

Ministry of Finance

Tax Notice



ISSUED: September 2009 REVISED: July 2010

Notice 2009-003

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

On July 1, 2010, the provincial sales tax (PST) and the 8% component of the hotel room tax were replaced with the harmonized sales tax (HST). However, the information in this notice may still be applicable if, under the transitional rules, PST/8% hotel room tax applies. For information on the transitional rules, please see www.sbr.gov.bc.ca/business/Consumer_Taxes/Harmonized_Sales_Tax/hst.html. The information in this notice is still applicable for the motor fuel tax, carbon tax, tobacco tax, and the municipal and regional district tax (previously the 2% component of the hotel room tax).

Sales to Tsawwassen First Nation Customers

*Social Service Tax Act, Tobacco Tax Act, Motor Fuel Tax Act,
Carbon Tax Act, Hotel Room Tax Act*

Purchases Made by Tsawwassen Government Bodies

Effective April 3, 2009, the Tsawwassen First Nation Final Agreement came into effect and the Tsawwassen First Nation ceased to be an Indian band as defined in the *Indian Act* (Canada). Therefore, Tsawwassen First Nation government bodies are not eligible for a point-of-sale exemption from provincial taxes on purchases of taxable goods, taxable services, tobacco, motor fuel (for the purposes of the *Motor Fuel Tax Act*), fuel (for the purposes of the *Carbon Tax Act*) or hotel accommodations. If you sell to Tsawwassen government bodies, you must charge consumption taxes on all purchases or leases made by, or on behalf of, Tsawwassen government bodies regardless of whether they occur on, or off, Tsawwassen lands.

The Tsawwassen government bodies may be eligible for a refund of motor fuel tax or social service tax, also called the provincial sales tax (PST), paid on specific property and services purchased at any location. However, a refund is subject to the provisions contained in the Tsawwassen Tax Treatment Agreement. To apply for a refund of PST, the Tsawwassen government bodies apply directly to the province by completing an *Application for Refund of Social Service Tax or Hotel Room Tax (FIN 413)*. To apply for a refund of motor fuel tax, the Tsawwassen government bodies apply directly to the province by sending a letter and supporting documents to:

The revision bar (|) identifies changes to the previous version of this notice dated September 2009.

PO Box 9442 Stn Prov Govt Victoria BC V8W 9V4

Ministry of Finance
Refund Section
PO Box 9628 Stn Prov Govt
Victoria BC V8W 9N6

Purchases Made by Individuals

Also, effective April 3, 2009, Tsawwassen lands ceased to be reserve lands. However, an individual who qualifies as an Indian under the *Indian Act* (Canada) continues to be eligible for exemption from provincial consumption taxes with respect to purchases on the former Tsawwassen Indian reserves provided the existing criteria for making exempt sales to First Nations purchasers are met. As well, individual Tsawwassen Members who qualify as Indians under the *Indian Act* (Canada) continue to be eligible for exemption from provincial consumption taxes on purchases on the Indian reserves of other First Nations. Under the Tsawwassen First Nation Final Agreement these exemptions for individual purchases continue until April 30, 2017.

For details on the criteria that must be met and procedures that must be followed for a sale to qualify for the exemption, please refer to the appropriate bulletins or notice listed below.

Bulletin SST 034, *Procedures for Making Exempt Sales or Leases to Indians and Indian Bands*

Bulletin SST 046, *Exemption for Indians and Indian Bands*

Bulletin MFT 006, *Fuel Retail Dealers Located Off Reserve Tax-Exempt Fuel to Native Indians*

Bulletin TTA 001, *Exempt Sales Made by Retail Dealers (ESRD)*

Bulletin HRT 004, *Hotel Room Tax Exemption for Indians and Indian Bands*

Notice 2008-040, *Exempt Fuel Retailer Program*

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*, *Tobacco Tax Act*, *Motor Fuel Tax Act*, *Carbon Tax Act*, *Hotel Room Tax Act* and Regulations are on our website at www.sbr.gov.bc.ca/business/Consumer_Taxes/consumer_taxes.htm