

## Thoroughgood, Danna L FIN:EX

---

**From:** Clark, Andrea FIN:EX  
**Sent:** Wednesday, March 7, 2018 10:43 AM  
**To:** Thoroughgood, Danna L FIN:EX  
**Cc:** Nikolich, Mila FIN:EX  
**Subject:** Delivery charges bulletin and subsidiary bulletins

Hey Danna,

s.12

go live with those bulletins after that. s.22

we could

... but will endeavour to have them ready I hope!

Andrea

Andrea Clark

Public Information Policy Analyst | Public Information and Corporate Services

Ministry of Finance | 1st Floor | 1802 Douglas St | Victoria BC

☎ 778-698-4802

& BCGEU Shop Steward, Local 1201

**Warning:** This email is intended only for the use of the individual or organization to whom it is addressed. It may contain information that is privileged or confidential. Any distribution, disclosure, copying, or other use by anyone else is strictly prohibited. If you have received this in error, please telephone or e-mail the sender immediately and delete the message.

## Thoroughgood, Danna L FIN:EX

---

**From:** Clark, Andrea FIN:EX  
**Sent:** Wednesday, March 14, 2018 5:23 PM  
**To:** Thoroughgood, Danna L FIN:EX  
**Subject:** what's new message for delivery

The What's New message is in the file folder for delivery charges.

Have fun!

a

**Andrea Clark**

Public Information Policy Analyst | Public Information and Corporate Services

Ministry of Finance | 1st Floor | 1802 Douglas St | Victoria BC

☎ 778-698-4802

& BCGEU Shop Steward, Local 1201

**Warning:** *This email is intended only for the use of the individual or organization to whom it is addressed. It may contain information that is privileged or confidential. Any distribution, disclosure, copying, or other use by anyone else is strictly prohibited. If you have received this in error, please telephone or e-mail the sender immediately and delete the message.*

## Thoroughgood, Danna L FIN:EX

---

**From:** Thoroughgood, Danna L FIN:EX  
**Sent:** Friday, March 16, 2018 11:59 AM  
**To:** Nagelbach, Alexander FIN:EX  
**Subject:** RE: Delivery Charges

Oh...you meant the references at the bottom where she made the note. Lol

Any update on approvals?

s.22 Sheri is acting for me with anything that relates to PI and Amber is going to act for me with anything that relates to forms.

d

**From:** Nagelbach, Alexander FIN:EX  
**Sent:** Friday, March 16, 2018 8:29 AM  
**To:** Thoroughgood, Danna L FIN:EX  
**Subject:** RE: Delivery Charges

No that one stays

**From:** Thoroughgood, Danna L FIN:EX  
**Sent:** Friday, March 16, 2018 8:14 AM  
**To:** Nagelbach, Alexander FIN:EX  
**Subject:** RE: Delivery Charges

So you want me to remove the last line of the Latest Revision?

**From:** Thoroughgood, Danna L FIN:EX  
**Sent:** Friday, March 16, 2018 7:19 AM  
**To:** Nagelbach, Alexander FIN:EX  
**Subject:** RE: Delivery Charges

Ok, not sure why Andrea had that in there then.

**From:** Nagelbach, Alexander FIN:EX  
**Sent:** Friday, March 16, 2018 7:19 AM  
**To:** Thoroughgood, Danna L FIN:EX  
**Subject:** RE: Delivery Charges

Yes although I won't be adding a regulatory reference at the end. We don't do that for a remission order.

**From:** Thoroughgood, Danna L FIN:EX  
**Sent:** Thursday, March 15, 2018 3:53 PM  
**To:** Nagelbach, Alexander FIN:EX  
**Subject:** Delivery Charges

Hi Alex,  
Just noticed a couple of things. Are you ok to approve without going to Jordan?

**From:** [Van Nes, Sheri FIN:EX](#)  
**To:** [Nagelbach, Alexander FIN:EX](#)  
**Subject:** RE: Delivery charges  
**Date:** Tuesday, March 20, 2018 10:47:16 AM  
**Attachments:** [What's new message.docx](#)

---

Ok great.

Most of the bulletins have been cleaned up and are ready to post. It won't take long to add the reg information and clean up PST 302 once we have the number.

Andrea has also prepared a What's new message along with subscriber notifications for each of the bulletins (attached). Should I start moving on that now too? She opened an ESIT call for the subs so I think they can go out as early as tomorrow (Thursday for sure) if necessary, but I will need to confirm with ESIT. I will also need a bit of time to enter the What's New message into CMS.

Thanks.

Sheri Van Nes  
Public Information Policy Analyst  
778 698-4817

---

**From:** Nagelbach, Alexander FIN:EX  
**Sent:** Tuesday, March 20, 2018 10:36 AM  
**To:** Van Nes, Sheri FIN:EX  
**Cc:** Sherman, Samantha FIN:EX  
**Subject:** Delivery charges  
**Importance:** High

We are good to start preparing to post all the PI now, but I don't have a B.C. reg number that you will need for PST 302. Will send it when we have it. Thanks,

**Alex Nagelbach, CPA, CGA**

Policy and Legislative Analyst | Consumer Taxation Programs Branch | Ministry of Finance  
2<sup>nd</sup> Floor, 1802 Douglas St | 778.698.9623 | [alexander.nagelbach@gov.bc.ca](mailto:alexander.nagelbach@gov.bc.ca)



**From:** [Nagelbach, Alexander FIN:EX](#)  
**To:** [Van Nes, Sheri FIN:EX](#)  
**Subject:** RE: B.C. Reg. 48/2018  
**Date:** Tuesday, March 20, 2018 12:03:45 PM

---

Perfect

---

**From:** Van Nes, Sheri FIN:EX  
**Sent:** Tuesday, March 20, 2018 12:03 PM  
**To:** Nagelbach, Alexander FIN:EX  
**Subject:** RE: B.C. Reg. 48/2018

Thank you!

I can have the bulletins and What's New message posted by the end of today and have the subscriber notices go out tomorrow. Does that sound ok?

Sheri Van Nes  
Public Information Policy Analyst  
778 698-4817

---

**From:** Nagelbach, Alexander FIN:EX  
**Sent:** Tuesday, March 20, 2018 11:59 AM  
**To:** Van Nes, Sheri FIN:EX  
**Subject:** RE: B.C. Reg. 48/2018

On or before March 31, 2018.

Delete the hashtag.

---

**From:** Van Nes, Sheri FIN:EX  
**Sent:** Tuesday, March 20, 2018 11:54 AM  
**To:** Nagelbach, Alexander FIN:EX  
**Subject:** RE: B.C. Reg. 48/2018

Hi Alex.

Can you please let me know if I did this right? This is the blurb at the end of bulletin PST 302.

### **Latest Revision**

March 2018

- This bulletin has been rewritten to correct errors in the bulletin as to when PST applies to delivery charges.
- The previous version of this bulletin incorrectly stated that delivery charges were not subject to PST for goods delivered in BC, where title to the goods passed at the seller's premises. If you did not charge PST on delivery charges, as in the above scenario, prior to **March 20, 2018**, you will not be subject to a penalty. For more information, see **Regulation # 48/2018**.

Sheri Van Nes  
Public Information Policy Analyst

778 698-4817

---

**From:** Nagelbach, Alexander FIN:EX  
**Sent:** Tuesday, March 20, 2018 11:34 AM  
**To:** Van Nes, Sheri FIN:EX  
**Subject:** FW: B.C. Reg. 48/2018

Regulation 48/2018

Good to post.

---

**From:** JAG LSB Registrar of Regulations JAG:EX  
**Sent:** Tuesday, March 20, 2018 11:33 AM  
**To:** Nagelbach, Alexander FIN:EX  
**Cc:** Goss, Jordan T FIN:EX; Sherman, Samantha FIN:EX; Murata, Brian FIN:EX  
**Subject:** B.C. Reg. 48/2018

Hello,

Please find attached a copy of B.C. Reg. 48/2018, as deposited today under the *Financial Administration Act*.

Thanks,

**Esha Whitlam**

Office of Legislative Counsel  
Ministry of Attorney General  
250-356-5741



# Provincial Sales Tax (PST) Bulletin

Bulletin PST 302

**Subscribe**

Issued: April 2013  
Revised: March 2018

## Delivery Charges

*Provincial Sales Tax Act*

---

Latest Revision: *This bulletin has been rewritten and replaces the previous version dated December 2016. For a summary of the key changes, see Latest Revision at the end of this document.*

---

This bulletin explains how PST applies to delivery and other transportation charges (referred to in this bulletin as delivery charges), and to goods that are damaged, destroyed or lost in transit.

This bulletin does not apply to ready-mixed concrete (see **Bulletin PST 136, Concrete**).

This bulletin does not provide information on containers, labels and packaging materials that are included at the time goods are sold or are used during delivery (see **Bulletin PST 305, Containers and Packaging Materials**).

## Table of Contents

Overview .....	1
Delivery Charges.....	2
Goods that are Damaged, Destroyed or Lost in Transit.....	6

## Overview

---

PST must be calculated on the **total purchase price** paid by the purchaser for taxable goods. The total purchase price includes:

- The value of any services accepted by the seller on account of the purchase price
- Any charges for financing, interest, customs and excise
- Any delivery charges (including shipping and handling) incurred at or before the time that title to the goods transfers to the purchaser

In most cases, delivery charges are incurred at or before the time title to the goods transfers. As a result, you generally charge PST on delivery charges as they form part of the taxable purchase price of the goods.

## Incurring Delivery Charges and Transfer of Title

Delivery charges are considered to be incurred at the time the contract for delivery is entered into and your customer agrees to pay the charges. The charges do not have to be invoiced or paid to be incurred.

## When Title Transfers

Generally, when goods are sold and delivered, title transfers when:

- the sales contract is entered into, **and**
- the specific good being purchased under that contract is identified and in a state ready to be delivered or transported.

Transferring title can also occur at a later time if set out in the contract (e.g. at the time the goods are delivered).

If you have questions on when title transfers in your situation, including other types of sales (e.g. sales of future goods), please contact us at **CTBTaxQuestions@gov.bc.ca**

## Delivery Charges

---

### Taxable Delivery Charges

You must charge PST on delivery charges that form part of the purchase price for taxable goods in the following situations:

- The goods are delivered from within BC and the delivery charges are incurred at or before the time title to the goods transfers
- The goods are delivered from outside BC to a purchaser in BC

The following examples assume that title transfers based on the general rule above.

#### Example 1:

Ash purchases a sofa from a used furniture store. He asks for the sofa to be delivered to his home and arranges for delivery at the time of sale. The furniture store must charge Ash PST on the delivery charge because the charge was incurred at the time the sales contract was made and at the same time title transferred.

#### Example 2:

Gary purchases an electric bicycle from a bicycle shop and asks for fenders to be added and have the bicycle delivered to his home. The bicycle shop installs the fenders the next day and later calls Gary to inform him that the electric bicycle is ready for delivery. The bicycle shop must charge Gary PST on the delivery charge because the charge was incurred at the time the sales contract was made and before title transferred.

#### Example 3:

Jessie orders a dress from a clothing store that has eight of those dresses in stock. She completes the bill of sale online that includes delivery. The clothing store must charge Jessie PST on the delivery charge because the charge was incurred at the time the bill of sale was completed online and before title transferred.

**Example 4:**

Ritchie purchases a blender online from a retailer located in Alberta and requests that the blender be delivered to his home in Castlegar. If the online retailer is a PST collector, the online retailer must charge Ritchie PST on the delivery charge because the blender is delivered from outside BC into BC. In this situation, for the purposes of the PST, it does not matter when title to the blender transfers. If the online retailer is not a PST collector, Ritchie must self-assess (pay directly to us) the PST on the blender and the delivery charge.

**Non-Taxable Delivery Charges****Exempt Goods**

You do not charge PST on delivery charges for goods that are exempt from PST (e.g. goods purchased for resale).

**Example:**

James orders a non-motorized bicycle over the Internet that includes delivery. The bicycle shop does not charge James PST on the delivery charge because non-motorized bicycles are specifically exempt from PST.

**Delivery in BC – Delivery Charges After Title Has Passed (Customer Owned Goods)**

You do not charge PST on delivery charges for taxable goods if:

- the goods are delivered from within BC, and
- at the time the delivery charges are incurred, title to the goods has already passed to the purchaser (the goods are “customer owned goods”). See section above, When Title Transfers.

The following example assumes that title transfers based on the general rule above.

**Example:**

Misty orders a custom door from a building centre in BC and is immediately invoiced by the seller. Three weeks later, the building centre makes the door and contacts Misty to let her know the door is ready for pickup.

Misty intended to pick the door up from the building centre. However, when the building centre called to let her know the door was ready, she decided to have them deliver the door. A new invoice is drawn up for the delivery charges. The delivery charge does not form part of the purchase price for the door and the building centre does not charge Misty PST on the delivery charge because the charge was incurred after title transferred.

## Goods Shipped Outside BC by the Seller

You do not charge PST on the purchase price or the delivery charges of goods you ship outside BC if:

- the goods are to be shipped or delivered to a location outside BC, and
- no use is to be made by the purchaser of the goods while the goods are in BC (other than storage by the seller).

To show why you did not collect PST on these sales, you must retain evidence that the goods were shipped or delivered to an out-of-province location (e.g. bills of lading, shipping invoices or similar documentation).

## Taxable and Non-Taxable Goods Included in Same Delivery

If both taxable and non-taxable goods are included in the same delivery, and the delivery charge is incurred at or before the time that title to the goods transfers, PST applies to the portion of the delivery charge that can be reasonably attributed to the taxable goods. The following are examples of how delivery charges can be reasonably attributed for PST purposes.

### Example 1:

Brock purchases a \$20 book (exempt) and a \$10 toy (taxable) from an online book store. The goods are shipped together from a fulfillment centre in BC. The delivery charge is incurred at the time of sale and is separately stated on the sales invoice. The online book store charges Brock \$9 for expedited shipping and attributes the delivery charge to each item based on purchase price. The online book store charges PST on \$13.00 (the \$10 price for the toy and 1/3 of the \$9 charge for delivery).

### Example 2:

Tracey purchases 4 books for \$40 (exempt) and a video game for \$60 (taxable) from an online book store in BC. The goods are shipped together from the book store's location in BC. The delivery charge is incurred at the time of sale and is separately stated on the sales invoice. The book store charges Tracey \$10 for shipping and attributes the delivery charge equally to each item based on the number of items. The online book store charges PST on \$62.00 (the \$60 price for the video game and 1/5 of the \$10 charge for delivery).

In addition to the methods described in the above examples, it may be reasonable to allocate delivery charges based on the weight or size of the items. Other methods may also be reasonable.

## Delivery Charges Related to the Lease of Taxable Goods

### Taxable Delivery Charges

You charge PST on delivery charges that are mandatory under a lease agreement. In addition, optional delivery charges are taxable when taxable goods are leased outside BC and are shipped to the lessee in BC. You charge PST even if these charges are separately stated on the invoice because the charges form part of the lease price for the goods.

### Non-Taxable Delivery Charges

You do not charge PST on optional delivery charges, except when taxable goods are leased outside of BC and are shipped to the lessee in BC (see above).

## Delivery Without a Sale or Lease of Goods

### Goods Delivered within BC, or from BC to Outside BC

You do not charge PST on delivery charges not related to the sale or lease of taxable goods, provided the goods are transported between locations within BC, or from a location in BC to outside BC (e.g. PST does not apply to charges for transporting a customer's furniture from Victoria to Vancouver, from Kamloops to Moose Jaw or from Chilliwack to Spokane).

### Goods Delivered from Outside BC into BC

When taxable goods are brought, sent or received into BC for use from outside BC (e.g. machinery brought into the province for use), PST applies to the purchase price of the goods. In this case, PST applies to the purchase price of the goods including delivery charges and any other expenses (e.g. service, customs and excise) incurred before the taxable goods are used in BC.

However, PST does not apply to delivery charges related to goods brought into the province by new residents of BC if the goods qualify for the exemption for new residents.

For more information, see **Bulletin PST 310**, *Goods Brought into BC* and **Bulletin PST 306**, *Goods Brought into BC by New Residents*.

## Delivery Charges and Related Services

Related services are services provided to goods, or services provided to install goods. Generally, if a good is taxable when purchased (e.g. a motor vehicle), services provided to that item (e.g. vehicle repair and maintenance) are also taxable unless a specific exemption applies.

You do not charge PST on delivery charges for your customer's goods to which a related service has been provided when such charges are separately stated on the sales invoice.

For more information, see **Bulletin PST 301**, *Related Services*.

## Delivery Charges on Taxable Repair Parts and Taxable Replacement Parts

PST applies to delivery charges related to taxable repair or taxable replacement parts as follows.

- You charge PST on delivery charges related to the purchase of repair parts and replacement parts, as the charges are part of the purchase price paid to obtain the parts.
- If repair is undertaken by a mechanic at the location of your customer's equipment and repair or replacement parts are delivered directly to that location, PST applies to the full amount charged for the repair and replacement parts, including charges for freight to the location of repair, as this is the point of sale.

## Goods that are Damaged, Destroyed or Lost in Transit

---

### Replacement Goods

How PST applies to goods damaged, destroyed or lost in transit depends on whether you or the purchaser is responsible for replacement of the goods. Responsibility for replacement depends on whether you or the purchaser had title to the goods at the time they were damaged, destroyed or lost.

- If the goods are damaged, destroyed or lost **before** title passes to the purchaser and you are responsible for replacing the goods at no additional charge to the purchaser, you do not pay PST on either the goods damaged, destroyed or lost, or on the replacement goods.
- If the goods are damaged, destroyed or lost **after** the transfer of title and the purchaser is responsible for replacing the goods, the purchaser must pay PST on the purchase price of the replacement goods. PST paid on the original purchase is **not** refundable.
- You do not charge PST if the replacement goods are provided free of charge.

### Sales of Damaged Goods

You must charge PST on taxable goods sold at a reduced purchase price, such as damaged goods, demo models and goods sold as “open box” items (there is no exemption for these types of sales).



### Need more info?

Online: [gov.bc.ca/pst](http://gov.bc.ca/pst)

Toll free: 1 877 388-4440

Email: [CTBTaxQuestions@gov.bc.ca](mailto:CTBTaxQuestions@gov.bc.ca)

Subscribe to our **What's New** page to receive email updates when information changes.

The information in this bulletin is for your convenience and guidance and is not a replacement for the legislation.

---

#### Latest Revision

March 2018

- This bulletin has been rewritten to correct errors in the bulletin as to when PST applies to delivery charges.
- The previous version of this bulletin incorrectly stated that delivery charges were not subject to PST for goods delivered in BC, where title to the goods passed at the seller's premises. If you did not charge PST on delivery charges, as in the above scenario, on or before March 31, 2018, you will not be subject to a penalty. For more information, see Regulation 48/2018.

---

References: *Provincial Sales Tax Act*, sections 1 “use” and 10; Provincial Sales Tax Exemption and Refund Regulation, section 26.



**From:** Caravan, James  
**To:** [Van Nes, Sheri FIN:EX](mailto:Van_Nes_Sheri_FIN:EX)  
**Subject:** RE: SD233002 REV - Ministry Internet - Subs notification Update (Q146926)  
**Date:** Tuesday, March 20, 2018 2:58:45 PM

---

Since there is nothing in the Subs program, I would say that is correct

---

**From:** Van Nes, Sheri FIN:EX [<mailto:Sheri.VanNes@gov.bc.ca>]  
**Sent:** March 20, 2018 2:51 PM  
**To:** Caravan, James  
**Subject:** RE: SD233002 REV - Ministry Internet - Subs notification Update (Q146926)

Interesting. There is a subscribe button on bulletin [PST 113](#). Does that mean no one has subscribed to it?

Sheri Van Nes  
Public Information Policy Analyst  
778 698-4817

---

**From:** Caravan, James [<mailto:James.Caravan@dxcas.com>]  
**Sent:** Tuesday, March 20, 2018 2:43 PM  
**To:** Van Nes, Sheri FIN:EX  
**Subject:** RE: SD233002 REV - Ministry Internet - Subs notification Update (Q146926)

Hi Sheri

Ops has sent the Subs out except for PST113, because they just told me – “*Bulletin PST 113, Oil and Gas Industry – Producers and Processors wasn’t found. It’s possible that we never had any SUBS for 113 or it was deleted*”

Since they don’t have an entry for 113, there would be no one to send notifications to anyhow

James

---

**From:** Van Nes, Sheri FIN:EX [<mailto:Sheri.VanNes@gov.bc.ca>]  
**Sent:** March 20, 2018 1:36 PM  
**To:** Caravan, James  
**Subject:** RE: SD233002 REV - Ministry Internet - Subs notification Update (Q146926)

Hi James.

The requirements look good. Please send notifications when you are ready.

Sorry for the delay. There was a few things I needed to do before the subs could go out. Everything is ready now.

Thanks for all of your help with this.

Sheri Van Nes  
Public Information Policy Analyst

---

**From:** Caravan, James [<mailto:James.Caravan@dxcas.com>]  
**Sent:** Tuesday, March 20, 2018 1:12 PM  
**To:** Van Nes, Sheri FIN:EX  
**Subject:** RE: SD233002 REV - Ministry Internet - Subs notification Update (Q146926)

Hi Sheri

Thx for the update

The highlighting was a residual copying from word, which will not be in the subs (I think it is gone from the table now)

I've talked to ops and suggested 2pm today

Let me know if we are good to go

Thanks

James

---

**From:** Van Nes, Sheri FIN:EX [<mailto:Sheri.VanNes@gov.bc.ca>]  
**Sent:** March 20, 2018 12:59 PM  
**To:** Caravan, James  
**Subject:** RE: SD233002 REV - Ministry Internet - Subs notification Update (Q146926)

Hi James.

Please add the list of bulletins to the What's New subs notice (I inserted the list into the table below). I notice a few of the URLs have yellow highlights at the end. I assume the highlighting will be removed?

Also, do you think the notifications will go out today or tomorrow?

Sheri Van Nes  
Public Information Policy Analyst  
778 698-4817

---

**From:** Caravan, James [<mailto:James.Caravan@dxcas.com>]  
**Sent:** Tuesday, March 20, 2018 12:51 PM  
**To:** Van Nes, Sheri FIN:EX  
**Subject:** SD233002 REV - Ministry Internet - Subs notification Update (Q146926)

Hi Sheri

Please confirm with either a **yes** or **no** that you approve the requirements below. If there were any issues or concerns with the requirements, please respond with corrections to the table below.

<b>Activity:</b>	<b>Ministry Internet – Send out SUBS for Sales Tax What's New and multiple Bulletins</b>
------------------	--

	What's New notification is required for this change.
	<p>Please send out subscriber notifications for the What's New pages and Bulletins:</p> <p><b>1. CTB Sales Taxes What's New page</b>  <a href="https://www2.gov.bc.ca/gov/content/taxes/tax-changes/whats-new/sales-taxes">https://www2.gov.bc.ca/gov/content/taxes/tax-changes/whats-new/sales-taxes</a></p> <p><b>Wording:</b></p> <p>This is notification of a document revision.</p> <p>Document: What's New in B.C. Sales Taxes</p> <p>Source: Consumer Taxation Branch</p> <p>URL: <a href="https://www2.gov.bc.ca/gov/content/taxes/tax-changes/whats-new/sales-taxes">https://www2.gov.bc.ca/gov/content/taxes/tax-changes/whats-new/sales-taxes</a></p> <p>The following bulletins have been corrected as to when PST applies to delivery charges. Previously, these bulletins incorrectly stated that delivery charges were not subject to PST for goods delivered in BC, where title to the goods passed at the seller's premises. In addition, there are other clarifications in the following bulletins that can be found at the end of the bulletins, in the Latest Revision section.</p> <ul style="list-style-type: none"> <li>• <b>Bulletin PST 302, <i>Delivery Charges</i></b></li> <li>• <b>Bulletin PST 109, <i>Printers and Publishers</i></b></li> <li>• <b>Bulletin PST 110, <i>Production Machinery and Equipment Exemption</i></b></li> <li>• <b>Bulletin PST 111, <i>Mining Industry</i></b></li> <li>• <b>Bulletin PST 112, <i>Logging Industry</i></b></li> <li>• <b>Bulletin PST 113, <i>Oil and Gas Industry – Producers and Processors</i></b></li> <li>• <b>Bulletin PST 114, <i>Oil and Gas Industry – Exploration, Discovery and Development</i></b></li> <li>• <b>Bulletin PST 115, <i>Oil and Gas Industry – Service Providers</i></b></li> <li>• <b>Bulletin PST 129, <i>Florists</i></b></li> <li>• <b>Bulletin PST 316, <i>Bundled Sales and Leases</i></b></li> </ul> <p>Do not reply to this e-mail. This e-mail account is not monitored.</p> <p>If you need further information, please call us toll free in Canada at 1 877</p>

388-4440.

