

## Notice to Lawyers

### *Social Service Tax Act*

This notice explains how the social service tax, also called the provincial sales tax (PST), applies to lawyers holding PST in trust as a result of the court decisions in the Christie case.

On May 25, 2007, the Supreme Court of Canada ruled that the imposition of the PST on legal services is constitutionally valid (*British Columbia Attorney General v. Christie*, 2007 SCC 21).

### Remitting PST Held in Trust

- If you are holding PST in trust for barristers' services, as outlined in the ministry Guidelines 2006, you must remit this PST on your next *Social Service Tax Return* form (**FIN 400**). For example, monthly remitters must remit the PST with their June tax return, which is due on July 23, 2007.
- If you remit quarterly, semi-annually or annually, remit the PST held in trust at the time your next tax return is due. However, if you wish to complete a tax return and remit this PST before your next tax return is due, you can print a tax return from the ministry web site, or contact our office and request that a tax return be faxed to you.
- You must report and remit all the PST held in trust on one consolidated tax return.

### Commissions

- You are entitled to a commission of 3.3% up to a maximum of \$99.00 per filing period (i.e. monthly remitters are entitled to up to \$99.00 for June and up to \$99.00 for each month thereafter).
- To accommodate the remittance of the PST monies held in trust, for your June 2007 return, you may:
  - file one return for June that includes PST collected in June, as well as the PST held in trust, and claim a commission of up to \$99.00, **or**

- file a tax return for PST collected in June and claim a commission of up to \$99.00 and then remit the trust monies by restating the tax returns for the prior periods in which the trust monies were initially collected. In this case, you can claim a commission of up to \$99.00 for each prior period.
- To restate prior period tax returns and claim prior period commissions, you must send the ministry a copy of this Notice to Lawyers, along with a completed *Application for Claiming Commissions* spreadsheet, which is attached to this notice. To request a faxed copy of the spreadsheet, telephone 250 387-0355 or 250 356-1897.

### **Further Information**

If you have any questions, please call us at 604 660-4524 in Vancouver, or toll-free at 1 877 388-4440, or email your questions to [CTBTaxQuestions@gov.bc.ca](mailto:CTBTaxQuestions@gov.bc.ca)

You can also find information on our website at [www.sbr.gov.bc.ca/ctb](http://www.sbr.gov.bc.ca/ctb)



**APPLICATION FOR CLAIMING COMMISSIONS**  
*Social Service Tax Act*

Please note: total commissions claimed must not exceed \$99.00 per filing period.

Name: \_\_\_\_\_

File Reference Number or Registration Number: \_\_\_\_\_

Return Period	Tax Previously Remitted	Commission Previously Claimed	Line Adjustments Previously Claimed	Additional Tax to be Remitted	Additional Commission to be Claimed	Additional Line Adjustments to be Claimed	Current Total Tax Payable
June 2007							
<b>Totals</b>							\$

Completed by (name and position): \_\_\_\_\_

Contact Number: \_\_\_\_\_