Tax*.

## Sales to Parent Advisory Councils

You charge PST on all sales to Parent Advisory Councils (PACs). However, PACs may be eligible for a refund of the PST paid on certain items. For more information, please see [Bulletin SST 116](#), *PST Refunds on PAC Purchases*.



## Need more info?

School Supplies website: [www.sbr.gov.bc.ca/industry\\_specific/school\\_supplies/school\\_supplies.htm](http://www.sbr.gov.bc.ca/industry_specific/school_supplies/school_supplies.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 72(1)(a), 72(1)(b), 72(1)(c), 72(2) and 88.1, and Regulations 2.6, 2.27, 2.28, 2.29, 2.30, 14.1 and 14.2