To unsubscribe, go to:

[http://www.sbr.gov.bc.ca/applications/SUBS/sys/sysfile.asp?targetPage=subscription\\_list.asp](http://www.sbr.gov.bc.ca/applications/SUBS/sys/sysfile.asp?targetPage=subscription_list.asp)

**2. Bulletin PST 302, Delivery Charges**

[www2.gov.bc.ca/assets/gov/taxes/sales-taxes/publications/pst-302-delivery-charges.pdf](http://www2.gov.bc.ca/assets/gov/taxes/sales-taxes/publications/pst-302-delivery-charges.pdf)

**Wording:**

This is notification of a document revision.

Document: Bulletin PST 302, Delivery Charges

Source: Consumer Taxation Branch

URL: <https://www2.gov.bc.ca/assets/gov/taxes/sales-taxes/publications/pst-302-delivery-charges.pdf>

Bulletin PST 302, Delivery Charges has been rewritten to correct errors in the bulletin as to when PST applies to delivery charges.

Do not reply to this e-mail. This e-mail account is not monitored.

If you need further information, please call us toll free in Canada at 1 877 388-4440.

To unsubscribe, go to:

[http://www.sbr.gov.bc.ca/applications/SUBS/sys/sysfile.asp?targetPage=subscription\\_list.asp](http://www.sbr.gov.bc.ca/applications/SUBS/sys/sysfile.asp?targetPage=subscription_list.asp)

**3. Bulletin PST 109, Printers and Publishers**

<https://www2.gov.bc.ca/assets/gov/taxes/sales-taxes/publications/pst-109-printers-publishers.pdf>

**Wording:**

This is notification of a document revision.

Document: Bulletin PST 109, Printers and Publishers

Source: Consumer Taxation Branch

URL: <https://www2.gov.bc.ca/assets/gov/taxes/sales-taxes/publications/pst-109-printers-publishers.pdf>

Bulletin PST 109, Printers and Publishers has been corrected as to when delivery charges are subject to PST. The bulletin has also clarified the section for Change in Use for goods removed from lease inventory and the section on Goods Brought Into BC.

Do not reply to this e-mail. This e-mail account is not monitored.

If you need further information, please call us toll free in Canada at 1 877 388-4440.

To unsubscribe, go to:

[http://www.sbr.gov.bc.ca/applications/SUBS/sys/sysfile.asp?targetPage=subscription\\_list.asp](http://www.sbr.gov.bc.ca/applications/SUBS/sys/sysfile.asp?targetPage=subscription_list.asp)

**4. Bulletin PST 110, Production Machinery and Equipment Exemption**

<https://www2.gov.bc.ca/assets/gov/taxes/sales-taxes/publications/pst-110-production-machinery-equipment-exemption.pdf>

**Wording:**

This is notification of a document revision.

Document: Bulletin PST 110, Production Machinery and Equipment Exemption

Source: Consumer Taxation Branch

URL: <https://www2.gov.bc.ca/assets/gov/taxes/sales-taxes/publications/pst-110-production-machinery-equipment-exemption.pdf>

Bulletin PST 110, Production Machinery and Equipment Exemption, has been corrected as to when delivery charges are subject to PST. The bulletin has also clarified the exemption for PM&E or software must be for substantial use at the qualifying part of the manufacturing site, processing plant, refinery, well site or mine site.

Do not reply to this e-mail. This e-mail account is not monitored.

If you need further information, please call us toll free in Canada at 1 877 388-4440.

To unsubscribe, go to:

[http://www.sbr.gov.bc.ca/applications/SUBS/sys/sysfile.asp?targetPage=subscription\\_list.asp](http://www.sbr.gov.bc.ca/applications/SUBS/sys/sysfile.asp?targetPage=subscription_list.asp)

**5. Bulletin PST 111, Mining Industry**

<https://www2.gov.bc.ca/assets/gov/taxes/sales-taxes/publications/pst-111-mining-industry.pdf>

**Wording:**

This is notification of a document revision.

Document: Bulletin PST 111, Mining Industry

Source: Consumer Taxation Branch

URL: <https://www2.gov.bc.ca/assets/gov/taxes/sales-taxes/publications/pst-111-mining-industry.pdf>

Bulletin PST 111, Mining Industry has been corrected as to when delivery charges are subject to PST. In addition, de-watering pumps have been removed from the examples of taxable goods.

Do not reply to this e-mail. This e-mail account is not monitored.

If you need further information, please call us toll free in Canada at 1 877 388-4440.

To unsubscribe, go to:

[http://www.sbr.gov.bc.ca/applications/SUBS/sys/sysfile.asp?targetPage=subscription\\_list.asp](http://www.sbr.gov.bc.ca/applications/SUBS/sys/sysfile.asp?targetPage=subscription_list.asp)

**6. Bulletin PST 112, Logging Industry**

<https://www2.gov.bc.ca/assets/gov/taxes/sales-taxes/publications/pst-112-logging-industry.pdf>

**Wording:**

1

This is notification of a document revision.

Document: Bulletin PST 112, Logging Industry

Source: Consumer Taxation Branch

URL: <https://www2.gov.bc.ca/assets/gov/taxes/sales-taxes/publications/pst-112-logging-industry.pdf>

Bulletin PST 112, Logging Industry has been corrected as to when delivery charges are subject to PST.

Do not reply to this e-mail. This e-mail account is not monitored.

If you need further information, please call us toll free in Canada at 1 877 388-4440.

To unsubscribe, go to:

[http://www.sbr.gov.bc.ca/applications/SUBS/sys/sysfile.asp?targetPage=subscription\\_list.asp](http://www.sbr.gov.bc.ca/applications/SUBS/sys/sysfile.asp?targetPage=subscription_list.asp)

**7. Bulletin PST 113, Oil and Gas Industry – Producers and Processors**

<https://www2.gov.bc.ca/assets/gov/taxes/sales-taxes/publications/pst-113-oil-gas-industry-producers-processors.pdf>

**Wording:**

This is notification of a document revision.

Document: Bulletin PST 113, Oil and Gas Industry – Producers and Processors

Source: Consumer Taxation Branch

URL: <https://www2.gov.bc.ca/assets/gov/taxes/sales-taxes/publications/pst-113-oil-gas-industry-producers-processors.pdf>

Bulletin PST 113, Oil and Gas Industry – Producers and Processors has been corrected as to when delivery charges are subject to PST.

Do not reply to this e-mail. This e-mail account is not monitored.



If you need further information, please call us toll free in Canada at 1 877 388-4440.

To unsubscribe, go to:

[http://www.sbr.gov.bc.ca/applications/SUBS/sys/sysfile.asp?targetPage=subscription\\_list.asp](http://www.sbr.gov.bc.ca/applications/SUBS/sys/sysfile.asp?targetPage=subscription_list.asp)

**8. Bulletin PST 114, Oil and Gas Industry – Exploration, Discovery and Development**

<https://www2.gov.bc.ca/assets/gov/taxes/sales-taxes/publications/pst-114-oil-gas-industry-exploration-discovery-development.pdf>

**Wording:**

This is notification of a document revision.

Document: Bulletin PST 114, Oil and Gas Industry – Exploration, Discovery and Development

Source: Consumer Taxation Branch

URL: <https://www2.gov.bc.ca/assets/gov/taxes/sales-taxes/publications/pst-114-oil-gas-industry-exploration-discovery-development.pdf>

Bulletin PST 114, Oil and Gas Industry – Exploration, Discovery and Development has been corrected as to when delivery charges are subject to PST.

Do not reply to this e-mail. This e-mail account is not monitored.

If you need further information, please call us toll free in Canada at 1 877 388-4440.

To unsubscribe, go to:

[http://www.sbr.gov.bc.ca/applications/SUBS/sys/sysfile.asp?targetPage=subscription\\_list.asp](http://www.sbr.gov.bc.ca/applications/SUBS/sys/sysfile.asp?targetPage=subscription_list.asp)

**9. Bulletin PST 115, Oil and Gas Industry – Service Providers**

<https://www2.gov.bc.ca/assets/gov/taxes/sales-taxes/publications/pst-115-oil-gas-industry-service-providers.pdf>

**Wording:**

This is notification of a document revision.

Document: Bulletin PST 115, Oil and Gas Industry – Service Providers

Source: Consumer Taxation Branch

URL: <https://www2.gov.bc.ca/assets/gov/taxes/sales-taxes/publications/pst-115-oil-gas-industry-service-providers.pdf>

Bulletin PST 115, Oil and Gas Industry – Service Providers has been corrected as to when delivery charges are subject to PST.

Do not reply to this e-mail. This e-mail account is not monitored.

If you need further information, please call us toll free in Canada at 1 877 388-4440.

To unsubscribe, go to:

[http://www.sbr.gov.bc.ca/applications/SUBS/sys/sysfile.asp?targetPage=subscription\\_list.asp](http://www.sbr.gov.bc.ca/applications/SUBS/sys/sysfile.asp?targetPage=subscription_list.asp)

**10. Bulletin PST 129, Florists**

<https://www2.gov.bc.ca/assets/gov/taxes/sales-taxes/publications/pst-129-florists.pdf>

**Wording:**

This is notification of a document revision.

Document: Bulletin PST 129, Florists

Source: Consumer Taxation Branch

URL: <https://www2.gov.bc.ca/assets/gov/taxes/sales-taxes/publications/pst-129-florists.pdf>

Bulletin PST 129, Florists has been corrected as to when delivery charges are subject to PST. In addition, the bulletin has clarified the section for Change in Use for goods removed from lease inventory and the section on Goods Brought Into BC.

Do not reply to this e-mail. This e-mail account is not monitored.

If you need further information, please call us toll free in Canada at 1 877 388-4440.

To unsubscribe, go to:

[http://www.sbr.gov.bc.ca/applications/SUBS/sys/sysfile.asp?targetPage=subscription\\_list.asp](http://www.sbr.gov.bc.ca/applications/SUBS/sys/sysfile.asp?targetPage=subscription_list.asp)

**11. Bulletin PST 316, Bundled Sales and Leases**

<https://www2.gov.bc.ca/assets/gov/taxes/sales-taxes/publications/pst-316-bundled-sales-leases.pdf>

**Wording:**

This is notification of a document revision.

Document: Bulletin PST 316, Bundled Sales and Leases

	<p>Source: Consumer Taxation Branch</p> <p>URL: <a href="https://www2.gov.bc.ca/assets/gov/taxes/sales-taxes/publications/pst-316-bundled-sales-leases.pdf">https://www2.gov.bc.ca/assets/gov/taxes/sales-taxes/publications/pst-316-bundled-sales-leases.pdf</a></p> <p>Bulletin PST 316, Bundled Sales and Leases has been corrected as to when delivery charges are subject to PST.</p> <p>Do not reply to this e-mail. This e-mail account is not monitored.</p> <p>If you need further information, please call us toll free in Canada at 1 877 388-4440.</p> <p>To unsubscribe, go to:  <a href="http://www.sbr.gov.bc.ca/applications/SUBS/sys/sysfile.asp?targetPage=subscription_list.asp">http://www.sbr.gov.bc.ca/applications/SUBS/sys/sysfile.asp?targetPage=subscription_list.asp</a></p>
<b>2</b>	Please notify <b>Sheri Van Nes</b> when this is ready for testing.
<b>Urgency:</b>	On <b>Thursday, March 20, 2018 at 2:00pm</b> . Please notify client if otherwise.
<b>NOTES:</b>	

Thanks

*James Caravan*

Developer  
Application Managed Services (AMS)  
ESIT Advanced Solutions

2200 - 4464 Markham Street  
Victoria, BC V8Z 7X8

☎ Phone 250 405-4527 | fax 250 405-4429

✉ Email: [James.Caravan@dxcas.com](mailto:James.Caravan@dxcas.com)

🌐 Web: [www.dxcas.com](http://www.dxcas.com)

From: Clark, Andrea FIN:EX  
To: [FIN IMB Service Desk \(78912\) FIN:EX](#)  
Cc: [AdvSol PICS Web Change Notification](#)  
Subject: ESIT Ticket - Ministry Internet - Update  
Date: Tuesday, March 13, 2018 12:43:26 PM

---

Company/Department: Revenue Division, Public Information and Corporate Services

Required by: March 15<sup>th</sup>, 2018

Descriptions: Send subscriber notifications to What's New subscribers to Sales Taxes and to the following bulletins:

Bulletin PST 109, Printers and Publishers

Bulletin PST 110, Production Machinery and Equipment Exemption

Bulletin PST 111, Mining Industry

Bulletin PST 112, Logging Industry

Bulletin PST 113, Oil and Gas Industry – Producers and Processors

Bulletin PST 114, Oil and Gas Industry – Exploration, Discovery and Development

Bulletin PST 115, Oil and Gas Industry – Service Providers

Bulletin PST 129, Florists

Bulletin PST 302, Delivery Charges

Bulletin PST 316, Bundled Sales and Leases

#### **Andrea Clark**

Public Information Policy Analyst | Public Information and Corporate Services

Ministry of Finance | 1st Floor | 1802 Douglas St | Victoria BC

☎ 778-698-4802

& BCGEU Shop Steward, Local 1201

**Warning:** *This email is intended only for the use of the individual or organization to whom it is addressed. It may contain information that is privileged or confidential. Any distribution, disclosure, copying, or other use by anyone else is strictly prohibited. If you have received this in error, please telephone or e-mail the sender immediately and delete the message.*

# Web Migration template

## Migration Tasks

- Instructions:**
- Include full hyperlink file locations
  - Identify if the file is new - if new, is there an old one to decommission?
  - Group all files together by folder
  - Be sure to include order and dependency
  - Identify definition of "Delete" i.e. soft delete ? backup ?
  - Identify if Dev resources are required

### 1. Q145784 Subs for Sales Tax What's New - Notices CR: n/a Client Ref: SD231478

Migration Date:	3/20/2018	Time:	2:00 pm	Website:	Ministry Internet	Task Resp:	Ops	Developer:	James
Business contact:	Sheri Van Nes					Dependency:			
Instructions:	<p>Please send out subscriber notifications for the What’s New pages and Bulletins on March 20, 2018 at 2:00 pm:</p> <p><b>1. CTB Sales Taxes What’s New page</b></p> <p><a href="https://www2.gov.bc.ca/gov/content/taxes/tax-changes/whats-new/sales-taxes">https://www2.gov.bc.ca/gov/content/taxes/tax-changes/whats-new/sales-taxes</a></p> <p><b>Wording:</b></p> <p>This is notification of a document revision.</p> <p>Document: What's New in B.C. Sales Taxes Source: Consumer Taxation Branch URL: <a href="https://www2.gov.bc.ca/gov/content/taxes/tax-changes/whats-new/sales-taxes">https://www2.gov.bc.ca/gov/content/taxes/tax-changes/whats-new/sales-taxes</a></p> <p>The following bulletins have been corrected as to when PST applies to delivery charges. Previously, these bulletins incorrectly stated that delivery charges were not subject to PST for goods delivered in BC, where title to the goods passed at the seller’s premises. In addition, there are other clarifications in the following bulletins that can be found at the end of the bulletins, in the Latest Revision section.</p>								

- Bulletin PST 302, Delivery Charges
- Bulletin PST 109, Printers and Publishers
- Bulletin PST 110, Production Machinery and Equipment Exemption
- Bulletin PST 111, Mining Industry
- Bulletin PST 112, Logging Industry
- Bulletin PST 113, Oil and Gas Industry – Producers and Processors
- Bulletin PST 114, Oil and Gas Industry – Exploration, Discovery and Development
- Bulletin PST 115, Oil and Gas Industry – Service Providers
- Bulletin PST 129, Florists
- Bulletin PST 316, Bundled Sales and Leases

Do not reply to this e-mail. This e-mail account is not monitored.  
If you need further information, please call us toll free in Canada at 1 877 388-4440.

To unsubscribe, go to:

[http://www.sbr.gov.bc.ca/applications/SUBS/sys/sysfile.asp?targetPage=subscription\\_list.asp](http://www.sbr.gov.bc.ca/applications/SUBS/sys/sysfile.asp?targetPage=subscription_list.asp)

## **2. Bulletin PST 302, Delivery Charges**

[www2.gov.bc.ca/assets/gov/taxes/sales-taxes/publications/pst-302-delivery-charges.pdf](http://www2.gov.bc.ca/assets/gov/taxes/sales-taxes/publications/pst-302-delivery-charges.pdf)

### **Wording:**

This is notification of a document revision.

Document: Bulletin PST 302, Delivery Charges

Source: Consumer Taxation Branch

URL: <https://www2.gov.bc.ca/assets/gov/taxes/sales-taxes/publications/pst-302-delivery-charges.pdf>

Bulletin PST 302, Delivery Charges has been rewritten to correct errors in the bulletin as to when PST applies to delivery charges.

Do not reply to this e-mail. This e-mail account is not monitored.  
If you need further information, please call us toll free in Canada at 1 877 388-4440.

To unsubscribe, go to:

[http://www.sbr.gov.bc.ca/applications/SUBS/sys/sysfile.asp?targetPage=subscription\\_list.asp](http://www.sbr.gov.bc.ca/applications/SUBS/sys/sysfile.asp?targetPage=subscription_list.asp)

### **3. Bulletin PST 109, Printers and Publishers**

<https://www2.gov.bc.ca/assets/gov/taxes/sales-taxes/publications/pst-109-printers-publishers.pdf>

#### **Wording:**

This is notification of a document revision.

Document: Bulletin PST 109, Printers and Publishers

Source: Consumer Taxation Branch

URL: <https://www2.gov.bc.ca/assets/gov/taxes/sales-taxes/publications/pst-109-printers-publishers.pdf>

Bulletin PST 109, Printers and Publishers has been corrected as to when delivery charges are subject to PST. The bulletin has also clarified the section for Change in Use for goods removed from lease inventory and the section on Goods Brought Into BC.

Do not reply to this e-mail. This e-mail account is not monitored.  
If you need further information, please call us toll free in Canada at 1 877 388-4440.

To unsubscribe, go to:

[http://www.sbr.gov.bc.ca/applications/SUBS/sys/sysfile.asp?targetPage=subscription\\_list.asp](http://www.sbr.gov.bc.ca/applications/SUBS/sys/sysfile.asp?targetPage=subscription_list.asp)

### **4. Bulletin PST 110, Production Machinery and Equipment Exemption**

<https://www2.gov.bc.ca/assets/gov/taxes/sales-taxes/publications/pst-110-production-machinery-equipment-exemption.pdf>



**Wording:**

This is notification of a document revision.

Document: Bulletin PST 110, Production Machinery and Equipment Exemption

Source: Consumer Taxation Branch

URL: <https://www2.gov.bc.ca/assets/gov/taxes/sales-taxes/publications/pst-110-production-machinery-equipment-exemption.pdf>

Bulletin PST 110, Production Machinery and Equipment Exemption, has been corrected as to when delivery charges are subject to PST. The bulletin has also clarified the exemption for PM&E or software must be for substantial use at the qualifying part of the manufacturing site, processing plant, refinery, well site or mine site.

Do not reply to this e-mail. This e-mail account is not monitored.

If you need further information, please call us toll free in Canada at 1 877 388-4440.

To unsubscribe, go to:

[http://www.sbr.gov.bc.ca/applications/SUBS/sys/sysfile.asp?targetPage=subscription\\_list.asp](http://www.sbr.gov.bc.ca/applications/SUBS/sys/sysfile.asp?targetPage=subscription_list.asp)

**5. Bulletin PST 111, Mining Industry**

<https://www2.gov.bc.ca/assets/gov/taxes/sales-taxes/publications/pst-111-mining-industry.pdf>

**Wording:**

This is notification of a document revision.

Document: Bulletin PST 111, Mining Industry

Source: Consumer Taxation Branch

URL: <https://www2.gov.bc.ca/assets/gov/taxes/sales-taxes/publications/pst-111-mining-industry.pdf>

Bulletin PST 111, Mining Industry has been corrected as to when delivery charges are subject to PST. In addition, de-watering pumps have been removed from the examples of taxable goods.

Do not reply to this e-mail. This e-mail account is not monitored.  
If you need further information, please call us toll free in Canada at 1 877 388-4440.

To unsubscribe, go to:

[http://www.sbr.gov.bc.ca/applications/SUBS/sys/sysfile.asp?targetPage=subscription\\_list.asp](http://www.sbr.gov.bc.ca/applications/SUBS/sys/sysfile.asp?targetPage=subscription_list.asp)

**6. Bulletin PST 112, Logging Industry**

<https://www2.gov.bc.ca/assets/gov/taxes/sales-taxes/publications/pst-112-logging-industry.pdf>

**Wording:**

This is notification of a document revision.

Document: Bulletin PST 112, Logging Industry

Source: Consumer Taxation Branch

URL: <https://www2.gov.bc.ca/assets/gov/taxes/sales-taxes/publications/pst-112-logging-industry.pdf>

Bulletin PST 112, Logging Industry has been corrected as to when delivery charges are subject to PST.

Do not reply to this e-mail. This e-mail account is not monitored.  
If you need further information, please call us toll free in Canada at 1 877 388-4440.

To unsubscribe, go to:

[http://www.sbr.gov.bc.ca/applications/SUBS/sys/sysfile.asp?targetPage=subscription\\_list.asp](http://www.sbr.gov.bc.ca/applications/SUBS/sys/sysfile.asp?targetPage=subscription_list.asp)

**7. Bulletin PST 113, Oil and Gas Industry – Producers and Processors**

<https://www2.gov.bc.ca/assets/gov/taxes/sales-taxes/publications/pst-113-oil-gas-industry-producers-processors.pdf>

**Wording:**

This is notification of a document revision.

Document: Bulletin PST 113, Oil and Gas Industry – Producers and Processors

Source: Consumer Taxation Branch

URL: <https://www2.gov.bc.ca/assets/gov/taxes/sales-taxes/publications/pst-113-oil-gas-industry-producers-processors.pdf>

Bulletin PST 113, Oil and Gas Industry – Producers and Processors has been corrected as to when delivery charges are subject to PST.

Do not reply to this e-mail. This e-mail account is not monitored.

If you need further information, please call us toll free in Canada at 1 877 388-4440.

To unsubscribe, go to:

[http://www.sbr.gov.bc.ca/applications/SUBS/sys/sysfile.asp?targetPage=subscription\\_list.asp](http://www.sbr.gov.bc.ca/applications/SUBS/sys/sysfile.asp?targetPage=subscription_list.asp)

**8. Bulletin PST 114, Oil and Gas Industry – Exploration, Discovery and Development**

<https://www2.gov.bc.ca/assets/gov/taxes/sales-taxes/publications/pst-114-oil-gas-industry-exploration-discovery-development.pdf>

**Wording:**

This is notification of a document revision.

Document: Bulletin PST 114, Oil and Gas Industry – Exploration, Discovery and Development

Source: Consumer Taxation Branch

URL: <https://www2.gov.bc.ca/assets/gov/taxes/sales-taxes/publications/pst-114-oil-gas-industry-exploration-discovery-development.pdf>

Bulletin PST 114, Oil and Gas Industry – Exploration, Discovery and Development has been corrected as to when delivery charges are subject to PST.

Do not reply to this e-mail. This e-mail account is not monitored.

If you need further information, please call us toll free in Canada at 1 877 388-4440.

