

Notice to Propane Sellers

Residential Propane Storage Tanks

Social Service Tax Act

This notice clarifies how the social service tax, also called the provincial sales tax (PST), applies to sales and leases of residential propane storage tanks.

Prior to October 1, 2007, all residential propane storage tanks were considered an improvement to real property. As such, propane sellers paid PST on residential propane storage tanks purchased or leased for sale or lease to their customers. Propane sellers were not required to charge their customers PST on such sales and leases.

Effective October 1, 2007, residential propane storage tanks that **rest on their own weight and are attached to a building only by a hose** were no longer considered an improvement to real property and became tangible personal property.

Tangible personal property is taxable unless it is specifically exempt from PST under the legislation. Therefore, propane sellers must charge their customers PST on the sale or lease of residential propane storage tanks that rest on their own weight and are attached to a building only by a hose.

Propane sellers registered with the ministry to collect and remit PST may purchase or lease their sales or lease inventory without paying PST by providing their PST registration number to their suppliers.

Propane sellers that sell or lease residential propane storage tanks and are not registered with the ministry may be required to register. To help you determine if you need to register, please see [Bulletin SST 044](#), *Registering to Collect Provincial Sales Tax (PST)*.

Refunds

Propane sellers that paid PST on the purchase or lease of residential propane storage tanks for sale or lease to customers may be eligible for a refund of the PST paid.

Refund claims must be received by the ministry within four years from the date the tax was paid. For more information, please see [Bulletin GEN 008](#), *Refunds of Overpayments of Tax*.

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 e-mail your questions to CTBTaxQuestions@gov.bc.ca

You can also find information on our website at www.sbr.gov.bc.ca/business/Consumer_Taxes/Provincial_Sales_Tax/pst.htm

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