To unsubscribe, go to:

[http://www.sbr.gov.bc.ca/applications/SUBS/sys/sysfile.asp?targetPage=subscription\\_list.asp](http://www.sbr.gov.bc.ca/applications/SUBS/sys/sysfile.asp?targetPage=subscription_list.asp)

**9. Bulletin PST 115, Oil and Gas Industry – Service Providers**

<https://www2.gov.bc.ca/assets/gov/taxes/sales-taxes/publications/pst-115-oil-gas-industry-service-providers.pdf>

**Wording:**

This is notification of a document revision.

Document: Bulletin PST 115, Oil and Gas Industry – Service Providers

Source: Consumer Taxation Branch

URL: <https://www2.gov.bc.ca/assets/gov/taxes/sales-taxes/publications/pst-115-oil-gas-industry-service-providers.pdf>

Bulletin PST 115, Oil and Gas Industry – Service Providers has been corrected as to when delivery charges are subject to PST.

Do not reply to this e-mail. This e-mail account is not monitored.

If you need further information, please call us toll free in Canada at 1 877 388-4440.

To unsubscribe, go to:

[http://www.sbr.gov.bc.ca/applications/SUBS/sys/sysfile.asp?targetPage=subscription\\_list.asp](http://www.sbr.gov.bc.ca/applications/SUBS/sys/sysfile.asp?targetPage=subscription_list.asp)

**10. Bulletin PST 129, Florists**

<https://www2.gov.bc.ca/assets/gov/taxes/sales-taxes/publications/pst-129-florists.pdf>

**Wording:**

This is notification of a document revision.

Document: Bulletin PST 129, Florists

Source: Consumer Taxation Branch

URL: <https://www2.gov.bc.ca/assets/gov/taxes/sales-taxes/publications/pst-129-florists.pdf>

Bulletin PST 129, Florists has been corrected as to when delivery charges are subject to PST. In addition, the bulletin has clarified the section for Change in Use for goods removed from lease inventory and the section on Goods Brought Into BC.

Do not reply to this e-mail. This e-mail account is not monitored.

If you need further information, please call us toll free in Canada at 1 877 388-4440.

To unsubscribe, go to:

[http://www.sbr.gov.bc.ca/applications/SUBS/sys/sysfile.asp?targetPage=subscription\\_list.asp](http://www.sbr.gov.bc.ca/applications/SUBS/sys/sysfile.asp?targetPage=subscription_list.asp)

#### **11. Bulletin PST 316, Bundled Sales and Leases**

<https://www2.gov.bc.ca/assets/gov/taxes/sales-taxes/publications/pst-316-bundled-sales-leases.pdf>

##### **Wording:**

This is notification of a document revision.

Document: Bulletin PST 316, Bundled Sales and Leases

Source: Consumer Taxation Branch

URL: <https://www2.gov.bc.ca/assets/gov/taxes/sales-taxes/publications/pst-316-bundled-sales-leases.pdf>

Bulletin PST 316, Bundled Sales and Leases has been corrected as to when delivery charges are subject to PST.

Do not reply to this e-mail. This e-mail account is not monitored.

If you need further information, please call us toll free in Canada at 1 877 388-4440.

To unsubscribe, go to:

[http://www.sbr.gov.bc.ca/applications/SUBS/sys/sysfile.asp?targetPage=subscription\\_list.asp](http://www.sbr.gov.bc.ca/applications/SUBS/sys/sysfile.asp?targetPage=subscription_list.asp)

**From:** Van Nes, Sheri FIN:EX  
**To:** [Caravan, James C ADSL:EX](mailto:Caravan, James C ADSL:EX)  
**Subject:** RE: SD233002 REV - Ministry Internet - Subs notification Update (Q146926)  
**Date:** Tuesday, March 20, 2018 3:14:55 PM

---

Yes – you can close this call.

Sheri Van Nes  
Public Information Policy Analyst  
778 698-4817

---

**From:** Caravan, James [<mailto:James.Caravan@dxcas.com>]  
**Sent:** Tuesday, March 20, 2018 3:07 PM  
**To:** Van Nes, Sheri FIN:EX  
**Subject:** RE: SD233002 REV - Ministry Internet - Subs notification Update (Q146926)

Let me know if I can close the call with the knowledge that PST 113 is no longer in the Subs program

---

**From:** Van Nes, Sheri FIN:EX [<mailto:Sheri.VanNes@gov.bc.ca>]  
**Sent:** March 20, 2018 2:51 PM  
**To:** Caravan, James  
**Subject:** RE: SD233002 REV - Ministry Internet - Subs notification Update (Q146926)

Interesting. There is a subscribe button on bulletin PST 113. Does that mean no one has subscribed to it?

Sheri Van Nes  
Public Information Policy Analyst  
778 698-4817

---

**From:** Caravan, James [<mailto:James.Caravan@dxcas.com>]  
**Sent:** Tuesday, March 20, 2018 2:43 PM  
**To:** Van Nes, Sheri FIN:EX  
**Subject:** RE: SD233002 REV - Ministry Internet - Subs notification Update (Q146926)

Hi Sheri

Ops has sent the Subs out except for PST113, because they just told me – “*Bulletin PST 113, Oil and Gas Industry – Producers and Processors wasn’t found. It’s possible that we never had any SUBS for 113 or it was deleted*”

Since they don’t have an entry for 113, there would be no one to send notifications to anyhow

James

---

**From:** Van Nes, Sheri FIN:EX [<mailto:Sheri.VanNes@gov.bc.ca>]  
**Sent:** March 20, 2018 1:36 PM  
**To:** Caravan, James  
**Subject:** RE: SD233002 REV - Ministry Internet - Subs notification Update (Q146926)

Hi James.

The requirements look good. Please send notifications when you are ready.

Sorry for the delay. There was a few things I needed to do before the subs could go out. Everything is ready now.

Thanks for all of your help with this.

Sheri Van Nes  
Public Information Policy Analyst  
778 698-4817

---

**From:** Caravan, James [<mailto:James.Caravan@dxcas.com>]  
**Sent:** Tuesday, March 20, 2018 1:12 PM  
**To:** Van Nes, Sheri FIN:EX  
**Subject:** RE: SD233002 REV - Ministry Internet - Subs notification Update (Q146926)

Hi Sheri

Thx for the update

The highlighting was a residual copying from word, which will not be in the subs (I think it is gone from the table now)

I've talked to ops and suggested 2pm today

Let me know if we are good to go

Thanks

James

---

**From:** Van Nes, Sheri FIN:EX [<mailto:Sheri.VanNes@gov.bc.ca>]  
**Sent:** March 20, 2018 12:59 PM  
**To:** Caravan, James  
**Subject:** RE: SD233002 REV - Ministry Internet - Subs notification Update (Q146926)

Hi James.

Please add the list of bulletins to the What's New subs notice (I inserted the list into the table below). I notice a few of the URLs have yellow highlights at the end. I assume the highlighting will be removed?

Also, do you think the notifications will go out today or tomorrow?

Sheri Van Nes  
Public Information Policy Analyst  
778 698-4817

**From:** Caravan, James [mailto:James.Caravan@dxcas.com]  
**Sent:** Tuesday, March 20, 2018 12:51 PM  
**To:** Van Nes, Sheri FIN:EX  
**Subject:** SD233002 REV - Ministry Internet - Subs notification Update (Q146926)

Hi Sheri

Please confirm with either a **yes** or **no** that you approve the requirements below. If there were any issues or concerns with the requirements, please respond with corrections to the table below.

Activity:	<b>Ministry Internet – Send out SUBS for Sales Tax What’s New and multiple Bulletins</b> What’s New notification is <b>required</b> for this change.
	<p>Please send out subscriber notifications for the What’s New pages and Bulletins:</p> <p><b>1. CTB Sales Taxes What’s New page</b>  <a href="https://www2.gov.bc.ca/gov/content/taxes/tax-changes/whats-new/sales-taxes">https://www2.gov.bc.ca/gov/content/taxes/tax-changes/whats-new/sales-taxes</a></p> <p><b>Wording:</b></p> <p>This is notification of a document revision.</p> <p>Document: What's New in B.C. Sales Taxes</p> <p>Source: Consumer Taxation Branch</p> <p>URL: <a href="https://www2.gov.bc.ca/gov/content/taxes/tax-changes/whats-new/sales-taxes">https://www2.gov.bc.ca/gov/content/taxes/tax-changes/whats-new/sales-taxes</a></p> <p>The following bulletins have been corrected as to when PST applies to delivery charges. Previously, these bulletins incorrectly stated that delivery charges were not subject to PST for goods delivered in BC, where title to the goods passed at the seller’s premises. In addition, there are other clarifications in the following bulletins that can be found at the end of the bulletins, in the Latest Revision section.</p> <ul style="list-style-type: none"> <li>• <b>Bulletin PST 302, Delivery Charges</b></li> <li>• <b>Bulletin PST 109, Printers and Publishers</b></li> <li>• <b>Bulletin PST 110, Production Machinery and Equipment Exemption</b></li> <li>• <b>Bulletin PST 111, Mining Industry</b></li> <li>• <b>Bulletin PST 112, Logging Industry</b></li> </ul>



- **Bulletin PST 113, Oil and Gas Industry – Producers and Processors**
- **Bulletin PST 114, Oil and Gas Industry – Exploration, Discovery and Development**
- **Bulletin PST 115, Oil and Gas Industry – Service Providers**
- **Bulletin PST 129, Florists**
- **Bulletin PST 316, Bundled Sales and Leases**

Do not reply to this e-mail. This e-mail account is not monitored.

If you need further information, please call us toll free in Canada at 1 877 388-4440.

To unsubscribe, go to:

[http://www.sbr.gov.bc.ca/applications/SUBS/sys/sysfile.asp?targetPage=subscription\\_list.asp](http://www.sbr.gov.bc.ca/applications/SUBS/sys/sysfile.asp?targetPage=subscription_list.asp)

## 2. **Bulletin PST 302, Delivery Charges**

[www2.gov.bc.ca/assets/gov/taxes/sales-taxes/publications/pst-302-delivery-charges.pdf](http://www2.gov.bc.ca/assets/gov/taxes/sales-taxes/publications/pst-302-delivery-charges.pdf)

### **Wording:**

This is notification of a document revision.

Document: Bulletin PST 302, Delivery Charges

Source: Consumer Taxation Branch

URL: <https://www2.gov.bc.ca/assets/gov/taxes/sales-taxes/publications/pst-302-delivery-charges.pdf>

Bulletin PST 302, Delivery Charges has been rewritten to correct errors in the bulletin as to when PST applies to delivery charges.

Do not reply to this e-mail. This e-mail account is not monitored.

If you need further information, please call us toll free in Canada at 1 877 388-4440.

To unsubscribe, go to:

[http://www.sbr.gov.bc.ca/applications/SUBS/sys/sysfile.asp?targetPage=subscription\\_list.asp](http://www.sbr.gov.bc.ca/applications/SUBS/sys/sysfile.asp?targetPage=subscription_list.asp)

**3. Bulletin PST 109, Printers and Publishers**

<https://www2.gov.bc.ca/assets/gov/taxes/sales-taxes/publications/pst-109-printers-publishers.pdf>

**Wording:**

This is notification of a document revision.

Document: Bulletin PST 109, Printers and Publishers

Source: Consumer Taxation Branch

URL: <https://www2.gov.bc.ca/assets/gov/taxes/sales-taxes/publications/pst-109-printers-publishers.pdf>

Bulletin PST 109, Printers and Publishers has been corrected as to when delivery charges are subject to PST. The bulletin has also clarified the section for Change in Use for goods removed from lease inventory and the section on Goods Brought Into BC.

Do not reply to this e-mail. This e-mail account is not monitored.

If you need further information, please call us toll free in Canada at 1 877 388-4440.

To unsubscribe, go to:

[http://www.sbr.gov.bc.ca/applications/SUBS/sys/sysfile.asp?targetPage=subscription\\_list.asp](http://www.sbr.gov.bc.ca/applications/SUBS/sys/sysfile.asp?targetPage=subscription_list.asp)

**4. Bulletin PST 110, Production Machinery and Equipment Exemption**

<https://www2.gov.bc.ca/assets/gov/taxes/sales-taxes/publications/pst-110-production-machinery-equipment-exemption.pdf>

**Wording:**

This is notification of a document revision.

Document: Bulletin PST 110, Production Machinery and Equipment Exemption

Source: Consumer Taxation Branch

URL: <https://www2.gov.bc.ca/assets/gov/taxes/sales-taxes/publications/pst-110-production-machinery-equipment-exemption.pdf>

Bulletin PST 110, Production Machinery and Equipment Exemption, has been corrected as to when delivery charges are subject to PST. The bulletin has also clarified the exemption for PM&E or software must be for substantial use at the qualifying part of the manufacturing site, processing plant, refinery, well site or mine site.

Do not reply to this e-mail. This e-mail account is not monitored.

If you need further information, please call us toll free in Canada at 1 877 388-4440.

To unsubscribe, go to:

[http://www.sbr.gov.bc.ca/applications/SUBS/sys/sysfile.asp?targetPage=subscription\\_list.asp](http://www.sbr.gov.bc.ca/applications/SUBS/sys/sysfile.asp?targetPage=subscription_list.asp)

**5. Bulletin PST 111, Mining Industry**

<https://www2.gov.bc.ca/assets/gov/taxes/sales-taxes/publications/pst-111-mining-industry.pdf>

**Wording:**

This is notification of a document revision.

Document: Bulletin PST 111, Mining Industry

Source: Consumer Taxation Branch

URL: <https://www2.gov.bc.ca/assets/gov/taxes/sales-taxes/publications/pst-111-mining-industry.pdf>

Bulletin PST 111, Mining Industry has been corrected as to when delivery charges are subject to PST. In addition, de-watering pumps have been removed from the examples of taxable goods.

Do not reply to this e-mail. This e-mail account is not monitored.

If you need further information, please call us toll free in Canada at 1 877 388-4440.

To unsubscribe, go to:

[http://www.sbr.gov.bc.ca/applications/SUBS/sys/sysfile.asp?targetPage=subscription\\_list.asp](http://www.sbr.gov.bc.ca/applications/SUBS/sys/sysfile.asp?targetPage=subscription_list.asp)

**6. Bulletin PST 112, Logging Industry**

<https://www2.gov.bc.ca/assets/gov/taxes/sales-taxes/publications/pst-112-logging-industry.pdf>

**Wording:**

This is notification of a document revision.

Document: Bulletin PST 112, Logging Industry

Source: Consumer Taxation Branch

URL: <https://www2.gov.bc.ca/assets/gov/taxes/sales-taxes/publications/pst-112-logging-industry.pdf>

Bulletin PST 112, Logging Industry has been corrected as to when delivery charges are subject to PST.

Do not reply to this e-mail. This e-mail account is not monitored.

If you need further information, please call us toll free in Canada at 1 877 388-4440.

To unsubscribe, go to:

[http://www.sbr.gov.bc.ca/applications/SUBS/sys/sysfile.asp?targetPage=subscription\\_list.asp](http://www.sbr.gov.bc.ca/applications/SUBS/sys/sysfile.asp?targetPage=subscription_list.asp)

**7. Bulletin PST 113, Oil and Gas Industry – Producers and Processors**

<https://www2.gov.bc.ca/assets/gov/taxes/sales-taxes/publications/pst-113-oil-gas-industry-producers-processors.pdf>

**Wording:**

This is notification of a document revision.

Document: Bulletin PST 113, Oil and Gas Industry – Producers and Processors

Source: Consumer Taxation Branch

URL: <https://www2.gov.bc.ca/assets/gov/taxes/sales->

[taxes/publications/pst-113-oil-gas-industry-producers-processors.pdf](https://www2.gov.bc.ca/assets/gov/taxes/publications/pst-113-oil-gas-industry-producers-processors.pdf)

Bulletin PST 113, Oil and Gas Industry – Producers and Processors has been corrected as to when delivery charges are subject to PST.

Do not reply to this e-mail. This e-mail account is not monitored.

If you need further information, please call us toll free in Canada at 1 877 388-4440.

To unsubscribe, go to:

[http://www.sbr.gov.bc.ca/applications/SUBS/sys/sysfile.asp?targetPage=subscription\\_list.asp](http://www.sbr.gov.bc.ca/applications/SUBS/sys/sysfile.asp?targetPage=subscription_list.asp)

**8. Bulletin PST 114, Oil and Gas Industry – Exploration, Discovery and Development**

<https://www2.gov.bc.ca/assets/gov/taxes/sales-taxes/publications/pst-114-oil-gas-industry-exploration-discovery-development.pdf>

**Wording:**

This is notification of a document revision.

Document: Bulletin PST 114, Oil and Gas Industry – Exploration, Discovery and Development

Source: Consumer Taxation Branch

URL: <https://www2.gov.bc.ca/assets/gov/taxes/sales-taxes/publications/pst-114-oil-gas-industry-exploration-discovery-development.pdf>

Bulletin PST 114, Oil and Gas Industry – Exploration, Discovery and Development has been corrected as to when delivery charges are subject to PST.

Do not reply to this e-mail. This e-mail account is not monitored.

If you need further information, please call us toll free in Canada at 1 877 388-4440.

To unsubscribe, go to:

[http://www.sbr.gov.bc.ca/applications/SUBS/sys/sysfile.asp?targetPage=subscription\\_list.asp](http://www.sbr.gov.bc.ca/applications/SUBS/sys/sysfile.asp?targetPage=subscription_list.asp)

**9. Bulletin PST 115, Oil and Gas Industry – Service Providers**

<https://www2.gov.bc.ca/assets/gov/taxes/sales-taxes/publications/pst-115-oil-gas-industry-service-providers.pdf>

**Wording:**

This is notification of a document revision.

Document: Bulletin PST 115, Oil and Gas Industry – Service Providers

Source: Consumer Taxation Branch

URL: <https://www2.gov.bc.ca/assets/gov/taxes/sales-taxes/publications/pst-115-oil-gas-industry-service-providers.pdf>

Bulletin PST 115, Oil and Gas Industry – Service Providers has been corrected as to when delivery charges are subject to PST.

Do not reply to this e-mail. This e-mail account is not monitored.

If you need further information, please call us toll free in Canada at 1 877 388-4440.

To unsubscribe, go to:

[http://www.sbr.gov.bc.ca/applications/SUBS/sys/sysfile.asp?targetPage=subscription\\_list.asp](http://www.sbr.gov.bc.ca/applications/SUBS/sys/sysfile.asp?targetPage=subscription_list.asp)

**10. Bulletin PST 129, Florists**

<https://www2.gov.bc.ca/assets/gov/taxes/sales-taxes/publications/pst-129-florists.pdf>

**Wording:**

This is notification of a document revision.

Document: Bulletin PST 129, Florists

Source: Consumer Taxation Branch

URL: <https://www2.gov.bc.ca/assets/gov/taxes/sales-taxes/publications/pst-129-florists.pdf>

Bulletin PST 129, Florists has been corrected as to when delivery charges are subject to PST. In addition, the bulletin has clarified the section for Change in Use for goods removed from lease inventory and the section on Goods Brought Into BC.

Do not reply to this e-mail. This e-mail account is not monitored.

If you need further information, please call us toll free in Canada at 1 877 388-4440.

To unsubscribe, go to:

[http://www.sbr.gov.bc.ca/applications/SUBS/sys/sysfile.asp?targetPage=subscription\\_list.asp](http://www.sbr.gov.bc.ca/applications/SUBS/sys/sysfile.asp?targetPage=subscription_list.asp)

**11. Bulletin PST 316, Bundled Sales and Leases**

<https://www2.gov.bc.ca/assets/gov/taxes/sales-taxes/publications/pst-316-bundled-sales-leases.pdf>



	<p><b>Wording:</b></p> <p>This is notification of a document revision.</p> <p>Document: Bulletin PST 316, Bundled Sales and Leases</p> <p>Source: Consumer Taxation Branch</p> <p>URL: <a href="https://www2.gov.bc.ca/assets/gov/taxes/sales-taxes/publications/pst-316-bundled-sales-leases.pdf">https://www2.gov.bc.ca/assets/gov/taxes/sales-taxes/publications/pst-316-bundled-sales-leases.pdf</a></p> <p>Bulletin PST 316, Bundled Sales and Leases has been corrected as to when delivery charges are subject to PST.</p> <p>Do not reply to this e-mail. This e-mail account is not monitored.</p> <p>If you need further information, please call us toll free in Canada at 1 877 388-4440.</p> <p>To unsubscribe, go to:  <a href="http://www.sbr.gov.bc.ca/applications/SUBS/sys/sysfile.asp?targetPage=subscription_list.asp">http://www.sbr.gov.bc.ca/applications/SUBS/sys/sysfile.asp?targetPage=subscription_list.asp</a></p>
<b>2</b>	Please notify <b>Sheri Van Nes</b> when this is ready for testing.
<b>Urgency:</b>	On <b>Thursday, March 20, 2018 at 2:00pm</b> . Please notify client if otherwise.
<b>NOTES:</b>	

Thanks

*James Caravan*

Developer  
Application Managed Services (AMS)  
ESIT Advanced Solutions

2200 - 4464 Markham Street

Victoria, BC V8Z 7X8

☎ Phone 250 405-4527 | fax 250 405-4429

✉ Email: [James.Caravan@dxcas.com](mailto:James.Caravan@dxcas.com)

🌐 Web: [www.dxcas.com](http://www.dxcas.com)

# Business Requirements

**QUOTE #:** Q146926

**Interaction #:** SD233002

**Description:** Send out SUBS for Sales Tax What's New and multiple Bulletins

**Business Application:** WEB – Ministry Internet

**Requestor:** [Andrea.Clark@gov.bc.ca](mailto:Andrea.Clark@gov.bc.ca)

**Prepared By:** Lesley Ko

**Date:** 2018-03-13

**Document Location:** \\cavtfase100\public\IMIT\Application Services\PS Workbook  
\Change\_Control\_Data\2018\!Web\03 - Mar\SD233002 [Q146926] - LK  
- Ministry Internet - Subs for Sales Tax What's New and multiple  
Bulletins\Requirements

# Table of Contents

- 1 Document Control .....3**
  - 1.1 Amendment History .....3
  - 1.2 References .....3
- 2 High Level Business Requirement .....3**
- 3 Assumptions and Constraints .....3**
  - 3.1 Assumptions.....3
  - 3.2 Constraints .....3
- 4 Detailed Business Requirements .....3**
- Appendix A – Definitions.....9**
- 5 Approvals.....10**

# 1 Document Control

## 1.1 Amendment History

CR# (Optional)	Version	Approval Date	Modified By	Section, Page(s), and Text Revised

## 1.2 References

Document	Author	Status	Version

# 2 High Level Business Requirement

- Ministry Internet – Send out SUBS for Sales Tax What's New and multiple Bulletins

## 2.1 Assumptions

- none

## 2.2 Constraints

- none

# 3 Detailed Business Requirements

Number	Business Requirement (description)
--------	------------------------------------

Activity:	<b>Ministry Internet – Send out SUBS for Sales Tax What's New and multiple Bulletins</b> What's New notification is required for this change.
1	<p>Please send out subscriber notifications for the What's New pages and Bulletins:</p> <p><b>1. CTB Sales Taxes What's New page</b> <a href="https://www2.gov.bc.ca/gov/content/taxes/tax-changes/whats-new/sales-taxes">https://www2.gov.bc.ca/gov/content/taxes/tax-changes/whats-new/sales-taxes</a></p> <p><b>Wording:</b></p> <p>This is notification of a document revision.</p> <p>Document: What's New in B.C. Sales Taxes Source: Consumer Taxation Branch URL: <a href="https://www2.gov.bc.ca/gov/content/taxes/tax-changes/whats-new/sales-taxes">https://www2.gov.bc.ca/gov/content/taxes/tax-changes/whats-new/sales-taxes</a></p>

The following bulletins have been corrected as to when PST applies to delivery charges. Previously, these bulletins incorrectly stated that delivery charges were not subject to PST for goods delivered in BC, where title to the goods passed at the seller's premises. In addition, there are other clarifications in the following bulletins that can be found at the end of the bulletins, in the Latest Revision section.

- Bulletin PST 302, Delivery Charges
- Bulletin PST 109, Printers and Publishers
- Bulletin PST 110, Production Machinery and Equipment Exemption
- Bulletin PST 111, Mining Industry
- Bulletin PST 112, Logging Industry
- Bulletin PST 113, Oil and Gas Industry – Producers and Processors
- Bulletin PST 114, Oil and Gas Industry – Exploration, Discovery and Development
- Bulletin PST 115, Oil and Gas Industry – Service Providers
- Bulletin PST 129, Florists
- Bulletin PST 316, Bundled Sales and Leases

Do not reply to this e-mail. This e-mail account is not monitored.

If you need further information, please call us toll free in Canada at 1 877 388-4440.

To unsubscribe, go to:

[http://www.sbr.gov.bc.ca/applications/SUBS/sys/sysfile.asp?targetPage=subscription\\_list.asp](http://www.sbr.gov.bc.ca/applications/SUBS/sys/sysfile.asp?targetPage=subscription_list.asp)

## **2. Bulletin PST 302, Delivery Charges**

[www2.gov.bc.ca/assets/gov/taxes/sales-taxes/publications/pst-302-delivery-charges.pdf](http://www2.gov.bc.ca/assets/gov/taxes/sales-taxes/publications/pst-302-delivery-charges.pdf)

### **Wording:**

This is notification of a document revision.

Document: Bulletin PST 302, Delivery Charges

Source: Consumer Taxation Branch

URL: <https://www2.gov.bc.ca/assets/gov/taxes/sales-taxes/publications/pst-302-delivery-charges.pdf>

Bulletin PST 302, Delivery Charges has been rewritten to correct errors in the bulletin as to when PST applies to delivery charges.

Do not reply to this e-mail. This e-mail account is not monitored.

If you need further information, please call us toll free in Canada at 1 877 388-4440.

To unsubscribe, go to:

[http://www.sbr.gov.bc.ca/applications/SUBS/sys/sysfile.asp?targetPage=subscription\\_list.asp](http://www.sbr.gov.bc.ca/applications/SUBS/sys/sysfile.asp?targetPage=subscription_list.asp)

**3. Bulletin PST 109, Printers and Publishers**

<https://www2.gov.bc.ca/assets/gov/taxes/sales-taxes/publications/pst-109-printers-publishers.pdf>

**Wording:**

This is notification of a document revision.

Document: Bulletin PST 109, Printers and Publishers

Source: Consumer Taxation Branch

URL: <https://www2.gov.bc.ca/assets/gov/taxes/sales-taxes/publications/pst-109-printers-publishers.pdf>

Bulletin PST 109, Printers and Publishers has been corrected as to when delivery charges are subject to PST. The bulletin has also clarified the section for Change in Use for goods removed from lease inventory and the section on Goods Brought Into BC.

Do not reply to this e-mail. This e-mail account is not monitored.

If you need further information, please call us toll free in Canada at 1 877 388-4440.

To unsubscribe, go to:

[http://www.sbr.gov.bc.ca/applications/SUBS/sys/sysfile.asp?targetPage=subscription\\_list.asp](http://www.sbr.gov.bc.ca/applications/SUBS/sys/sysfile.asp?targetPage=subscription_list.asp)

**4. Bulletin PST 110, Production Machinery and Equipment Exemption**

<https://www2.gov.bc.ca/assets/gov/taxes/sales-taxes/publications/pst-110-production-machinery-equipment-exemption.pdf>

**Wording:**

This is notification of a document revision.

Document: Bulletin PST 110, Production Machinery and Equipment Exemption

Source: Consumer Taxation Branch

URL: <https://www2.gov.bc.ca/assets/gov/taxes/sales-taxes/publications/pst-110-production-machinery-equipment-exemption.pdf>

Bulletin PST 110, Production Machinery and Equipment Exemption, has been corrected as to when delivery charges are subject to PST. The bulletin has also clarified the exemption for PM&E or software must be for substantial use at the qualifying part of the manufacturing site, processing plant, refinery, well site or mine site.

Do not reply to this e-mail. This e-mail account is not monitored.

If you need further information, please call us toll free in Canada at 1 877 388-4440.

To unsubscribe, go to:

[http://www.sbr.gov.bc.ca/applications/SUBS/sys/sysfile.asp?targetPage=subscription\\_list.asp](http://www.sbr.gov.bc.ca/applications/SUBS/sys/sysfile.asp?targetPage=subscription_list.asp)

**5. Bulletin PST 111, Mining Industry**

<https://www2.gov.bc.ca/assets/gov/taxes/sales-taxes/publications/pst-111-mining-industry.pdf>

**Wording:**

This is notification of a document revision.

Document: Bulletin PST 111, Mining Industry

Source: Consumer Taxation Branch

URL: <https://www2.gov.bc.ca/assets/gov/taxes/sales-taxes/publications/pst-111-mining-industry.pdf>

Bulletin PST 111, Mining Industry has been corrected as to when delivery charges are subject to PST. In addition, de-watering pumps have been removed from the examples of taxable goods.

Do not reply to this e-mail. This e-mail account is not monitored.

If you need further information, please call us toll free in Canada at 1 877 388-4440.

To unsubscribe, go to:

[http://www.sbr.gov.bc.ca/applications/SUBS/sys/sysfile.asp?targetPage=subscription\\_list.asp](http://www.sbr.gov.bc.ca/applications/SUBS/sys/sysfile.asp?targetPage=subscription_list.asp)

**6. Bulletin PST 112, Logging Industry**

<https://www2.gov.bc.ca/assets/gov/taxes/sales-taxes/publications/pst-112-logging-industry.pdf>

**Wording:**

This is notification of a document revision.

Document: Bulletin PST 112, Logging Industry

Source: Consumer Taxation Branch

URL: <https://www2.gov.bc.ca/assets/gov/taxes/sales-taxes/publications/pst-112-logging-industry.pdf>

Bulletin PST 112, Logging Industry has been corrected as to when delivery charges are subject to PST.

Do not reply to this e-mail. This e-mail account is not monitored.

If you need further information, please call us toll free in Canada at 1 877 388-4440.

To unsubscribe, go to:

[http://www.sbr.gov.bc.ca/applications/SUBS/sys/sysfile.asp?targetPage=subscription\\_list.asp](http://www.sbr.gov.bc.ca/applications/SUBS/sys/sysfile.asp?targetPage=subscription_list.asp)

**7. Bulletin PST 113, Oil and Gas Industry – Producers and Processors**

<https://www2.gov.bc.ca/assets/gov/taxes/sales-taxes/publications/pst-113-oil-gas-industry-producers-processors.pdf>



**Wording:**

This is notification of a document revision.

Document: Bulletin PST 113, Oil and Gas Industry – Producers and Processors

Source: Consumer Taxation Branch

URL: <https://www2.gov.bc.ca/assets/gov/taxes/sales-taxes/publications/pst-113-oil-gas-industry-producers-processors.pdf>

Bulletin PST 113, Oil and Gas Industry – Producers and Processors has been corrected as to when delivery charges are subject to PST.

Do not reply to this e-mail. This e-mail account is not monitored.

If you need further information, please call us toll free in Canada at 1 877 388-4440.

To unsubscribe, go to:

[http://www.sbr.gov.bc.ca/applications/SUBS/sys/sysfile.asp?targetPage=subscription\\_list.asp](http://www.sbr.gov.bc.ca/applications/SUBS/sys/sysfile.asp?targetPage=subscription_list.asp)

**8. Bulletin PST 114, Oil and Gas Industry – Exploration, Discovery and Development**

<https://www2.gov.bc.ca/assets/gov/taxes/sales-taxes/publications/pst-114-oil-gas-industry-exploration-discovery-development.pdf>

**Wording:**

This is notification of a document revision.

Document: Bulletin PST 114, Oil and Gas Industry – Exploration, Discovery and Development

Source: Consumer Taxation Branch

URL: <https://www2.gov.bc.ca/assets/gov/taxes/sales-taxes/publications/pst-114-oil-gas-industry-exploration-discovery-development.pdf>

Bulletin PST 114, Oil and Gas Industry – Exploration, Discovery and Development has been corrected as to when delivery charges are subject to PST.

Do not reply to this e-mail. This e-mail account is not monitored.

If you need further information, please call us toll free in Canada at 1 877 388-4440.

To unsubscribe, go to:

[http://www.sbr.gov.bc.ca/applications/SUBS/sys/sysfile.asp?targetPage=subscription\\_list.asp](http://www.sbr.gov.bc.ca/applications/SUBS/sys/sysfile.asp?targetPage=subscription_list.asp)

**9. Bulletin PST 115, Oil and Gas Industry – Service Providers**

<https://www2.gov.bc.ca/assets/gov/taxes/sales-taxes/publications/pst-115-oil-gas-industry-service-providers.pdf>

**Wording:**

This is notification of a document revision.

Document: Bulletin PST 115, Oil and Gas Industry – Service Providers

Source: Consumer Taxation Branch

URL: <https://www2.gov.bc.ca/assets/gov/taxes/sales-taxes/publications/pst-115-oil-gas-industry-service-providers.pdf>

Bulletin PST 115, Oil and Gas Industry – Service Providers has been corrected as to when delivery charges are subject to PST.

Do not reply to this e-mail. This e-mail account is not monitored.

If you need further information, please call us toll free in Canada at 1 877 388-4440.

To unsubscribe, go to:

[http://www.sbr.gov.bc.ca/applications/SUBS/sys/sysfile.asp?targetPage=subscription\\_list.asp](http://www.sbr.gov.bc.ca/applications/SUBS/sys/sysfile.asp?targetPage=subscription_list.asp)

#### **10. Bulletin PST 129, Florists**

<https://www2.gov.bc.ca/assets/gov/taxes/sales-taxes/publications/pst-129-florists.pdf>

##### **Wording:**

This is notification of a document revision.

Document: Bulletin PST 129, Florists

Source: Consumer Taxation Branch

URL: <https://www2.gov.bc.ca/assets/gov/taxes/sales-taxes/publications/pst-129-florists.pdf>

Bulletin PST 129, Florists has been corrected as to when delivery charges are subject to PST. In addition, the bulletin has clarified the section for Change in Use for goods removed from lease inventory and the section on Goods Brought Into BC.

Do not reply to this e-mail. This e-mail account is not monitored.

If you need further information, please call us toll free in Canada at 1 877 388-4440.

To unsubscribe, go to:

[http://www.sbr.gov.bc.ca/applications/SUBS/sys/sysfile.asp?targetPage=subscription\\_list.asp](http://www.sbr.gov.bc.ca/applications/SUBS/sys/sysfile.asp?targetPage=subscription_list.asp)

#### **11. Bulletin PST 316, Bundled Sales and Leases**

<https://www2.gov.bc.ca/assets/gov/taxes/sales-taxes/publications/pst-316-bundled-sales-leases.pdf>

##### **Wording:**

This is notification of a document revision.

	<p>Document: Bulletin PST 316, Bundled Sales and Leases  Source: Consumer Taxation Branch  URL: <a href="https://www2.gov.bc.ca/assets/gov/taxes/sales-taxes/publications/pst-316-bundled-sales-leases.pdf">https://www2.gov.bc.ca/assets/gov/taxes/sales-taxes/publications/pst-316-bundled-sales-leases.pdf</a></p> <p>Bulletin PST 316, Bundled Sales and Leases has been corrected as to when delivery charges are subject to PST.</p> <p>Do not reply to this e-mail. This e-mail account is not monitored.  If you need further information, please call us toll free in Canada at 1 877 388-4440.</p> <p>To unsubscribe, go to:  <a href="http://www.sbr.gov.bc.ca/applications/SUBS/sys/sysfile.asp?targetPage=subscription_list.asp">http://www.sbr.gov.bc.ca/applications/SUBS/sys/sysfile.asp?targetPage=subscription_list.asp</a></p>
<b>2</b>	Please notify <b>Sheri Van Nes</b> when this is ready for testing.
<b>Urgency:</b>	On <b>Thursday, March 20, 2018 at 2:00pm</b> . Please notify client if otherwise.
<b>NOTES:</b>	

## Appendix A – Definitions

Acronym / Term	Definition

## 4 Approvals

Technical Team Lead	
Steven Mazuruk	
Signature (WHEN REQUIRED)	Date

Business Area Rep/Title	Branch
Jennie Hastie / Business Analyst	
Signature	Date

**NOTE that approvals via EMAIL are acceptable rather than physical signatures**

**From:** CTBTaxQuestions FIN:EX  
**To:** Nagelbach, Alexander FIN:EX  
**Subject:** FW: Delivery Charges and application of BC PST  
**Date:** Wednesday, May 9, 2018 9:47:07 AM

---

**From:** Thom, Kevin J [mailto:Kevin.J.Thom@conocophillips.com]  
**Sent:** Tuesday, March 27, 2018 6:49 AM  
**To:** CTBTaxQuestions FIN:EX  
**Subject:** Delivery Charges and application of BC PST

Good morning,

We would like to get some clarification on the application of PST to delivery & handling charges.  
We note that there was a new release of PST 032.

Outlined below are 3 situations, that build upon each other. Can you please confirm the PST status. If you need any additional information, please do not hesitate to contact me.

We look forward to your reply.

Thanks,

Kevin Thom  
403-233-3938

**Situation #1:**

- Oil Co is an Alberta company, registered for BC PST
- Pipe Co is an Alberta company, not registered for BC PST
- Oil Co purchases line pipe from Pipe Co.
- Title to the line pipe transfers to Oil Co at Pipe Co's storage yard in Alberta.
- Oil Co arranges for trucking (delivery & handling) of the line pipe to Oil Co's storage yard in BC.

**PST IMPLICATIONS (Please confirm):**

- Oil Co will need to self-assess BC PST on the value of line pipe. Invoice from Pipe Co
- Oil Co will need to self-assess BC PST on the value of the trucking (delivery & handling) costs. Invoice from Trucking Co.

**Situation #2:**

- The line pipe in situation #1, is stored at Oil Co's BC storage yard.
- The line pipe is then used as needed and moved within BC to fulfill Oil Co's needs.
- The line pipe is already 'owned', title to the line pipe has already passed to Oil Co.
- There is no additional sale transaction, Oil Co is simply moving line pipe from one location within BC to another site within BC for installation.

**PST IMPLCIATIONS (Please confirm):**

- No BC PST is applicable from Trucking Co on delivery charges when the goods are already owned.
- Oil Co. does not have any further self-assessing requirements for delivery charges in situation 2.

**Situation #3:**

- Oil Co in moving the line pipe inventory around in BC, may utilize a variety of service providers to deliver or handle (ie, load and unload) the line pipe on to trucks.
- A Trucking co, may provide this service.
- A Pipeline Co, may provide this service.
- A 3<sup>rd</sup> party Co, may provide this service.
- Building on Situation 2; we may incur two charges from two separate suppliers, a trucking company to haul the line pipe and a service company to load and unload the line pipe.

**PST IMPLICATIONS (Please confirm):**

- No BC PST is applicable from Trucking Co. on delivery charges when the goods are already owned.
- It seems reasonable, a separate supply of handling services (loading or unloading the pipe) would be PST exempt.
- Oil Co. does not have any further self-assessing requirements for delivery or handling charges in situation 3.

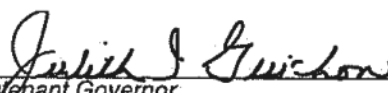
**From:** [Nagelbach, Alexander FIN:EX](#)  
**To:** [Gudgeon, William AG:EX](#)  
**Subject:** FW: OICs  
**Date:** Tuesday, March 20, 2018 10:30:00 AM  
**Attachments:** [129-2018.pdf](#)

---

**From:** Dardengo, Doris JAG:EX  
**Sent:** Tuesday, March 20, 2018 10:27 AM  
**To:** Nagelbach, Alexander FIN:EX; Sherman, Samantha FIN:EX  
**Subject:** OICs


**PROVINCE OF BRITISH COLUMBIA**  
**ORDER OF THE LIEUTENANT GOVERNOR IN COUNCIL**

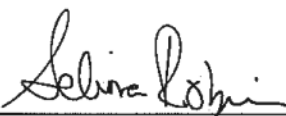
Order in Council No. 129 , Approved and Ordered March 20, 2018

  
Lieutenant Governor

Executive Council Chambers, Victoria

On the recommendation of the undersigned, the Lieutenant Governor, by and with the advice and consent of the Executive Council, orders that the attached Provincial Sales Tax (Delivery Charge) Remission Regulation is made.

  
Minister of Finance and Deputy Premier

  
Presiding Member of the Executive Council

---

*(This part is for administrative purposes only and is not part of the Order.)*

Authority under which Order is made:

Act and section: *Financial Administration Act*, R.S.B.C. 1996, c. 138, s. 19

Other: \_\_\_\_\_

R20188217



## **PROVINCIAL SALES TAX (DELIVERY CHARGE) REMISSION REGULATION**

### **Definitions**

- 1** (1) In this regulation:
- “**Act**” means the *Provincial Sales Tax Act*;
- “**delivery charge**” means a charge included by section 10 (2) (c) (i) of the Act in the purchase price of tangible personal property.
- (2) The definitions in section 1 of the Act apply to this regulation.

### **Remission of penalty**

- 2** Authorization is given for the remission of a penalty under section 203 (1) of the Act imposed on a collector who has not levied tax on the portion of the purchase price of tangible personal property that is a delivery charge, if
- (a) the sale occurred on or after April 1, 2013 and on or before March 31, 2018,  
and
  - (b) under the sale, title to the tangible personal property passed, or is to pass, to the purchaser at premises of the collector that are in British Columbia.

**From:** Sousa, Rick S FIN:EX  
**To:** Nagelbach, Alexander FIN:EX  
**Subject:** FW: Consumer Taxation Branch Information Update  
**Date:** Wednesday, May 9, 2018 9:33:28 AM

---

FOI

-----Original Message-----

**From:** Eggleston, Stephen D FIN:EX  
**Sent:** Tuesday, March 20, 2018 3:15 PM  
**To:** Sousa, Rick S FIN:EX  
**Subject:** FW: Consumer Taxation Branch Information Update

-----Original Message-----

**From:** RPDWeb@victoria1.gov.bc.ca [mailto:RPDWeb@victoria1.gov.bc.ca]  
**Sent:** Tuesday, March 20, 2018 2:33 PM  
**To:** Eggleston, Stephen D FIN:EX  
**Subject:** Consumer Taxation Branch Information Update

This is notification of a document revision.

**Document:** What's New in B.C. Sales Taxes  
**Source:** Consumer Taxation Branch  
**URL:** <https://www2.gov.bc.ca/gov/content/taxes/tax-changes/whats-new/sales-taxes>

The following bulletins have been corrected as to when PST applies to delivery charges. Previously, these bulletins incorrectly stated that delivery charges were not subject to PST for goods delivered in BC, where title to the goods passed at the seller's premises. In addition, there are other clarifications in the following bulletins that can be found at the end of the bulletins, in the Latest Revision section.

- Bulletin PST 302, Delivery Charges
- Bulletin PST 109, Printers and Publishers
- Bulletin PST 110, Production Machinery and Equipment Exemption
- Bulletin PST 111, Mining Industry
- Bulletin PST 112, Logging Industry
- Bulletin PST 113, Oil and Gas Industry - Producers and Processors
- Bulletin PST 114, Oil and Gas Industry - Exploration, Discovery and Development
- Bulletin PST 115, Oil and Gas Industry - Service Providers
- Bulletin PST 129, Florists
- Bulletin PST 316, Bundled Sales and Leases

Do not reply to this e-mail. This e-mail account is not monitored.  
If you need further information, please call us toll-free in Canada at 1 877 388-4440.

To unsubscribe, go to:

[http://www.sbr.gov.bc.ca/applications/SUBS/sys/sysfile.asp?targetPage=subscription\\_list.asp](http://www.sbr.gov.bc.ca/applications/SUBS/sys/sysfile.asp?targetPage=subscription_list.asp)

**From:** Scott, Bob FIN:EX  
**To:** Sherman, Samantha FIN:EX  
**Subject:** FW: Delivery Charge Potential Taxpayer Outreach  
**Date:** Thursday, March 29, 2018 11:18:38 AM

---

FYI: Dennis's group had some ideas.

Bob

---

**From:** Tecson, Dennis FIN:EX  
**Sent:** Thursday, March 29, 2018 10:26 AM  
**To:** Scott, Bob FIN:EX  
**Subject:** FW: Delivery Charge Potential Taxpayer Outreach

Hi Bob,

Further to the note below, I have been on a month end meeting and a couple of suggestions have been raised:

- Message on eTax as a reference to the new bulletin
- Message on blank returns referencing the bulletin/clarification on the application of the tax to delivery charge

---

**From:** Ryan, Gerald FIN:EX  
**Sent:** Thursday, March 29, 2018 8:53 AM  
**To:** Siu, Mary FIN:EX; Nelson, Katherine M FIN:EX; Goudy, Glen FIN:EX; Hayes, Jason FIN:EX; Griffiths, Tracy T FIN:EX; Brown, Curt FIN:EX; Brown, Zorayma FIN:EX; Fullerton, Ken B FIN:EX; Paugh, Barbara FIN:EX  
**Cc:** Kumar, Anjani T FIN:EX  
**Subject:** Delivery Charge Potential Taxpayer Outreach

Further to our discussion on this topic during our leadership call, I had a conversation with Bob Scott. Outreach, beyond the bulletin update, has not been contemplated yet, however, he recognizes there may be a need and will be initiating discussions on his end. I let him know we are, as always, prepared to lend a hand.

Stay tuned.

**Jerry Ryan BBA, CPA, CMA**

Audit Manager

Ministry of Finance

Consumer Taxation Audit Branch

th

Suite 204 – 117 10 Ave S

Cranbrook, BC V1C 2N1

Phone: 250-919-3522

**From:** Scott, Bob FIN:EX  
**To:** Tecson, Dennis FIN:EX  
**Subject:** RE: Delivery Charge Potential Taxpayer Outreach  
**Date:** Thursday, March 29, 2018 11:18:00 AM

---

Great. Thanks Dennis. That is very helpful.

Bob

---

**From:** Tecson, Dennis FIN:EX  
**Sent:** Thursday, March 29, 2018 10:26 AM  
**To:** Scott, Bob FIN:EX  
**Subject:** FW: Delivery Charge Potential Taxpayer Outreach

Hi Bob,

Further to the note below, I have been on a month end meeting and a couple of suggestions have been raised:

- Message on eTax as a reference to the new bulletin
- Message on blank returns referencing the bulletin/clarification on the application of the tax to delivery charge

---

**From:** Ryan, Gerald FIN:EX  
**Sent:** Thursday, March 29, 2018 8:53 AM  
**To:** Siu, Mary FIN:EX; Nelson, Katherine M FIN:EX; Goudy, Glen FIN:EX; Hayes, Jason FIN:EX; Griffiths, Tracy T FIN:EX; Brown, Curt FIN:EX; Brown, Zorayma FIN:EX; Fullerton, Ken B FIN:EX; Paugh, Barbara FIN:EX  
**Cc:** Kumar, Anjani T FIN:EX  
**Subject:** Delivery Charge Potential Taxpayer Outreach

Further to our discussion on this topic during our leadership call, I had a conversation with Bob Scott. Outreach, beyond the bulletin update, has not been contemplated yet, however, he recognizes there may be a need and will be initiating discussions on his end. I let him know we are, as always, prepared to lend a hand.

Stay tuned.

**Jerry Ryan BBA, CPA, CMA**

Audit Manager

Ministry of Finance

Consumer Taxation Audit Branch

th

Suite 204 – 117 10 Ave S

Cranbrook, BC V1C 2N1

Phone: 250-919-3522

**From:** Goss, Jordan T FIN:EX  
**To:** Davies, Ann FIN:EX  
**Subject:** RE: Necessary Action CLIFF ID 366611  
**Date:** Thursday, March 29, 2018 10:19:46 AM

---

Ok.

**From:** Davies, Ann FIN:EX  
**Sent:** Thursday, March 29, 2018 9:58 AM  
**To:** Goss, Jordan T FIN:EX  
**Subject:** RE: Necessary Action CLIFF ID 366611

Thanks Jordan.

I sent a note to Lori. She would us to keep her updated on this issue. So can you or Samantha send me an update after the teleconference next week?

**C. Ann Davies**  
Acting Assistant Deputy Minister  
778 698 4800

**From:** Goss, Jordan T FIN:EX  
**Sent:** Thursday, March 29, 2018 9:16 AM  
**To:** Davies, Ann FIN:EX  
**Subject:** FW: Necessary Action CLIFF ID 366611

As the letter from the Aggregates Association and Lafarge on Bulletin 302, Delivery charges, also came in via CLIFF, here is the note that will be added into CLIFF regarding the call Samantha made.

Jordan

**From:** Sherman, Samantha FIN:EX  
**Sent:** Wednesday, March 28, 2018 1:42 PM  
**To:** Chang, Lyna FIN:EX  
**Cc:** Miles, Caitlin FIN:EX; Goss, Jordan T FIN:EX  
**Subject:** RE: Necessary Action CLIFF ID 366611

Hi,

I just spoke to Mr. Moser and explained the circumstances to him and have offered to have a teleconference with him and his team next week so that they can ask questions regarding the different scenarios and how PST applies. He will get back to me with a time for next week, he has my email and phone number.

Sam

**From:** Chang, Lyna FIN:EX  
**Sent:** Wednesday, March 28, 2018 12:58 PM



**To:** Sherman, Samantha FIN:EX  
**Cc:** Miles, Caitlin FIN:EX  
**Subject:** FW: Necessary Action CLIFF ID 366611

Hi Sam,

Please see below referral slip for your response. Please let me know if this should be forwarded to anyone else.

Thanks,  
Lyna  
Cliff coverage

**From:** Josh.Justesen@gov.bc.ca [mailto:Josh.Justesen@gov.bc.ca]  
**Sent:** Wednesday, March 28, 2018 11:21 AM  
**To:** Miles, Caitlin FIN:EX  
**Cc:** Davies, Ann FIN:EX; Chang, Lyna FIN:EX; Hunter-Friesen, Margaret M FIN:EX  
**Subject:** Necessary Action CLIFF ID 366611

DMO-Deputy Minister Referral Slip for ID:366611

2018/03/28

CONFIDENTIAL			
Log Type: <b>Email</b>	Action: <b>Necessary Action</b>	Due: <b>2018/04/03</b>	
Batch:	Subaction:		

Author Type:	Company	Written:	2018/03/26	Rush Reason:
	David REDFERN, VP/GM	Received:	2018/03/27	Resp Type:
	Greater Vancouver Areas & Western Canada Aggregates	Actioned:		File No.:
	Lafarge Canada	Due:	2018/04/03	Entered By: jjjustese
Email:	.	Signed:		Signed By:
		Date-Stamp:		
		Mailed:		
		Closed:		

**Secondary Authors**

Author Type: Company  
Jonathan MOSER, Head  
Environment & Public Affairs, Canada  
Lafarge Canada  
Email: [jonathan.moser@lafargeholcim.com](mailto:jonathan.moser@lafargeholcim.com)

Address To: Minister Issue: Tax-PST (Provincial Sales Tax)

Copy To: X-Ref:  
 Branch Rsp: RD-ADM Drafter:

**Subject**

Provincial Sales Tax (PST) on delivery of goods / Bulletin PST 302 on Delivery Charges in effect April 1, 2018 / aggregate transportation costs

**Log Notes**

2018/03/28 Lori has been in touch with Ann Davies regarding this

**Referral** DMO-Deputy Minister -> DMO-Deputy Minister

From: DMO-Deputy Minister Sent: 2018/03/28 Status: Accepted Ref Action: FYI  
 To: DMO-Deputy Minister Received: 2018/03/28 Reason: Subaction:  
 Assign To: Completed: Due: File No.:

**Referral** DMO-Deputy Minister -> DMO-Deputy Minister -> RD-ADM

From: DMO-Deputy Minister Sent: 2018/03/28 Status: Pending Ref Action: Necessary Action  
 To: RD-ADM Received: Reason: Subaction:  
 Assign To: Completed: Due: 2018/04/03 (Pending (2)) File No.:

**Referral Comments**

2018/03/28 DMO-Deputy Minister Email notification sent to "RD-ADM".

**Referral** DMO-Deputy Minister -> DMO-Deputy Minister -> RD-ADM -> RD-CTPB

From: RD-ADM Sent: 2018/03/28 Status: Pending Ref Action: Necessary Action  
 To: RD-CTPB Received: Reason: Subaction:  
 Assign To: Completed: Due: 2018/04/03 (Active (2)) File No.:

**From:** Scott, Bob FIN:EX  
**To:** Goss, Jordan T FIN:EX; Sherman, Samantha FIN:EX  
**Subject:** RE: Apologies  
**Date:** Thursday, March 29, 2018 9:45:28 AM

---

Yes, no problem. I'll give Shawna a call today.

Bob

---

**From:** Goss, Jordan T FIN:EX  
**Sent:** Thursday, March 29, 2018 9:40 AM  
**To:** Sherman, Samantha FIN:EX; Scott, Bob FIN:EX  
**Subject:** FW: Apologies

FYI – I wanted to ensure I shared what I sent to Shawna on the delivery charges. We were in the middle of a call about it when I had to go.

Bob – Am I am able to refer Shawna to you to discuss purchase orders?

Jordan

---

**From:** Shawna Hansen [<mailto:shawna@indirecttax.ca>]  
**Sent:** Wednesday, March 28, 2018 6:57 PM  
**To:** Goss, Jordan T FIN:EX  
**Subject:** Re: Apologies

Thanks Jordan that's great. I spoke with my client and they understand and will change the process. They asked how to change the law and I explained they would need to present a business case to the minister not the Ctb so he's going to see if their industry group will be making a submission. I explained that their request may not be accepted since this is not a new tax but simply a correction on a bulletin that may have been misleading and the law was written with intention.

Do you have time to discuss pec on purchase orders? We spoke in 2013 about this and as long as the po had all the information from the pec including the reference to penalty and it is signed then it is acceptable. I'm helping a mining client with fixing po and I want to make sure there's been no changes since 2013

Have a good night

On Mar 28, 2018, at 6:49 PM, Goss, Jordan T FIN:EX <[Jordan.Goss@gov.bc.ca](mailto:Jordan.Goss@gov.bc.ca)> wrote:

Shawna

Sorry that I had to run.

Just to reiterate, the purchase price of TPP, as defined in section 10 (2)(e) includes charges for delivery incurred **at or before the time that title to the goods transfers.**

The bulletin (302) – bottom of page 2 and top of page 3 now says,

In most cases, delivery charges are incurred at or before the time title to the goods transfers. As a result, you generally charge PST on delivery charges as they form part of the taxable purchase price of the goods.

#### **Incurring Delivery Charges and Transfer of Title**

Delivery charges are considered to be incurred at the time the contract for delivery is entered into and your customer agrees to pay the charges. The charges do not have to be invoiced or paid to be incurred.

#### **When Title Transfers**

Generally, when goods are sold and delivered, title transfers when:

- § the sales contract is entered into, and
- § the specific good being purchased under that contract is identified and in a state ready to be delivered or transported.

Transferring title can also occur at a later time if set out in the contract (e.g. at the time the goods are delivered).

Generally, the only time that delivery charges are **not** subject to PST is when the charges are in respect of customer-owned (the customer already has title to the goods) goods. This is because charges for delivery incurred after the title to the goods transfers are not part of the purchase price of the goods on which tax is payable and because the following related services are exempt from tax - moving services, courier and mail services and freight transportation services (PSTERR s. 77 (2)(g),(h) and (i)).

There are also specific rules for leased goods.

PST collectors who did not charge PST on delivery charges in the specific circumstances set out in the remission regulation will not be

subject to the penalty equal to the tax not levied. The circumstances set out in the remission, which must all be met are:

- the sale took place between April 1, 2013 and March 31, 2018;
- a delivery charge was made for the goods; **and**
- title to the goods passed to the purchaser at the collector's premises in British Columbia.

These circumstances align with the information that was incorrect in the previous version of the bulletin. The remission does not provide relief from the penalty in a situation where a collector sold goods under a contract in which the title to the goods did not pass at the collector's premise in BC, but instead passed at the purchaser's premise or the premises of a third party.

I hope this helps provide the information you were looking for.

*This correspondence describes how the Ministry interprets the relevant tax provisions for information purposes only. This response may be impacted by variations in circumstance, subsequent changes to legislation or subsequent court decisions. The Ministry is not responsible for updating this response if there are any subsequent changes to the law. This response is provided as an aid to understanding the legislation and is not intended to replace the legislation.*

**Jordan Goss**  
Executive Director  
Consumer Taxation Programs Branch  
Ministry of Finance

**From:** [Scott, Bob FIN:EX](#)  
**To:** [Sherman, Samantha FIN:EX](#)  
**Subject:** Delivery Charges  
**Date:** Thursday, March 29, 2018 9:14:41 AM

---

Hi Sam,

I just had a chat with Jerry Ryan. He called me to ask if there is any plan for further outreach on the delivery charge issue. I told him I hadn't heard of any.

I asked him what industries he thought are impacted the most. Not surprisingly, he flagged the aggregate industry and the building material industry as two of the main ones. He said that these industries have been conditioned for many years to invoice in a way that avoids the PST on delivery charges and, in the case of aggregates, the delivery charge is often as much as (or more than) the aggregate cost. This makes sense given the issues that have been cropping up this week -- most of the additional traffic through the inbox has been on the delivery bulletin.

Jerry's sense is that this potentially could cause confusion similar in scope to the real property contractor rules.

Anyway, I'm not sure if we want to consider more outreach. I think we can put short notices on people's etax accounts or perhaps have the seminar people do sessions specifically on delivery charges?? Alex probably has a better sense of what we could do than me.

Thanks.

Bob

**From:** Brendan Rolfe  
**To:** Goss, Jordan T FIN:EX  
**Cc:** Scott, Bob FIN:EX; Perhar, Satish FIN:EX; Samantha Howard  
**Subject:** RE: PST Bill 302  
**Date:** Wednesday, March 28, 2018 4:21:49 PM

---

Thank you Jordan,

I very much appreciate the clarification and look forward to further discussion :)

Cheers!

Brendan

Brendan Rolfe  
Business Counselor  
T: 604-684-5325  
F: 604-684-0529  
Facebook | Twitter

CFIB – In business for your business.

IMPORTANT NOTICE : This message or attachment does not constitute legal or accounting advice and is not a substitute for the advice of a lawyer or CPA. In the event of any discrepancy between any content and the law, the law prevails. CFIB is not responsible for the use or misuse, interpretation or misinterpretation of this e-mail or attachment by any person, business or other entity.

AVIS IMPORTANT : Ce message et ses pièces jointes ne constituent pas un avis juridique ou un avis fiscal et ne peuvent en aucun cas s'y substituer. En cas de différence entre le contenu de ce courriel et un texte de loi, le texte de loi prévaut. La FCEI ne peut être tenue responsable de l'utilisation ou de l'interprétation qui en sera faite subséquemment par l'entreprise ou une tierce partie.

-----Original Message-----

From: Goss, Jordan T FIN:EX [<mailto:Jordan.Goss@gov.bc.ca>]  
Sent: Wednesday, March 28, 2018 4:19 PM  
To: Brendan Rolfe  
Cc: Scott, Bob FIN:EX; Perhar, Satish FIN:EX; Samantha Howard  
Subject: Re: PST Bill 302

Brendan

We can certainly chat further on this but I did want to point out that there was an error in the Bulletin, not an error in the Bill. The incoming email referred to Bill 302 but the error was in Bulletin 302. The error may have arisen as a result of trying to simplify the language too much.

The legislation itself has not changed. The bulletin did not correctly reflect the specific provision in the legislation that describes when delivery charges are included in the purchase price in all cases. The Bulletin now accurately reflects the law.

Jordan Goss  
Ministry of Finance

778 698-4093

On Mar 28, 2018, at 3:45 PM, Brendan Rolfe <Brendan.Rolfe@cfib.ca<<mailto:Brendan.Rolfe@cfib.ca>>> wrote:

Good afternoon Bob,

Thank you for taking the time to address each scenario in such a thorough manner. I will be sure to share these clarifications with our member.

This, however, is a great example of the administrative nightmare for small business that has become PST. Trying to educate one's employees, who are usually blue collar folks responsible for driving, constructing, and...slinging on which scenarios in which to assess or not assess PST, especially if one has inventory must be a daunting task.

The one piece of information that gave me pause however, was when you mentioned that, "The previous version of the bulletin incorrectly stated that delivery charges were not subject to provincial sales tax (PST) for goods delivered in British Columbia, where title to the goods passed at the seller's premises." This is a fairly clear and intentional statement, and if the opposite is true, how did it find its way into the Bill? Additionally, we certainly appreciate that those businesses who did not charge PST before March 31 2018 will not be subject to penalty, but considering the change was only made a couple weeks ago, would the PST Branch consider a longer grace period for those in the courier and freight industry to assimilate and put into practice this new principal? I can tell you that I have received a number of panicked calls from our members over the past few days about this.

Thank you again for your time and consideration.

Best regards,

Brendan

Brendan Rolfe  
Business Counselor  
T: 604-684-5325  
F: 604-684-0529  
Facebook<<https://www.facebook.com/CFIB/>> | Twitter<<https://twitter.com/cfibideas?lang=en>>

CFIB<<http://www.cfib-fcei.ca/english/index.html>> – In business for your business.

IMPORTANT NOTICE : This message or attachment does not constitute legal or accounting advice and is not a substitute for the advice of a lawyer or CPA. In the event of any discrepancy between any content and the law, the law prevails. CFIB is not responsible for the use or misuse, interpretation or misinterpretation of this e-mail or attachment by any person, business or other entity.

AVIS IMPORTANT : Ce message et ses pièces jointes ne constituent pas un avis juridique ou un avis fiscal et ne peuvent en aucun cas s'y substituer. En cas de différence entre le contenu de ce courriel et un texte de loi, le texte de loi prévaut. La FCEI ne peut être tenue responsable de l'utilisation ou de l'interprétation qui en sera faite subséquemment par l'entreprise ou une tierce partie.

From: Scott, Bob FIN:EX [<mailto:Bob.Scott@gov.bc.ca>]  
Sent: Wednesday, March 28, 2018 3:07 PM  
To: Brendan Rolfe  
Cc: Perhar, Satish FIN:EX; Goss, Jordan T FIN:EX  
Subject: RE: PST Bill 302

Hello Brendan,

Thank-you for your question. Your email was forward to me for response.



## 1. Information on the updated Bulletin 302, Delivery Charges

As you may be aware, on March 20th the Ministry issued an updated Bulletin 302, Delivery Charges<<https://www2.gov.bc.ca/assets/gov/taxes/sales-taxes/publications/pst-302-delivery-charges.pdf>>. The changes are not the result of any program change or change to the Provincial Sales Tax Act (PSTA). The previous version of the bulletin incorrectly stated that delivery charges were not subject to provincial sales tax (PST) for goods delivered in British Columbia, where title to the goods passed at the seller's premises.

If a business did not charge PST on delivery charges in this situation on or before March 31, 2018, the business will not be subject to a penalty. This relief is provided for under the Provincial Sales Tax (Delivery Charge) Remission Regulation<[http://www.bclaws.ca/civix/document/id/oic/OIC\\_CUR/0129\\_2018](http://www.bclaws.ca/civix/document/id/oic/OIC_CUR/0129_2018)>.

## 2. How do the rules apply to the Canadian Federation of Independent Business's (CFIB) member?

We understand that the CFIB member's business provides aggregates and delivery services in a variety of situations. How the PST applies depends on the specifics of the situation. For ease of explanation, I have broken down our explanation by each situation.

Scenario #1: A customer hires the business to supply and install aggregate (i.e., the business provides slinging).

The business is not required to collect PST in this situation, but is required to pay PST on the aggregates.

As you noted in your email, this is an improvement to real property situation. Determining when goods become an improvement to real property can be challenging because the test is based on court decisions. However, to help businesses determine whether they are providing an improvement to real property, the Ministry of Finance has prepared a series of bulletins that explain when goods become an improvement to real property. Two bulletins are particularly relevant to help with this process. Bulletin PST 501, Real Property Contractors<<https://www2.gov.bc.ca/assets/gov/taxes/sales-taxes/publications/pst-501-real-property-contractors.pdf>>, explains the test used to determine whether goods become an improvement to real property (see pages 1-2). Bulletin PST 502, Examples – Goods that Generally Become Improvements to Real Property and Goods that Do Not<<https://www2.gov.bc.ca/assets/gov/taxes/sales-taxes/publications/pst-502-examples-goods-become-real-property-goods-do-not.pdf>>, provides specific examples. The relevant example to the CFIB member is on page 3 under "Landscaping material." That bullet explains that installation of landscaping materials (including aggregate) means the materials are spread or installed in the place where they are to remain. Installation does not include landscape materials that are delivered and left in a pile (e.g. left on a customer's tarp or in their driveway).

We understand that "slinging" is a process by which the aggregate is placed in the location where it will remain. Therefore, when the CFIB member's slings the aggregate they are installing it as an improvement to real property.

In the case of improvement to real property, the real property contractor must pay PST on the goods they purchase and use to fulfil the contract to improve the real property (in this case the aggregate). The CFIB member should not collect tax from their customer in this situation.

Please note: As you may know, there is a special rule whereby contractors and their purchasers can transfer the PST liability to the purchaser. For the purposes of this response, we assume the business and their customer have not come to such an agreement.

Scenario #2: A customer hires the business to deliver and install aggregate the customer purchased from a different supplier.

In this situation, the business should not collect PST and is not required to pay PST on the aggregates.

Like scenario #1, the business is still installing goods to improve real property. However, in this case they are only providing a service to the real property only. Services to real property are not subject to PST. Therefore, in this situation the business is not required to pay or collect PST on the aggregate they install into the real property.

Please note: when the customer purchases the aggregates from the other supplier, they will have to pay PST on the full purchase price of the aggregates including delivery charges as outlined in Bulletin PST 302.

Scenario #3: A customer hires the business to deliver aggregate they have purchased from the business without any installation (e.g., no slinging).

In this situation, the business is simply selling aggregates and therefore must collect PST on the full purchase price (including delivery charges as outlined in Bulletin PST 302, Delivery Charges).

As explained in Bulletin PST 302, Delivery Charges, any delivery charges incurred at or before the time the title to the goods transfers to the purchaser are part of the taxable purchase price of the goods (in this case the aggregates). Whether this condition is met depends on the specifics of the transaction. However, in most situations, the delivery charges will be incurred prior to title transferring and, as a result, will form part of the taxable purchase price.

The business may purchase aggregates they resell exempt from PST by providing their supplier with their PST number.

Scenario #4: A customer hires the business to deliver aggregate the customer purchased from a different supplier without any installation (e.g., no slinging).

The business is not required to collect PST in this case.

Stand-alone delivery services (e.g., delivery of customer-owned aggregate) are exempt from tax under the PSTA. For more information, please see page 5 of Bulletin PST 302.

### 3. Self-assessing PST and applying for a refund

Because the business is acting both as a retailer and a contractor who improves real property, the application of tax is more complex. However, the Ministry has prepared Bulletin PST 502, Contractors Who Are Also Retailers or Wholesalers <<https://www2.gov.bc.ca/assets/gov/taxes/sales-taxes/publications/pst-504-contractors-also-retailers-wholesalers.pdf>>, to help businesses understand their different options for meeting their obligations.

In terms of the aggregate the business holds in its inventory, Bulletin PST 502 outlines three options that the business could use to comply with the PSTA when they sell aggregate at retail and when they install it into real property:

- The business may purchase all the aggregates exempt from PST if they are the same type they sell at retail and provide under the contracts to improve real property, the aggregates will be in the business's possession and the aggregates will be readily for resale. The business must then self-assess the PST on all aggregates it purchased to install into real property. The business can self-assess the PST on its regular tax return.

- The business can pay PST on all of its purchases, and then submit a refund request to the Ministry for all goods that were resold to your customers. For information on refunds, please see Bulletin PST 400 – Refunds. <[http://www.sbr.gov.bc.ca/documents\\_library/bulletins/pst\\_400.pdf](http://www.sbr.gov.bc.ca/documents_library/bulletins/pst_400.pdf)>

The business can maintain separate inventories of goods purchase for its own use (e.g., to install into real property), and aggregates purchased for resale.

If you have additional questions or concerns, please do not hesitate to contact me.

This correspondence describes how the Ministry interprets the relevant tax provisions for information purposes only. This response may be impacted by variations in circumstance, subsequent changes to legislation or subsequent court decisions. The Ministry is not responsible for updating this response if there are any subsequent changes to the law. This response is provided as an aid to understanding the legislation and is not intended to replace the legislation.

Bob Scott

Manager of Rulings and Special Projects | Consumer Taxation Programs Branch | Ministry of Finance 2nd Floor,  
1802 Douglas St | 778.698.9620 | [Bob.Scott@gov.bc.ca](mailto:Bob.Scott@gov.bc.ca) <<mailto:Bob.Scott@gov.bc.ca>>

From: Brendan Rolfe [<mailto:Brendan.Rolfe@cfib.ca>]

Sent: Monday, March 26, 2018 10:34 AM

To: Perhar, Satish FIN:EX; Goss, Jordan T FIN:EX

Cc: Samantha Howard

Subject: PST Bill 302

Good morning all!

I trust a relaxing week was had by each ☺

I just got off the phone with a member who has some serious concerns about BC PST Bill 302 <<https://www2.gov.bc.ca/assets/gov/taxes/sales-taxes/publications/pst-302-delivery-charges.pdf>> – Delivery Charges.

He owns an aggregate sales and delivery service (and sometimes low level landscaping service as part of the delivery; known as “slinging”) – sometimes customers purchase the aggregate from him and he delivers and applies (landscapes), sometimes he delivers goods they have bought from another company and applies, sometimes he delivers and doesn’t apply. He believes that the Bill is too confusing to administer properly, especially for his drivers, which often take payment upon completion of delivery (he actually did file for a ruling, which is great, but doesn’t agree with the response). He believes that delivery is a service, and that he should not be subject to administering PST.

On the surface, this appears to me to be a real property contractor issue, although I will agree with our member that trying to figure out when it does and doesn’t become real property is challenging. I discussed the concept of his company always self-assessing the PST and then filing for a refund with each remittance, however, like many small business owners who are surviving pay cheque to pay cheque, this isn’t always a feasible option for him (ie. not having the capital available to pay the bills).

I told our member I would bring forward his concerns, and I was wondering if you guys had some information I could share with him. Is this an issue that PST has heard about and is looking at? Is there perhaps another simpler solution?

Thank you in advance,

Brendan

Brendan Rolfe

Business Counselor

T: 604-684-5325

F: 604-684-0529

Facebook <<https://www.facebook.com/CFIB/>> | Twitter <<https://twitter.com/cfibideas?lang=en>>

CFIB<<http://www.cfib-fcei.ca/english/index.html>> – In business for your business.

**IMPORTANT NOTICE :** This message or attachment does not constitute legal or accounting advice and is not a substitute for the advice of a lawyer or CPA. In the event of any discrepancy between any content and the law, the law prevails. CFIB is not responsible for the use or misuse, interpretation or misinterpretation of this e-mail or attachment by any person, business or other entity.

**AVIS IMPORTANT :** Ce message et ses pièces jointes ne constituent pas un avis juridique ou un avis fiscal et ne peuvent en aucun cas s'y substituer. En cas de différence entre le contenu de ce courriel et un texte de loi, le texte de loi prévaut. La FCEI ne peut être tenue responsable de l'utilisation ou de l'interprétation qui en sera faite subséquemment par l'entreprise ou une tierce partie.

---

This e-mail is intended only for use only by the person(s) to whom it is specifically addressed above and may contain information that is personal, private and confidential. If you are not an intended recipient of this e-mail you are hereby notified that any retention, dissemination, distribution or copying of this email or any information contained herein is strictly prohibited. Please notify us if you have received this in error. Thank you for your co-operation and assistance.

Ce courriel est destiné exclusivement à la(aux) personne(s) mentionnées ci-dessus car il peut contenir des informations de nature personnelle, privilégiée ou confidentielle. Si vous n'êtes pas le destinataire visé, nous vous informons par la présente que toute conservation, diffusion, distribution ou reproduction de ce courriel ou des informations qui y figurent est strictement interdite. Si vous avez reçu ce message par erreur, veuillez nous en aviser immédiatement. Nous vous remercions de votre collaboration.

---

This e-mail is intended only for use only by the person(s) to whom it is specifically addressed above and may contain information that is personal, private and confidential. If you are not an intended recipient of this e-mail you are hereby notified that any retention, dissemination, distribution or copying of this email or any information contained herein is strictly prohibited. Please notify us if you have received this in error. Thank you for your co-operation and assistance.

Ce courriel est destiné exclusivement à la(aux) personne(s) mentionnées ci-dessus car il peut contenir des informations de nature personnelle, privilégiée ou confidentielle. Si vous n'êtes pas le destinataire visé, nous vous informons par la présente que toute conservation, diffusion, distribution ou reproduction de ce courriel ou des informations qui y figurent est strictement interdite. Si vous avez reçu ce message par erreur, veuillez nous en aviser immédiatement. Nous vous remercions de votre collaboration.

This e-mail is intended only for use only by the person(s) to whom it is specifically addressed above and may contain information that is personal, private and confidential. If you are not an intended recipient of this e-mail you are hereby notified that any retention, dissemination, distribution or copying of this email or any information contained herein is strictly prohibited. Please notify us if you have received this in error. Thank you for your co-operation and assistance.

Ce courriel est destiné exclusivement à la(aux) personne(s) mentionnées ci-dessus car il peut contenir des informations de nature personnelle, privilégiée ou confidentielle. Si vous n'êtes pas le destinataire visé, nous vous informons par la présente que toute conservation, diffusion, distribution ou reproduction de ce courriel ou des informations qui y figurent est strictement interdite. Si vous avez reçu ce message par erreur, veuillez nous en aviser immédiatement. Nous vous remercions de votre collaboration.

From: [Zaher@ca.pwc.com](mailto:Zaher@ca.pwc.com)  
To: [Zaher@ca.pwc.com](mailto:Zaher@ca.pwc.com)  
Subject: Re: 190 Bulletin PST 302 "Delivery Charges" March 2018 - Regulation 48/2018 & Clarification on Second Bullet "Latest Revision" page 6 of 6  
Date: Wednesday, March 28, 2018 4:11:19 PM  
Attachments: [0122\\_2018.pdf](#)

Zaher:

OIC 129/2018 can be accessed via this [BC Law webpage](#). A copy is attached to this email. Regulation 48/2018 is shown on page 2. The regulation grants remission of a penalty under section 203(1) of the PST Act (Failure to levy tax). It does not charge section 10 of the PST Act (Original purchase price of tangible personal property).

From the current version of Bulletin PST 302 - **Delivery Charges**: "The previous version of this bulletin incorrectly stated that delivery charges were not subject to PST for goods delivered in BC, where title to the goods passed at the seller's premises."

This passage may refer to the following guidance provided in the previous version of bulletin PST 302 (note my emphasis):

**Delivery in BC - Title Passes Before Delivery**

PST does not apply to delivery charges or transportation charges for taxable goods if:

- the goods are purchased from a BC supplier (i.e. the goods are not delivered from an out-of-province location), and
- title to the goods passes to the purchaser at the seller's premises.

PST does not apply in this situation because the delivery charge does not form part of the purchase price of the taxable goods. If the seller charges the customer for delivery of the goods to another location, and this charge is separately stated on the sales invoice, PST applies only to the purchase price of the goods. If the delivery charge is not separately stated on the sales invoice, PST applies to the full amount charged to the customer.

That guidance is incorrect. As we noted on the phone earlier today, whether or not a delivery charge is included in the purchase price of goods purchased at a sale in BC does not depend on where title to the goods passes to the purchaser. It depends on whether or not the charge is incurred at or before the time that title to the goods passes under the sale.

The current version of bulletin PST 302 is a substantial revision of the previous version.

This correspondence describes how the Ministry of Finance interprets the relevant tax provisions for information purposes only. This response may be impacted by variations in circumstance, subsequent changes to legislation or subsequent court decisions. The Ministry is not responsible for updating this response if there are any subsequent changes to the law. This response is provided as an aid to understanding the legislation and is not intended to replace the legislation.

Darren Smith

Rulings and Interpretations Team

Ministry of Finance

[www.gov.bc.ca/consumertaxes](http://www.gov.bc.ca/consumertaxes)

From: zaher.jamal@ca.pwc.com [mailto:zaher.jamal@ca.pwc.com]

Sent: Wednesday, March 28, 2018 11:02 AM

To: Smith, Darren M FIN/EX

Subject: Bulletin PST 302 "Delivery Charges" March 2018 - Regulation 48/2018 & Clarification on Second Bullet "Latest Revision" page 6 of 6

Darren,

As we spoke this morning, I would like a copy of Regulation 48/2018 (I have a copy of OIC 129/2018), and clarification on the second bullet under the caption "Latest Revision" on page 6 of 6, as follows:

## Latest Revision

March 2018

- This bulletin has been rewritten to correct errors in the bulletin as to when PST applies to delivery charges.
- The previous version of this bulletin incorrectly stated that delivery charges were not subject to PST for goods delivered in BC, where title to the goods passed at the seller's premises. If you did not charge PST on delivery charges, as in the above scenario, on or before March 31, 2018, you will not be subject to a penalty. For more information, see Regulation 48/2018.

Thank you

Zaher Jamal  
PwC Senior Manager, Tax  
T: +1 (604) 666-7321  
Email: [zaher.jamal@ca.pwc.com](mailto:zaher.jamal@ca.pwc.com)  
Assistant: Kristin Chan, T: +1 (604) 666-7326 ext. 4181  
PricewaterhouseCoopers LLP  
PricewaterhouseCoopers Place, 250 Howe Street, Suite 3400, Vancouver BC V6C 3S7  
Tel: +1 (604) 666-7321

This e-mail is intended only for the person to whom it is addressed (the "addressee") and may contain confidential and/or privileged material. Any review, retransmission, dissemination or other use that a person other than the addressee makes of this communication is prohibited and any reliance or decisions made based on it, are the responsibility of such person. We accept no responsibility for any loss or damages suffered by any person other than the addressee as a result of decisions made or actions taken based on this communication or otherwise. If you received this in error, please contact the sender and destroy all copies of this e-mail.

Ce courriel est strictement réservé à l'usage de la personne à qui il est adressé (le destinataire). Il peut contenir de l'information privilégiée et confidentielle. L'examen, la réexpédition et la diffusion de ce message par une personne autre que son destinataire sont interdits. Nous déclinons toute responsabilité à l'égard des pertes ou des dommages subis par une personne autre que le destinataire par suite de décisions ou de mesures fondées sur le contenu de cette communication ou autrement. Si vous avez reçu ce courriel par erreur, veuillez communiquer avec son expéditeur et en détruire toutes les copies.

**From:** CTBTaxQuestions FIN:EX  
**To:** "Jonathan.moser@lafargeholcim.com"  
**Subject:** TRIM: RE: PST Bulletin 302  
**Date:** Wednesday, March 28, 2018 3:05:28 PM

---

Thank you for your follow-up question.

We understand that you have spoken to Ms. Samantha Sherman, Director of Policy, Rulings and Services, regarding scheduling a teleconference. In terms of your third scenario, please find our response below.

**Scenario #3**

A buyer of Lafarge's aggregates provides a hauler to take away the purchased aggregates from Lafarge's site/depot. If a buyer arranges with a third party hauler to pick up aggregates from Lafarge's premises, then any transportation fees the hauler charges the buyer would not be subject to PST.

These fees are not subject to PST because freight transportation services (other than where the cost of those services is part of the purchase price of goods) are specifically exempt from PST under section 77(2) of the Provincial Sales Tax Exemption and Refund Regulation ("PSTERR").

However, if Lafarge charges a hauler any additional pick up fees, then these fees would form part of the purchase price of the aggregates and such fees would be subject to PST.

In addition, if Lafarge is the party contracting with the third party hauler, then PST would apply in the manner as discussed in scenarios #1 and #2 below.

This correspondence describes how the Ministry interprets the relevant tax provisions for information purposes only. This response may be impacted by variations in circumstance, subsequent changes to legislation or subsequent court decisions. The Ministry is not responsible for updating this response if there are any subsequent changes to the law. This response is provided as an aid to understanding the legislation and is not intended to replace the legislation.

Rulings and Interpretations Team

Ministry of Finance

[www.gov.bc.ca/consumertaxes](http://www.gov.bc.ca/consumertaxes)

---

CTB Reference: 2002 4107M

Keywords: hauler ; freight transportation services

Legislation: section 77(2) of PSTERR

**From:** Jonathan Moser [mailto:jonathan.moser@lafargeholcim.com]

**Sent:** Tuesday, March 27, 2018 5:01 PM

**To:** CTBTaxQuestions FIN:EX

**Subject:** Re: PST Bulletin 302

Thank you for the reply.

We would welcome the opportunity to meet face-to-face or by video/teleconference to further outline our concerns:

- Change of policy announced without consultation or due consideration of impacts
- Lack of time to prepare for and implement this policy change (unplanned & not forecasted);
- Lack of consideration for unintended consequences (financial, safety, administrative); and
- Straining relationship between aggregate producers and haulers.

Also, there is another scenario for aggregates delivery. In this third case, the buyer would provide a hauler to take away the purchased aggregates from a producer's site/depot.

We believe that the PST on the delivery charge would not apply in this case.

We would like to know if there is a formal process to file an appeal or request a delay in the implementation of this policy change.

Regards,

Jonathan

On Tue, Mar 27, 2018 at 2:27 PM, CTBTaxQuestions FIN:EX <[CTBTaxQuestions@gov.bc.ca](mailto:CTBTaxQuestions@gov.bc.ca)> wrote:

Thank you for your inquiry.

We can provide the following clarification:

1. Why was Bulletin PST 302, Delivery Charges, updated?

The change to Bulletin PST 302 is not a result of a change in the program. It is a correction of an error in the information relating to specific provisions of the *Provincial Sales Tax Act* (PSTA).

The bulletin on page 6 states "This bulletin has been rewritten to correct errors in the bulletin as to when [provincial sales tax] PST applies to delivery. The previous version of this bulletin incorrectly stated that delivery charges were not subject to PST for goods delivered in [British Columbia] BC, where title to the goods passed at the seller's

premises. If you did not charge PST on delivery charges, as in the above scenario, on or before March 31, 2018, you will not be subject to a penalty. For more information, see Regulation 48/2018."

The PSTA requires (and has required since 2013) that the purchase price of taxable goods (such as aggregates) include delivery charges that are incurred at or before the time that title to the aggregates transfers to the purchaser. As mentioned above, Bulletin PST 302, *Delivery Charges*, suggested that delivery charges are not part of the taxable purchase price subject to PST if title to the goods passed to the purchaser at the seller's premise. The updated bulletin corrects this oversight.

In recognition that some businesses may have relied on the previous bulletin, a remission order called the Provincial Sales Tax (Delivery Charge) Remission Regulation (this is the Regulation 48/2018 referenced in the Bulletin) has been provided. The regulation provides remission for businesses that failed to levy tax on the portion of the purchase price that is a delivery charge if the sale occurred on or after April 1, 2013 and on or before March 31, 2018 and under the sale title to the goods (in your case aggregates) passed to the purchaser at your premises that are in BC.

2. How does the updated bulletin and remission regulation impact the delivery of aggregates?

How the updated bulletin and remission impacts Lafarge depends on the specifics of the particular transaction. We understand that generally there are two different ways aggregates may be sold and delivered. If there are additional situations, please let us know and we would be happy to provide information on those cases.

We further note that for sales of unascertained goods (e.g. aggregates) section 21 of the *Sale of Goods Act* states that title to such goods are not transferred to the buyer until the goods are ascertained.

Scenario #1: Particular customer

If a particular customer purchased from Lafarge a truck load of aggregates to be delivered to a BC location, then title to those goods would pass to the customer when the aggregates are loaded on a truck for that particular customer. This is because all of the aggregates destined for the customer are ascertained once these goods are loaded onto a delivery truck.

As title to these ascertained goods pass at the premises of Lafarge, the Provincial Sales Tax (Delivery Charge) Remission Regulation is applicable to the transaction. Therefore, if Lafarge failed to levy tax in this situation, Lafarge will not be subject to a penalty under the PSTA for sales that occurred on or after April 1, 2013 and on or before March 31, 2018.

For transactions after this date, Lafarge is required to levy and collect PST on the purchase price of the aggregates including the portion of the purchase price that is a delivery charge.

Scenario #2: Multiple customers

If two or more customers purchased from Lafarge various amounts of aggregates to be delivered at two or more BC locations and Lafarge loaded all of the aggregates onto a single truck, then title to these goods would only pass to the each of the customers when the aggregates are physically delivered to each of the requested locations of the customers. This is because the amount of aggregates destined for each customer cannot be ascertained until the goods are physically delivered to each customer in BC. Until the aggregates are delivered there is no way to determine which portion of the load is for each of the multiple customers.

As title to the goods does not pass at the premises of Lafarge, the Provincial Sales Tax (Delivery Charge) Remission Regulation is not applicable to the transaction. This results in Lafarge being subject to a penalty under the PSTA for any transactions that it has not levied tax on the portion of the purchase price of the goods that is a delivery charge, in the circumstances that are discussed above. Please note, however, this is not a change. If Lafarge had not levied PST on the portion of the purchase price that is a delivery charge, it would have been subject to a penalty prior to and under the old wording of Bulletin PST 302.

More information on British Columbia's PST, including registration, and collecting and remitting the PST, can be found in a series of PST Bulletins and Notices, and the Small Business Guide to PST. Our Forms Page contains exemptions certificates and forms related to registration, applying for a refund, and self-assessing the PST.

For additional information, including free interactive webinars, informational videos and upcoming events, please visit the PST Outreach webpage. To receive updates about legislative changes and new public information, please "Subscribe To Receive Updates."

This correspondence describes how the Ministry interprets the relevant tax provisions for information purposes only. This response may be impacted by variations in circumstance, subsequent changes to legislation or subsequent court decisions. The Ministry is not responsible for updating this response if there are any subsequent changes to the law. This response is provided as an aid to understanding the legislation and is not intended to replace the legislation.

Rulings and Interpretations Team

Ministry of Finance

[www.gov.bc.ca/consumertaxes](http://www.gov.bc.ca/consumertaxes)

---

CTB Reference: 2002 4107M

Keywords: delivery charges ; Sale of Goods ; unascertained ; ascertained

Legislation: section 10(2)(e) ; Provincial Sales Tax (Delivery Charge) Remission Regulation

**From:** Jonathan Moser [mailto:[jonathan.moser@lafargeholcim.com](mailto:jonathan.moser@lafargeholcim.com)]

**Sent:** Monday, March 26, 2018 11:22 AM

**To:** CTBTaxQuestions FIN:EX

**Subject:** PST Bulletin 302

To whom it may concern:

We are in receipt of PST 302 Bulletin regarding Delivery Charges.

On behalf of Lafarge Canada Inc., I am seeking clarification of this revision related to our aggregates product line given the potential huge negative impact.

Regards,

Jonathan

--

Jonathan Moser

Head, Environment & Public Affairs, Canada

Lafarge Canada Inc.

Mobile (403) 478-5139

[jonathan.moser@lafargeholcim.com](mailto:jonathan.moser@lafargeholcim.com)

[www.lafarge.ca](http://www.lafarge.ca)

A member of LafargeHolcim



--

Jonathan Moser

Head, Environment & Public Affairs, Canada

Lafarge Canada Inc.

Mobile (403) 478-5139

[jonathan.moser@lafargeholcim.com](mailto:jonathan.moser@lafargeholcim.com)

[www.lafarge.ca](http://www.lafarge.ca)

A member of LafargeHolcim





**From:** Scott, Bob FIN:EX  
**To:** Chang, Lyna FIN:EX  
**Subject:** RE: PST Bulletin 302  
**Date:** Wednesday, March 28, 2018 2:53:22 PM

---

Hey Lyna,

Rick sent me this one before he left. Can you please make the below change and send it out of the inbox. Please do this before the end of the day.

Thanks.

Bob

**From:** CTBTaxQuestions FIN:EX  
**Sent:** Wednesday, March 28, 2018 1:35 PM  
**To:** Scott, Bob FIN:EX  
**Subject:** RE: PST Bulletin 302  
Thank you for your follow-up question.

~~Please be advised that we will be in contact with you to arrange a conference call on the issues that you have raised below.~~

We understand that you have spoken to Ms. Samantha Sherman, Director of Policy, Rulings and Services, regarding scheduling a teleconference. In terms of your third scenario, please find our response below.

#### Scenario #3

A buyer of Lafarge's aggregates provides a hauler to take away the purchased aggregates from Lafarge's site/depot. If a buyer arranges with a third party hauler to pick up aggregates from Lafarge's premises, then any transportation fees the hauler charges the buyer would not be subject to PST.

These fees are not subject to PST because freight transportation services (other than where the cost of those services is part of the purchase price of goods) are specifically exempt from PST under section 77(2) of the Provincial Sales Tax Exemption and Refund Regulation ("PSTERR").

However, if Lafarge charges a hauler any additional pick up fees, then these fees would form part of the purchase price of the aggregates and such fees would be subject to PST.

In addition, if Lafarge is the party contracting with the third party hauler, then PST would apply in the manner as discussed in scenarios #1 and #2 below.

This correspondence describes how the Ministry interprets the relevant tax provisions for information purposes only.

This response may be impacted by variations in circumstance, subsequent changes to legislation or subsequent court decisions. The Ministry is not responsible for updating this response if there are any subsequent changes to the law. This response is provided as an aid to understanding the legislation and is not intended to replace the legislation.

Rulings and Interpretations Team

Ministry of Finance

[www.gov.bc.ca/consumertaxes](http://www.gov.bc.ca/consumertaxes)

---

CTB Reference: 2002 4107M

Keywords: hauler ; freight transportation services

Legislation: section 77(2) of PSTERR

**From:** Jonathan Moser [<mailto:jonathan.moser@lafargeholcim.com>]

**Sent:** Tuesday, March 27, 2018 5:01 PM

**To:** CTBTaxQuestions FIN:EX

**Subject:** Re: PST Bulletin 302

Thank you for the reply.

We would welcome the opportunity to meet face-to-face or by video/teleconference to further outline our concerns:

- Change of policy announced without consultation or due consideration of impacts
- Lack of time to prepare for and implement this policy change (unplanned & not forecasted);
- Lack of consideration for unintended consequences (financial, safety, administrative); and
- Straining relationship between aggregate producers and haulers.

Also, there is another scenario for aggregates delivery. In this third case, the buyer would provide a hauler to take away the purchased aggregates from a producer's site/depot.

We believe that the PST on the delivery charge would not apply in this case.

We would like to know if there is a formal process to file an appeal or request a delay in the implementation of this policy change.

Regards,

Jonathan

On Tue, Mar 27, 2018 at 2:27 PM, CTBTaxQuestions FIN:EX <[CTBTaxQuestions@gov.bc.ca](mailto:CTBTaxQuestions@gov.bc.ca)> wrote:  
Thank you for your inquiry.

We can provide the following clarification:

1. Why was Bulletin PST 302, Delivery Charges, updated?

The change to Bulletin PST 302 is not a result of a change in the program. It is a correction of an error in the information relating to specific provisions of the *Provincial Sales Tax Act* (PSTA).

The bulletin on page 6 states "This bulletin has been rewritten to correct errors in the bulletin as to when [provincial sales tax] PST applies to delivery. The previous version of this bulletin incorrectly stated that delivery charges were not subject to PST for goods delivered in [British Columbia] BC, where title to the goods passed at the seller's premises. If you did not charge PST on delivery charges, as in the above scenario, on or before March 31, 2018, you will not be subject to a penalty. For more information, see Regulation 48/2018."

The PSTA requires (and has required since 2013) that the purchase price of taxable goods (such as aggregates) include delivery charges that are incurred at or before the time that title to the aggregates transfers to the purchaser. As mentioned above, Bulletin PST 302, *Delivery Charges*, suggested that delivery charges are not part of the taxable purchase price subject to PST if title to the goods passed to the purchaser at the seller's premise. The updated bulletin corrects this oversight.

In recognition that some businesses may have relied on the previous bulletin, a remission order called the Provincial Sales Tax (Delivery Charge) Remission Regulation (this is the Regulation 48/2018 referenced in the Bulletin) has been provided. The regulation provides remission for businesses that failed to levy tax on the portion of the purchase price that is a delivery charge if the sale occurred on or after April 1, 2013 and on or before March 31, 2018 and under the sale title to the goods (in your case aggregates) passed to the purchaser at your premises that are in BC.

2. How does the updated bulletin and remission regulation impact the delivery of aggregates?

How the updated bulletin and remission impacts Lafarge depends on the specifics of the particular transaction. We understand that generally there are two different ways aggregates may be sold and delivered. If there are additional situations, please let us know and we would be happy to provide information on those cases.

We further note that for sales of unascertained goods (e.g. aggregates) section 21 of the *Sale of Goods Act* states that title to such goods are not transferred to the buyer until the goods are ascertained.

Scenario #1: Particular customer

If a particular customer purchased from Lafarge a truck load of aggregates to be delivered to a BC location, then title to those goods would pass to the customer when the aggregates are loaded on a truck for that particular customer. This is because all of the aggregates destined for the customer are ascertained once these goods are loaded onto a delivery truck.

As title to these ascertained goods pass at the premises of Lafarge, the Provincial Sales Tax (Delivery Charge) Remission Regulation is applicable to the transaction. Therefore, if Lafarge failed to levy tax in this situation, Lafarge will not be subject to a penalty under the PSTA for sales that occurred on or after April 1, 2013 and on or before March 31, 2018.

For transactions after this date, Lafarge is required to levy and collect PST on the purchase price of the aggregates including the portion of the purchase price that is a delivery charge.

Scenario #2: Multiple customers

If two or more customers purchased from Lafarge various amounts of aggregates to be delivered at two or more BC locations and Lafarge loaded all of the aggregates onto a single truck, then title to these goods would only pass to the each of the customers when the aggregates are physically delivered to each of the requested locations of the customers. This is because the amount of aggregates destined for each customer cannot be ascertained until the goods are physically delivered to each customer in BC. Until the aggregates are delivered there is no way to determine which portion of the load is for each of the multiple customers.

As title to the goods does not pass at the premises of Lafarge, the Provincial Sales Tax (Delivery Charge) Remission Regulation is not applicable to the transaction. This results in Lafarge being subject to a penalty under the PSTA for any transactions that it has not levied tax on the portion of the purchase price of the goods that is a delivery charge, in the circumstances that are discussed above. Please note, however, this is not a change. If Lafarge had not levied PST on the portion of the purchase price that is a delivery charge, it would have been subject to a penalty prior to and under the old wording of Bulletin PST 302.

More information on British Columbia's PST, including registration, and collecting and remitting the PST, can be found in a series of PST Bulletins and Notices, and the Small Business Guide to PST. Our Forms Page contains exemptions certificates and forms related to registration, applying for a refund, and self-assessing the PST.

For additional information, including free interactive webinars, informational videos and upcoming events, please visit

the [PST Outreach](#) webpage. To receive updates about legislative changes and new public information, please "[Subscribe To Receive Updates](#)."

This correspondence describes how the Ministry interprets the relevant tax provisions for information purposes only. This response may be impacted by variations in circumstance, subsequent changes to legislation or subsequent court decisions. The Ministry is not responsible for updating this response if there are any subsequent changes to the law. This response is provided as an aid to understanding the legislation and is not intended to replace the legislation.

Rulings and Interpretations Team

Ministry of Finance

[www.gov.bc.ca/consumertaxes](http://www.gov.bc.ca/consumertaxes)

---

CTB Reference: 2002 4107M

Keywords: delivery charges ; Sale of Goods ; unascertained ; ascertained

Legislation: section 10(2)(e) ; Provincial Sales Tax (Delivery Charge) Remission Regulation

**From:** Jonathan Moser [mailto:[jonathan.moser@lafargeholcim.com](mailto:jonathan.moser@lafargeholcim.com)]

**Sent:** Monday, March 26, 2018 11:22 AM

**To:** CTBTaxQuestions FIN:EX

**Subject:** PST Bulletin 302

To whom it may concern:

We are in receipt of PST 302 Bulletin regarding Delivery Charges.

On behalf of Lafarge Canada Inc., I am seeking clarification of this revision related to our aggregates product line given the potential huge negative impact.

Regards,

Jonathan

--

Jonathan Moser  
Head, Environment & Public Affairs, Canada  
Lafarge Canada Inc.  
Mobile (403) 478-5139  
[jonathan.moser@lafargeholcim.com](mailto:jonathan.moser@lafargeholcim.com)  
[www.lafarge.ca](http://www.lafarge.ca)  
A member of LafargeHolcim



--

Jonathan Moser  
Head, Environment & Public Affairs, Canada  
Lafarge Canada Inc.  
Mobile (403) 478-5139  
[jonathan.moser@lafargeholcim.com](mailto:jonathan.moser@lafargeholcim.com)  
[www.lafarge.ca](http://www.lafarge.ca)  
A member of LafargeHolcim



**From:** Scott, Bob [FIN:EX](#)  
**To:** Nijjar, Sukie [FIN:EX](#)  
**Subject:** RE: PST Bill 302  
**Date:** Wednesday, March 28, 2018 1:35:47 PM

---

Hi Sukie,

I took your response and added some "meat to the bones." Can you please give this a close edit? I think I will personally send it, but I'll b'cc the inbox and you can put your number on it so you it gets counted as something you worked on. Please review as a top priority. I'd like to send this out today.

Thanks.

Bob

Hello Brendan,

Thank-you for your question. It was forward to me for response.

**1. Information on the updated Bulletin 302, *Delivery Charges***

As you may be aware, on March 20<sup>th</sup> the Ministry issued an updated [Bulletin 302, \*Delivery Charges\*](#). The changes are not the result of any program change or change to the *Provincial Sales Tax Act* (PSTA). The previous version of the bulletin incorrectly stated that delivery charges were not subject to provincial sales tax (PST) for goods delivered in British Columbia, where title to the goods passed at the seller's premises.

If a business did not charge PST on delivery charges in this situation on or before March 31, 2018, the business will not be subject to a penalty. This relief is provided for under the [Provincial Sales Tax \(Delivery Charge\) Remission Regulation](#).

**2. How do the rules apply to the Canadian Federation of Independent Business's (CFIB) member?**

We understand that the CFIB member's business provides aggregates and delivery services in a variety of situations. How the PST applies depends on the specifics of the situation. For ease of explanation, I have broken down our explanation by each situation.

***Scenario #1: A customer hires the business to supply and install aggregate (i.e., the business provides slinging).***

The business is not required to collect PST in this situation, but is required to pay PST on the aggregates.

As you noted in your email, this is an improvement to real property situation. Determining when a thing is an improvement to real property can be challenging because the test is based on court decisions. However, to help businesses determine whether they are providing an improvement to real property, the Ministry of Finance has prepared a series of bulletins that explain when a thing becomes an improvement to real property. Two bulletins are particular relevant to help with this process. Bulletin PST 501, Real Property Contractors, explains the test used to determine whether something becomes an improvement to real property (see pages 1-2). Bulletin PST 502, Examples – Goods that Generally Become Improvements to Real Property and Goods that Do Not, provides specific examples. The relevant example to the CFIB member is on page 3 under “Landscaping material.” That bullet explains that installation of landscaping materials (including aggregate) means the materials are spread or installed in the place where they are to remain. Installation does not include landscape materials that are delivered and left in a pile (e.g. left on a customer’s tarp or in their driveway).

We understand that “slinging” is a process by which the aggregate is placed in the location where it will remain. Therefore, when the CFIB member’s slings the aggregate they are installing it as an improvement to real property.

In the case of improvement to real property, the real property contractor must pay PST on the goods they purchase and use to fulfil the contract to improve the real property (in this case the aggregate). The CFIB member should not collect tax from their customer in this situation.

Please note: As you may know, there is a special rule whereby contractors and their purchasers can transfer the PST liability to the purchaser. For the purposes of this response, we assume the business and their customer have not come to such an agreement.

**Scenario #2: A customer hires the business to deliver and install aggregate the customer purchased from a different supplier.**

In this situation, the business should not collect PST and is not required to pay PST on the aggregates.

Like scenario #1, the business is still installing goods to improve real property. However, in this case they are only providing a service to the real property only. Services to real property are not subject to PST. Therefore, the business is not required to pay or collect PST on the aggregate they install into the real property.

Please note: when the customer purchases the aggregates from the other supplier, they will have to pay PST on the full purchase price of the aggregates including delivery charges as outlined in Bulletin PST 302.

**Scenario #3: A customer hires the business to deliver aggregate they have purchased from the business without any installation (e.g., no slinging).**

In this situation, the business is simply selling aggregates and therefore must collect PST on the full purchase price (including delivery charges as outlined in Bulletin PST 302, *Delivery Charges*).

As explained in Bulletin PST 302, *Delivery Charges*, any delivery charges incurred at or before the time the title to the goods transfers to the purchaser are part of the taxable purchase price of the goods (in this case the aggregates). Whether this condition is met depends on the specifics of the transaction. However, in most situations, the delivery charges will be incurred prior to title transferring and, as a result, will form part of the taxable purchase price.

The business may purchase aggregates they resell exempt from PST by providing their supplier with their PST number.

**Scenario #4: A customer hires the business to deliver aggregate the customer purchased from a different supplier without any installation (e.g., no slinging).**

The business is not required to collect PST in this case.

Stand-alone delivery services (e.g., delivery of customer-owned aggregate) are exempt from tax under the PSTA. For more information, please see page 5 of Bulletin PST 302.

### **3. Self-assessing PST and applying for a refund**

Because the business is acting both as a retailer and a contractor who improves real property, the application of tax is more complex. However, the Ministry has prepared Bulletin PST 502, *Contractors Who Are Also Retailers or Wholesalers*, to help businesses understand their different obligations.

In terms of the aggregate the business holds in its inventory, Bulletin PST 502 outlines three options that the business could use to comply with the PSTA when they sell aggregate at retail and when they install it into real property:

- The business may purchase all the aggregates exempt from PST if they are the same type they sell at retail and provide under the contracts to improve real property, the aggregates will be in the business's possession and the aggregates will be readily for resale. The business must then self-assess the PST on all aggregates it purchased to install into real property. The business can self-assess the PST on its regular tax return.
- The business can pay PST on all of its purchases, and then submit a refund request to the Ministry for all goods that were resold to your customers. For information

on refunds, please see [Bulletin PST 400 – Refunds](#).

- The business can maintain separate inventories of goods purchase for its own use (e.g., to install into real property), and aggregates purchased for resale.

If you have additional question or concerns, please let me know.

This correspondence describes how the Ministry interprets the relevant tax provisions for information purposes only. This response may be impacted by variations in circumstance, subsequent changes to legislation or subsequent court decisions. The Ministry is not responsible for updating this response if there are any subsequent changes to the law. This response is provided as an aid to understanding the legislation and is not intended to replace the legislation.

**Bob Scott**

Manager of Rulings and Special Projects | Consumer Taxation Programs Branch | Ministry of Finance

2<sup>nd</sup> Floor, 1802 Douglas St | 778.698.9620 | [Bob.Scott@gov.bc.ca](mailto:Bob.Scott@gov.bc.ca)

**From:** Brendan Rolfe [<mailto:Brendan.Rolfe@cfib.ca>]

**Sent:** Monday, March 26, 2018 10:34 AM

**To:** Perhar, Satish FIN:EX; Goss, Jordan T FIN:EX

**Cc:** Samantha Howard

**Subject:** PST Bill 302

Good morning all!

I trust a relaxing weeked was had by each ☺

I just got off the phone with a member who has some serious concerns about [BC PST Bill 302 – Delivery Charges](#).

He owns an aggregate sales and delivery service (and sometimes low level landscaping service as part of the delivery; known as “slinging”) – sometimes customers purchase the aggregate from him and he delivers and applies (landscapes), sometimes he delivers goods they have bought from another company and applies, sometimes he delivers and doesn’t apply. He believes that the Bill is too confusing to administer properly, especially for his drivers, which often take payment upon completion of delivery (he actually did file for a ruling, which is great, but doesn’t agree with the response). He believes that delivery is a service, and that he should not be subject to administering PST.

On the surface, this appears to me to be a real property contractor issue, although I will agree with our member that trying to figure out when it does and doesn’t become real property is challenging. I discussed the concept of his company always self-assessing the PST and then filing for a refund with each remittance, however, like many small business owners who are surviving pay cheque to pay cheque, this isn’t always a feasible option for him (ie. not having the capital available to pay the

bills).

I told our member I would bring forward his concerns, and I was wondering if you guys had some information I could share with him. Is this an issue that PST has heard about and is looking at? Is there perhaps another simpler solution?

Thank you in advance,

Brendan

**Brendan Rolfe**  
Business Counselor  
T: 604-684-5325  
F: 604-684-0529  
[Facebook](#) | [Twitter](#)

**CFIB** – In business for your business.

*IMPORTANT NOTICE : This message or attachment does not constitute legal or accounting advice and is not a substitute for the advice of a lawyer or CPA. In the event of any discrepancy between any content and the law, the law prevails. CFIB is not responsible for the use or misuse, interpretation or misinterpretation of this e-mail or attachment by any person, business or other entity.*

*AVIS IMPORTANT : Ce message et ses pièces jointes ne constituent pas un avis juridique ou un avis fiscal et ne peuvent en aucun cas s'y substituer. En cas de différence entre le contenu de ce courriel et un texte de loi, le texte de loi prévaut. La FCEI ne peut être tenue responsable de l'utilisation ou de l'interprétation qui en sera faite subséquemment par l'entreprise ou une tierce partie.*

---

This e-mail is intended only for use only by the person(s) to whom it is specifically addressed above and may contain information that is personal, private and confidential. If you are not an intended recipient of this e-mail you are hereby notified that any retention, dissemination, distribution or copying of this email or any information contained herein is strictly prohibited. Please notify us if you have received this in error. Thank you for your co-operation and assistance.

Ce courriel est destiné exclusivement à la(aux) personne(s) mentionnées ci-dessus car il peut contenir des informations de nature personnelle, privilégiée ou confidentielle. Si vous n'êtes pas le destinataire visé, nous vous informons par la présente que toute conservation, diffusion, distribution ou reproduction de ce courriel ou des informations qui y figurent est strictement interdite. Si vous avez reçu ce message par erreur, veuillez nous en aviser immédiatement. Nous vous remercions de votre collaboration.



**From:** Sherman, Samantha.FIN:EX  
**To:** Scott, Bob.FIN:EX; Sousa, Rick S.FIN:EX  
**Subject:** FW: Urgent - Letter re: PST bulletin  
**Date:** Wednesday, March 28, 2018 10:30:57 AM

---

Hi,

I've agreed with Jordan that I will call today to set up a time for a call with Lafarge next week. The sooner we can get back to them on the ruling, the better, but I will set up the call regardless.

Sam

---

**From:** Goss, Jordan T.FIN:EX  
**Sent:** Wednesday, March 28, 2018 9:21 AM  
**To:** Sherman, Samantha.FIN:EX  
**Subject:** Fwd: Urgent - Letter re: PST bulletin

Please call this person yourself. Thanks.

Sent from my iPhone

Begin forwarded message:

**From:** "Davies, Ann.FIN:EX" <[Ann.Davies@gov.bc.ca](mailto:Ann.Davies@gov.bc.ca)>  
**Date:** March 28, 2018 at 9:11:31 AM PDT  
**To:** "Goss, Jordan T.FIN:EX" <[Jordan.Goss@gov.bc.ca](mailto:Jordan.Goss@gov.bc.ca)>  
**Subject:** FW: Urgent - Letter re: PST bulletin

Hi Jordan

Please see Lori's note. Please can you advise me of the outcome of the call so that I can report back. Thank you.

Do you need the original note?

**C. Ann Davies**

Acting Assistant Deputy Minister  
778 698 4800

---

**From:** Wanamaker, Lori.FIN:EX  
**Sent:** Wednesday, March 28, 2018 8:26 AM  
**To:** Davies, Ann.FIN:EX  
**Cc:** Michell, Jennifer.FIN:EX  
**Subject:** RE: Urgent - Letter re: PST bulletin

Ann – can you ask someone to contact this fellow directly to discuss his concerns. Thanks.

---

**From:** Davies, Ann.FIN:EX

**Sent:** Tuesday, March 27, 2018 9:48 AM  
**To:** Wanamaker, Lori FIN:EX  
**Cc:** Michell, Jennifer FIN:EX; Davies, Ann FIN:EX  
**Subject:** Re: Urgent - Letter re: PST bulletin

Good morning Lori

Please see the attached Word document '*General Information – PST Delivery Charges*' in response to your e-mail.

Thank you,

**C. Ann Davies**

Acting Assistant Deputy Minister  
778 698 4800

**From:** "Wanamaker, Lori FIN:EX"  
<[Lori.Wanamaker@gov.bc.ca](mailto:Lori.Wanamaker@gov.bc.ca)>  
**Date:** March 26, 2018 at 2:10:52 PM PDT  
**To:** "Davies, Ann FIN:EX" <[Ann.Davies@gov.bc.ca](mailto:Ann.Davies@gov.bc.ca)>  
**Cc:** "Michell, Jennifer FIN:EX"  
<[Jennifer.Michell@gov.bc.ca](mailto:Jennifer.Michell@gov.bc.ca)>  
**Subject:** FW: Urgent - Letter re: PST bulletin

Hi Ann. Can you please provide the background on this issue? Thanks.

Lori

**From:** Jonathan Moser  
[<mailto:jonathan.moser@lafargeholcim.com>]  
**Sent:** Monday, March 26, 2018 1:14 PM  
**To:** Minister, FIN FIN:EX; OfficeofthePremier, Office PREM:EX;  
Wanamaker, Lori FIN:EX  
**Subject:** Urgent - Letter re: PST bulletin

Please find the attached letter for your urgent consideration.

Regards,

--  
Jonathan Moser  
Head, Environment & Public Affairs, Canada  
Lafarge Canada Inc.

Mobile (403) 478-5139

[jonathan.moser@lafargeholcim.com](mailto:jonathan.moser@lafargeholcim.com)

[www.lafarge.ca](http://www.lafarge.ca)

**From:** [Sherman, Samantha FIN:EX](#)  
**To:** [Goss, Jordan T FIN:EX](#)  
**Subject:** RE: PST Bulletin 302  
**Date:** Wednesday, March 28, 2018 10:27:28 AM

---

Will do.

Sam

---

**From:** Goss, Jordan T FIN:EX  
**Sent:** Wednesday, March 28, 2018 10:03 AM  
**To:** Sherman, Samantha FIN:EX  
**Subject:** Re: PST Bulletin 302

I think calling them earlier rather than later and setting up time for a conference call on the specific issues makes sense.

Sent from my iPhone

On Mar 28, 2018, at 9:35 AM, Sherman, Samantha FIN:EX <[Samantha.Sherman@gov.bc.ca](mailto:Samantha.Sherman@gov.bc.ca)> wrote:

Hi,

We are getting communication from Lafarge from two channels (rulings inbox and the DM). We were already planning on having a call with them in response to this request, but Rick was going to ask a follow up question regarding the circumstances around hiring the hauler. Do you want me to proceed with that, or call them myself as per the DM's request, or do both? I could call myself now to set up a time for a teleconference next week if that works.

Sam

---

**From:** Sousa, Rick S FIN:EX  
**Sent:** Wednesday, March 28, 2018 9:16 AM  
**To:** Scott, Bob FIN:EX; Sherman, Samantha FIN:EX  
**Subject:** FW: PST Bulletin 302

Hello Sam & Bob.

Here is the follow-up from Lafarge.

As expected they still have concerns.

I did double check and there is as of yet no audit of Lafarge.

Perhaps we can talk about this next week and decide if we should speak with them directly.

I should be able to draft an answer to their 3<sup>rd</sup> scenario early next week.

Regards,

**Rick S. Sousa, LLB, LLM**  
Senior Rulings Analyst | Consumer Taxation Programs Branch | Ministry of Finance  
2<sup>nd</sup> Floor, 1802 Douglas St | 778.698.9585 | [rick.sousa@gov.bc.ca](mailto:rick.sousa@gov.bc.ca)

*This email, including any attachments, is confidential and is intended only for the use of the individual or organization to whom it is addressed. Any distribution, copying, or other use by anyone else is prohibited. If you have received this in error, please telephone me to let me know and delete this email. Thank you.*

**From:** Jonathan Moser [<mailto:jonathan.moser@lafargeholcim.com>]

Sent: Tuesday, March 27, 2018 5:01 PM  
To: CTBTaxQuestions FIN:EX  
Subject: Re: PST Bulletin 302

Thank you for the reply.

We would welcome the opportunity to meet face-to-face or by video/teleconference to further outline our concerns:

- Change of policy announced without consultation or due consideration of impacts
- Lack of time to prepare for and implement this policy change (unplanned & not forecasted);
- Lack of consideration for unintended consequences (financial, safety, administrative); and
- Straining relationship between aggregate producers and haulers.

Also, there is another scenario for aggregates delivery. In this third case, the buyer would provide a hauler to take away the purchased aggregates from a producer's site/depot.

We believe that the PST on the delivery charge would not apply in this case.

We would like to know if there is a formal process to file an appeal or request a delay in the implementation of this policy change.

Regards,

Jonathan

On Tue, Mar 27, 2018 at 2:27 PM, CTBTaxQuestions FIN:EX <[CTBTaxQuestions@gov.bc.ca](mailto:CTBTaxQuestions@gov.bc.ca)> wrote:  
Thank you for your inquiry.

We can provide the following clarification:

1. Why was Bulletin PST 302, Delivery Charges, updated?

The change to Bulletin PST 302 is not a result of a change in the program. It is a correction of an error in the information relating to specific provisions of the *Provincial Sales Tax Act* (PSTA).

The bulletin on page 6 states "This bulletin has been rewritten to correct errors in the bulletin as to when [provincial sales tax] PST applies to delivery. The previous version of this bulletin incorrectly stated that delivery charges were not subject to PST for goods delivered in [British Columbia] BC, where title to the goods passed at the seller's premises. If you did not charge PST on delivery charges, as in the above scenario, on or before March 31, 2018, you will not be subject to a penalty. For more information, see Regulation 48/2018."

The PSTA requires (and has required since 2013) that the purchase price of taxable goods (such as aggregates) include delivery charges that are incurred at or before the time that title to the aggregates transfers to the purchaser. As mentioned above, Bulletin PST 302, *Delivery Charges*, suggested that delivery charges are not part of the taxable purchase price subject to PST if title to the goods passed to the purchaser at the seller's premise. The updated bulletin corrects this oversight.

In recognition that some businesses may have relied on the previous bulletin, a remission order called the Provincial Sales Tax (Delivery Charge) Remission Regulation (this is the Regulation 48/2018 referenced in the Bulletin) has been provided. The regulation provides remission for businesses that failed to levy tax on the portion of the purchase price that is a delivery charge if the sale occurred on or after April 1, 2013 and on or before March 31, 2018 and under the sale title to the goods (in your case aggregates) passed to the purchaser at your premises that are in BC.

2. How does the updated bulletin and remission regulation impact the delivery of aggregates?

How the updated bulletin and remission impacts Lafarge depends on the specifics of the particular transaction. We understand that generally there are two different ways aggregates may be sold and delivered. If there are additional situations, please let us know and we would be happy to provide information on those cases.

We further note that for sales of unascertained goods (e.g. aggregates) section 21 of the *Sale of Goods Act* states that title to such goods are not transferred to the buyer until the goods are ascertained.

#### Scenario #1: Particular customer

If a particular customer purchased from Lafarge a truck load of aggregates to be delivered to a BC location, then title to those goods would pass to the customer when the aggregates are loaded on a truck for that particular customer. This is because all of the aggregates destined for the customer are ascertained once these goods are loaded onto a delivery truck.

As title to these ascertained goods pass at the premises of Lafarge, the Provincial Sales Tax (Delivery Charge) Remission Regulation is applicable to the transaction. Therefore, if Lafarge failed to levy tax in this situation, Lafarge will not be subject to a penalty under the PSTA for sales that occurred on or after April 1, 2013 and on or before March 31, 2018.

For transactions after this date, Lafarge is required to levy and collect PST on the purchase price of the aggregates including the portion of the purchase price that is a delivery charge.

#### Scenario #2: Multiple customers

If two or more customers purchased from Lafarge various amounts of aggregates to be delivered at two or more BC locations and Lafarge loaded all of the aggregates onto a single truck, then title to these goods would only pass to the each of the customers when the aggregates are physically delivered to each of the requested locations of the customers. This is because the amount of aggregates destined for each customer cannot be ascertained until the goods are physically delivered to each customer in BC. Until the aggregates are delivered there is no way to determine which portion of the load is for each of the multiple customers.

As title to the goods does not pass at the premises of Lafarge, the Provincial Sales Tax (Delivery Charge) Remission Regulation is not applicable to the transaction. This results in Lafarge being subject to a penalty under the PSTA for any transactions that it has not levied tax on the portion of the purchase price of the goods that is a delivery charge, in the circumstances that are discussed above. Please note, however, this is not a change. If Lafarge had not levied PST on the portion of the purchase price that is a delivery charge, it would have been subject to a penalty prior to and under the old wording of Bulletin PST 302.

More information on British Columbia's PST, including registration, and collecting and remitting the PST, can be found in a series of [PST Bulletins and Notices](#), and the [Small Business Guide to PST](#). Our [Forms Page](#) contains exemptions certificates and forms related to registration, applying for a refund, and self-assessing the PST.

For additional information, including free interactive webinars, informational videos and upcoming events, please visit the [PST Outreach](#) webpage. To receive updates about legislative changes and new public information, please "[Subscribe To Receive Updates.](#)"

This correspondence describes how the Ministry interprets the relevant tax provisions for information purposes only. This response may be impacted by variations in circumstance, subsequent changes to legislation or subsequent court decisions. The Ministry is not responsible for updating this response if there are any subsequent changes to the law. This response is provided as an aid to understanding the legislation and is not intended to replace the legislation.

Rulings and Interpretations Team  
Ministry of Finance  
[www.gov.bc.ca/consumertaxes](http://www.gov.bc.ca/consumertaxes)

---

CTB Reference: 2002 4107M

Keywords: delivery charges ; Sale of Goods ; unascertained ; ascertained

Legislation: section 10(2)(e) ; Provincial Sales Tax (Delivery Charge) Remission Regulation

**From:** Jonathan Moser [mailto:[jonathan.moser@lafargeholcim.com](mailto:jonathan.moser@lafargeholcim.com)]  
**Sent:** Monday, March 26, 2018 11:22 AM  
**To:** CTBTaxQuestions FIN:EX  
**Subject:** PST Bulletin 302

To whom it may concern:

We are in receipt of PST 302 Bulletin regarding Delivery Charges.

On behalf of Lafarge Canada Inc., I am seeking clarification of this revision related to our aggregates product line given the potential huge negative impact.

Regards,

Jonathan

--

Jonathan Moser  
Head, Environment & Public Affairs, Canada  
Lafarge Canada Inc.

Mobile (403) 478-5139

[jonathan.moser@lafargeholcim.com](mailto:jonathan.moser@lafargeholcim.com)

[www.lafarge.ca](http://www.lafarge.ca)

**A member of LafargeHolcim**



--

Jonathan Moser  
Head, Environment & Public Affairs, Canada  
Lafarge Canada Inc.

Mobile (403) 478-5139

[jonathan.moser@lafargeholcim.com](mailto:jonathan.moser@lafargeholcim.com)

[www.lafarge.ca](http://www.lafarge.ca)

**A member of LafargeHolcim**



From: Scott, Bob FIN:EX  
To: Sousa, Rick S FIN:EX  
Subject: RE: PST Bulletin 302  
Date: Tuesday, March 27, 2018 9:59:00 AM

---

Hi Rick,

Here is how I'd put this into one of the templates. Can you please give it a close edit and add the keywords etc.

Thanks.

Bob

Thank you for your inquiry.

We can provide the following clarification:

1. Why was Bulletin PST 302, Delivery Charges, updated?

The change to Bulletin PST 302 is not a result of a change in the program. It is a correction of an error in the information relating to specific provisions of the *Provincial Sales Tax Act* (PSTA).

The bulletin on page 6 states "This bulletin has been rewritten to correct errors in the bulletin as to when [provincial sales tax] PST applies to delivery. The previous version of this bulletin incorrectly stated that delivery charges were not subject to PST for goods delivered in [British Columbia], where title to the goods passed at the seller's premises. If you did not charge PST on delivery charges, as in the above scenario, on or before March 31, 2018, you will not be subject to a penalty. For more information, see Regulation 48/2018."

The PSTA requires (and has required since 2013) that the purchase price of taxable goods (such as aggregates) include delivery charges that are incurred at or before the time that title to the aggregates transfers to the purchaser. As mentioned above, Bulletin PST 302, *Delivery Charges*, suggested that delivery charges are not part of the taxable purchase price subject to PST if title to the goods passed to the purchaser at the seller's premise. The updated bulletin corrects this oversight. In recognition that some businesses may have relied on the previous bulletin, a remission order called the Provincial Sales Tax (Delivery Charge) Remission Regulation (this is the Regulation 48/2018 referenced in the Bulletin) has been provided. The regulation provides remission for businesses that failed to levy tax on the portion of the purchase price that is a delivery charge if the sale occurred on or after April 1, 2013 and on or before March 31, 2018 and under the sale title to the goods (in your case aggregates) passed to the purchaser at your premises that are in British Columbia (BC).

2. How does the updated bulletin and remission regulation impact the delivery of aggregates?

How the updated bulletin and remission impacts LaFarge depends on the specifics of the particular transaction. We understand that generally there are two different ways aggregates may be sold and delivered. If there are additional situations, please let us know and we would be happy to provide information on those cases.

Scenario #1: Particular customer

If a particular customer purchased from LaFarge a truck load of aggregates to be delivered to a BC location, then title to those goods would pass to the customer when the aggregates are loaded on a truck for that particular customer. This is because all of the aggregates destined for the customer are ascertained once these goods are loaded onto a delivery truck. [Is the rule in the Sale of Goods Act re: ascertained subject to the contract between the parties?]

As title to these ascertained goods pass at the premises of LaFarge, the Provincial Sales Tax (Delivery Charge) Remission Regulation is applicable to the transaction. Therefore, if LaFarge failed to levy tax in this situation, LaFarge will not be subject to a penalty under the PSTA for sales that occurred on or after April 1, 2013 and on or before March 31, 2018. For transactions after this date, LaFarge is required to levy and collect PST on the purchase price of the aggregates including the portion of the purchase price that is a delivery charge.

Scenario #2: Multiple customers

If two or more customers purchased from LaFarge various amounts of aggregates to be delivered at two or more BC locations and LaFarge loaded all of the aggregates onto a single truck, then title to these goods would only pass to the each of the customers when the aggregates are physically delivered to each of the requested locations of the customers. This is because the amount of aggregates destined for each customer cannot be ascertained until the goods are physically delivered to each customer in BC. Until the aggregates are delivered there is no way to determine which portion of the load is for each of the multiple customers.

As title to the ~~PPP~~ goods does not pass at the premises of LaFarge, the Provincial Sales Tax (Delivery Charge) Remission Regulation is not applicable to the transaction. This results in LaFarge being subject to a penalty under ~~section 203(4) of the Act~~ the PSTA for any transactions that it has not levied tax on the portion of the purchase price of the goods that is a delivery charge, in the circumstances that are discussed above. Please note, however, this is not a change. If LaFarge had not levied PST on the portion of the purchase price that is a delivery charge, it would have been subject to a penalty prior to and under the old wording of Bulletin PST 302.

More information on British Columbia's PST, including registration, and collecting and remitting the PST, can be found in a series of PST Bulletins and Notices, and the Small Business Guide to PST. Our Forms Page contains exemptions certificates and forms related to registration, applying for a refund, and self-assessing the PST.

For additional information, including free interactive webinars, informational videos and upcoming events, please visit the PST

Outreach webpage. To receive updates about legislative changes and new public information, please "[Subscribe To Receive Updates](#)."

This correspondence describes how the Ministry interprets the relevant tax provisions for information purposes only. This response may be impacted by variations in circumstance, subsequent changes to legislation or subsequent court decisions. The Ministry is not responsible for updating this response if there are any subsequent changes to the law. This response is provided as an aid to understanding the legislation and is not intended to replace the legislation.

Rulings and Interpretations Team  
Ministry of Finance  
[www.gov.bc.ca/consumertaxes](http://www.gov.bc.ca/consumertaxes)

CTB Reference:

Keywords:

Legislation:

**Bob Scott**

Manager of Rulings and Special Projects | Consumer Taxation Programs Branch | Ministry of Finance

2<sup>nd</sup> Floor, 1802 Douglas St | 778.698.9620 | [Bob.Scott@gov.bc.ca](mailto:Bob.Scott@gov.bc.ca)

*This ruling is for your use only. Please do not issue it to any person outside your section without Policy, Rulings and Services' approval.*

*This correspondence is an interpretation from the Policy, Rulings and Services Section (PRS) of the Consumer Taxation Programs Branch. This interpretation applies relevant tax legislation and policy to the facts you have presented. The interpretation can be used to assist you in completing your audit or other decision. Variations in circumstances, changes in policy or legislation, or new court decisions may impact this interpretation. PRS is not responsible for updating this interpretation to reflect changes to policy or law that occur after the date of this correspondence. This interpretation is an aid to understanding the relevant legislation. It does not replace the legislation.*

**From:** CTBTaxQuestions FIN:EX

**Sent:** Monday, March 26, 2018 3:49 PM

**To:** Scott, Bob FIN:EX

**Subject:** RE: PST Bulletin 302

Thank you for your inquiry.

Lafarge Canada Inc. (Lafarge) is required to charge its customers provincial sales tax (PST) on the total purchase price paid by the customer for taxable tangible personal property (TPP) that is received or delivered in British Columbia (BC). The total purchase price includes any delivery charges incurred at or before the time that title to the TPP (e.g. aggregates) transfers to the customer in BC.

For example if a customer purchases from Lafarge a truck load of aggregates to be delivered to a BC location, then Lafarge must charge ~~such a customer~~ PST on the total purchase price, including any delivery fees.

However, the Provincial Sales Tax (Delivery Charge) Remission Regulation allows a remission from the penalty under section 203(1) of the *Provincial Sales Tax Act* (the Act) that is imposed on a collector who has not levied tax on the portion of the purchase price of TPP that is a delivery charge if, the sale occurred between April 1, 2013 and March 31, 2018 and under the sale title to the TPP passed to the purchaser at the premises of the collector in BC.

This means that Lafarge will avoid section 203(1) penalties under the Act for the sale and delivery of aggregates to customers in BC, if title to the aggregates passed to the customer at the premises of Lafarge.

#### **Particular customer**

If a particular customer purchased from Lafarge a truck load of aggregates to be delivered to a BC location, then title to those goods would pass to the customer when the aggregates are loaded on a truck for that particular customer. This is because all of the aggregates destined for the customer are ascertained once these goods are loaded onto a delivery truck.

As title to these ascertained goods pass at the premises of Lafarge, the Provincial Sales Tax (Delivery Charge) Remission Regulation is applicable to the transaction. [this is the one that changes but only on a go forward basis. I suppose this is probably the majority of Lafarge's customers. However, I would've thought that they contractually set out when title transfers to override the SGA. Perhaps not though]

#### **Multiple customers**

If two or more customers purchased from Lafarge various amounts of aggregates to be delivered at two or more BC locations and Lafarge loaded all of the aggregates onto a single truck, then title to these goods would only pass to the each of the customers when the aggregates are physically delivered to each of the requested locations of the customers. This is because the amount of aggregates destined for each customer cannot be ascertained until the goods are physically delivered to each customer in BC. Until the aggregates are delivered there is no way to determine which portion of the load is for each of the multiple customers. As title to the TPP does not pass at the premises of Lafarge, the Provincial Sales Tax (Delivery Charge) Remission Regulation is not applicable to the transaction. This results in Lafarge being subject to a penalty under section 203(1) of the Act for any transactions that it has not levied tax on the portion of the purchase price of TPP that is a delivery charge, in the circumstances that are discussed above. [This isn't a change though. The previous bulletin said if the seller delivers the TPP to the purchaser before title



to the goods pass, then the delivery charge is taxable. That is what is happening in this situation. So, for LaFarge they always should have been collected tax on these transactions.]

More information on British Columbia's PST, including registration, and collecting and remitting the PST, can be found in a series of [PST Bulletins and Notices](#), and the [Small Business Guide to PST](#). Our [Forms Page](#) contains exemptions certificates and forms related to registration, applying for a refund, and self-assessing the PST.

For additional information, including free interactive webinars, informational videos and upcoming events, please visit the [PST Outreach](#) webpage. To receive updates about legislative changes and new public information, please "[Subscribe To Receive Updates](#)."

This correspondence describes how the Ministry interprets the relevant tax provisions for information purposes only. This response may be impacted by variations in circumstance, subsequent changes to legislation or subsequent court decisions. The Ministry is not responsible for updating this response if there are any subsequent changes to the law. This response is provided as an aid to understanding the legislation and is not intended to replace the legislation.

Rulings and Interpretations Team

Ministry of Finance

[www.gov.bc.ca/consumertaxes](http://www.gov.bc.ca/consumertaxes)

---

CTB Reference:

Keywords:

Legislation:

T

**From:** Jonathan Moser [<mailto:jonathan.moser@lafargeholcim.com>]

**Sent:** Monday, March 26, 2018 11:22 AM

**To:** CTBTaxQuestions FIN:EX

**Subject:** PST Bulletin 302

To whom it may concern:

We are in receipt of PST 302 Bulletin regarding Delivery Charges.

On behalf of Lafarge Canada Inc., I am seeking clarification of this revision related to our aggregates product line given the potential huge negative impact.

Regards,

Jonathan

--

Jonathan Moser

Head, Environment & Public Affairs, Canada

Lafarge Canada Inc.

Mobile (403) 478-5139

[jonathan.moser@lafargeholcim.com](mailto:jonathan.moser@lafargeholcim.com)

[www.lafarge.ca](http://www.lafarge.ca)

A member of LafargeHolcim



**From:** Sherman, Samantha FIN:EX  
**To:** Scott, Bob FIN:EX  
**Subject:** Lafarge Bullets  
**Date:** Tuesday, March 27, 2018 8:48:56 AM

---

Hi Bob,

Here is the link to the bullets Jordan sent yesterday to the DM in response to the Lafarge question in case they are useful for the ruling: [O:\CTPB\Policy Rulings Services\Policy and Legislation\OICs\2017\Remission OIC Package - Delivery Charges\General Information - PST Delivery Charges.docx](#).

Sam

**Samantha Sherman**

Director of Policy, Rulings and Services | Consumer Taxation Programs Branch | Ministry of Finance  
2<sup>nd</sup> Floor, 1802 Douglas St | 778.698.8933 | [Samantha.Sherman@gov.bc.ca](mailto:Samantha.Sherman@gov.bc.ca)

**From:** [Goss, Jordan T FIN:EX](#)  
**To:** [Sherman, Samantha FIN:EX](#)  
**Subject:** RE: Urgent - Letter re: PST bulletin  
**Date:** Tuesday, March 27, 2018 8:28:10 AM

---

Sam

I simplified the bullets quite a bit into a new document which is the one I sent to Ann. I simplified the part about the gravel and the ruling because I thought it best if we just keep it high level.

Given this – perhaps, whomever is preparing the response for the CFIB, can use some of the bullets.

Thanks.

Jordan

---

**From:** Sherman, Samantha FIN:EX  
**Sent:** Monday, March 26, 2018 3:02 PM  
**To:** Goss, Jordan T FIN:EX  
**Subject:** RE: Urgent - Letter re: PST bulletin

s.13

added information to help explain where the remission applies and where it doesn't specific to the gravel industry and why.

Sam

---

**From:** Goss, Jordan T FIN:EX  
**Sent:** Monday, March 26, 2018 2:17 PM  
**To:** Davies, Ann FIN:EX; Sherman, Samantha FIN:EX  
**Subject:** RE: Urgent - Letter re: PST bulletin

We will get you something shortly.

**Jordan Goss**

Executive Director

Consumer Taxation Programs Branch

Ministry of Finance

Ph. (778) 698-4093

**MINISTRY OF FINANCE:** *Trusted financial and economic leadership for a prosperous province*

---

**From:** Davies, Ann FIN:EX  
**Sent:** Monday, March 26, 2018 2:12 PM  
**To:** Goss, Jordan T FIN:EX; Sherman, Samantha FIN:EX

**Subject:** Fwd: Urgent - Letter re: PST bulletin

Can you provide this ASAP please.

Sent from my iPhone

Begin forwarded message:

**From:** "Wanamaker, Lori FIN:EX" <[Lori.Wanamaker@gov.bc.ca](mailto:Lori.Wanamaker@gov.bc.ca)>  
**Date:** March 26, 2018 at 2:10:52 PM PDT  
**To:** "Davies, Ann FIN:EX" <[Ann.Davies@gov.bc.ca](mailto:Ann.Davies@gov.bc.ca)>  
**Cc:** "Michell, Jennifer FIN:EX" <[Jennifer.Michell@gov.bc.ca](mailto:Jennifer.Michell@gov.bc.ca)>  
**Subject:** FW: Urgent - Letter re: PST bulletin

Hi Ann. Can you please provide the background on this issue? Thanks.

Lori

**From:** Jonathan Moser [<mailto:jonathan.moser@lafargeholcim.com>]  
**Sent:** Monday, March 26, 2018 1:14 PM  
**To:** Minister, FIN FIN:EX; OfficeofthePremier, Office PREM:EX; Wanamaker, Lori FIN:EX  
**Subject:** Urgent - Letter re: PST bulletin

Please find the attached letter for your urgent consideration.

Regards,

--

Jonathan Moser  
Head, Environment & Public Affairs, Canada  
Lafarge Canada Inc.

Mobile (403) 478-5139

[jonathan.moser@lafargeholcim.com](mailto:jonathan.moser@lafargeholcim.com)

[www.lafarge.ca](http://www.lafarge.ca)

**A member of LafargeHolcim**

**From:** [Goss, Jordan T FIN:EX](#)  
**To:** [Davies, Ann FIN:EX](#)  
**Cc:** [Hunter-Friesen, Margaret M.FIN:EX](#); [Sherman, Samantha FIN:EX](#)  
**Subject:** FW: Urgent - Letter re: PST bulletin  
**Date:** Tuesday, March 27, 2018 8:25:48 AM  
**Attachments:** [ATT00001.htm](#)  
[20180326124810898.pdf](#)  
[ATT00002.htm](#)  
[General Information - PST Delivery Charges.docx](#)

---

Ann

Bullets on the background of this issue are attached. Please let us know if you need anything further.

Jordan

---

**From:** Davies, Ann FIN:EX  
**Sent:** Monday, March 26, 2018 2:12 PM  
**To:** Goss, Jordan T FIN:EX; Sherman, Samantha FIN:EX  
**Subject:** Fwd: Urgent - Letter re: PST bulletin

Can you provide this ASAP please.

Sent from my iPhone

Begin forwarded message:

**From:** "Wanamaker, Lori FIN:EX" <[Lori.Wanamaker@gov.bc.ca](mailto:Lori.Wanamaker@gov.bc.ca)>  
**Date:** March 26, 2018 at 2:10:52 PM PDT  
**To:** "Davies, Ann FIN:EX" <[Ann.Davies@gov.bc.ca](mailto:Ann.Davies@gov.bc.ca)>  
**Cc:** "Michell, Jennifer FIN:EX" <[Jennifer.Michell@gov.bc.ca](mailto:Jennifer.Michell@gov.bc.ca)>  
**Subject:** FW: Urgent - Letter re: PST bulletin

Hi Ann. Can you please provide the background on this issue? Thanks.

Lori

**From:** Jonathan Moser [<mailto:jonathan.moser@lafargeholcim.com>]  
**Sent:** Monday, March 26, 2018 1:14 PM  
**To:** Minister, FIN FIN:EX; OfficeofthePremier, Office PREM:EX; Wanamaker, Lori FIN:EX  
**Subject:** Urgent - Letter re: PST bulletin

Please find the attached letter for your urgent consideration.

Regards,

--  
Jonathan Moser  
Head, Environment & Public Affairs, Canada  
Lafarge Canada Inc.

Mobile (403) 478-5139

[jonathan.moser@lafargeholcim.com](mailto:jonathan.moser@lafargeholcim.com)

[www.lafarge.ca](http://www.lafarge.ca)

**A member of LafargeHolcim**

## PST on Delivery Charges – Correction to Public Information

- In the summer of 2017, the Ministry identified that the public information contained some misleading/incorrect information on the application of PST to delivery charges on goods delivered from within BC.
- The information stated that PST did not apply to delivery charges for goods where the title to the goods passed at the seller's premises.
- However, under the *Provincial Sales Tax Act* (PSTA), the determining factor for PST on delivery charges is whether the delivery charges **are incurred at or before the time title passes**. If so, the delivery charges are part of the defined purchase price for the goods, on which PST must be paid. Delivery charges for goods already owned by the customer are not subject to PST.
- As most delivery charges are incurred at the time of sale, they are generally incurred at or before the time that title passes (including when the title transfers at the seller's premises), the statement in the public information was misleading and in most cases, incorrect.

s.14

- In addition, the Ministry proposed that a remission be provided to prevent PST collectors (those selling the goods being delivered) from having a penalty equal to tax imposed on them for not charging the PST. It was proposed that the remission only apply to the situations in which the public information was incorrect and only prior to a specified date (a date following the deposit of a remission regulation).
- A remission has now been provided under the *Financial Administration Act* for the penalty equal to tax not charged on the portion of the purchase price attributable to charges for delivery where the following criteria have been met:
  - the sale took place between April 1, 2013 and March 31, 2018;
  - a delivery charge was made for the goods;
  - title to the goods passed to the purchaser at the collector's premises in British Columbia.

- The remission does not provide relief from the penalty where the title to the goods passed at the purchaser's premises. This is because public information and historical rulings were correct with respect to PST being payable on delivery charges for these goods.
- While sellers of goods will not be subject to a penalty equal to tax for not charging PST correctly on delivery of goods prior to April 1, 2018 and in the circumstances set out in the remission order, they will be required to charge it correctly as of April 1, 2018. This will result in customers having to pay the PST on these delivery charges.
- The Ministry updated its public information (e.g., Bulletin 302, Delivery Charges) to correct the previous error and reflect the application of the PST under the PSTA. This information was posted online the week of March 19<sup>th</sup>, 2018 immediately following the receipt of the deposited remission regulation.
- The information is not as a result of a change in the program. It is a correction of an error in the information relating to specific provisions of the PSTA. The information includes the following statements outlining the reason for the changes:
  - "This bulletin has been rewritten to correct errors in the bulletin as to when PST applies to delivery. The previous version of this bulletin incorrectly stated that delivery charges were not subject to PST for goods delivered in BC, where title to the goods passed at the seller's premises. If you did not charge PST on delivery charges, as in the above scenario, on or before March 31, 2018, you will not be subject to a penalty. For more information, see Regulation 48/2018."
- If Government wishes to provide further relief from the requirement to charge and pay PST on delivery charges that are incurred at or before the time title to the goods transferred, legislative or regulatory changes would be required.





BY EMAIL

March 26, 2018

Hon. Carole James  
Minister of Finance  
Government of British Columbia  
PO Box 9048, Stn Prov Govt  
Victoria, BC V8W 9E2

Dear Minister:

I am writing to you today on an urgent basis to ask for your delay of the recent program change for the charging of PST on delivery of goods.

I am referring to Bulletin PST 302 on Delivery Charges published late last week coming into effect on April 1, 2018.

Unfortunately, there was no consultation involved in the decision to proceed with this program change. Had there been consultation with the aggregate industry, there would have been clear identification for the potential of negative unintended consequences.

The transportation cost of aggregate has a tremendous effect on the overall business viability of the industry. The slightest change in the mechanics of this cost, impact the financial health, sustainability and safety of the sector.

In an industry that is helping meet the growing infrastructure demands of BC, the timing of this PST bulletin could not be worse.

Your immediate attention to this matter is greatly appreciated. I remain available to speak with you, your staff and your department to further outline our concerns.

Sincerely,

A handwritten signature in black ink, appearing to read 'David Redfern', with a long, sweeping horizontal stroke extending to the right.

David Redfern  
VP/GM, Greater Vancouver Area & Western Canada Aggregates

c.c. Office of the Premier; Deputy Minister of Finance

Lafarge Canada Inc.  
200 - 7455 132nd Street  
Surrey, BC  
V3W 1J8

**From:** Scott, Bob FIN:EX  
**To:** Nijjar, Sukie FIN:EX  
**Subject:** FW: PST Bill 302  
**Date:** Monday, March 26, 2018 2:06:53 PM

---

Hey Sukie,

Can you please draft a response for me on this one. I'd like to see it before it goes out.

1. See if you can track down what we originally sent out
2. Clarify each scenario (you could even use the new template I included on Sunday)
3. Clarify that the business should not pay tax on everything (he may get himself into a situation where he does get it back)
4. Clarify that the bulletin is the information clarifying the delivery charges

Thanks.

Bob

---

**From:** Sherman, Samantha FIN:EX  
**Sent:** Monday, March 26, 2018 11:47 AM  
**To:** Scott, Bob FIN:EX  
**Subject:** FW: PST Bill 302

Hi,

Should we just treat this as a ruling? It seems he is referring to Bulletin 302, not a bill.

Sam

---

**From:** Goss, Jordan T FIN:EX  
**Sent:** Monday, March 26, 2018 11:40 AM  
**To:** Perhar, Satish FIN:EX  
**Cc:** Sherman, Samantha FIN:EX; Scott, Bob FIN:EX  
**Subject:** RE: PST Bill 302

Thanks. Yes, we will prepare a response for Brendan.

Sam/Bob – Please coordinate who will draft the response and feel free to send to Brendan with a cc to Satish and I.

**Jordan Goss**  
Executive Director

Consumer Taxation Programs Branch  
Ministry of Finance

Ph. (778) 698-4093

**MINISTRY OF FINANCE:** *Trusted financial and economic leadership for a prosperous province*

**From:** Perhar, Satish FIN:EX  
**Sent:** Monday, March 26, 2018 10:58 AM  
**To:** Goss, Jordan T FIN:EX  
**Subject:** FW: PST Bill 302

Hi Jordan,

Do you want to have your policy folks get back to Brendan on this issue?

*Satish*

604-586-3709

**From:** Brendan Rolfe [<mailto:Brendan.Rolfe@cfib.ca>]  
**Sent:** Monday, March 26, 2018 10:34 AM  
**To:** Perhar, Satish FIN:EX; Goss, Jordan T FIN:EX  
**Cc:** Samantha Howard  
**Subject:** PST Bill 302

Good morning all!

I trust a relaxing weeked was had by each ☺

I just got off the phone with a member who has some serious concerns about BC PST Bill 302 – Delivery Charges.

He owns an aggregate sales and delivery service (and sometimes low level landscaping service as part of the delivery; known as "slinging") – sometimes customers purchase the aggregate from him and he delivers and applies (landscapes), sometimes he delivers goods they have bought from another company and applies, sometimes he delivers and doesn't apply. He believes that the Bill is too confusing to administer properly, especially for his drivers, which often take payment upon completion of delivery (he actually did file for a ruling, which is great, but doesn't agree with the response). He believes that delivery is a service, and that he should not be subject to administering PST.

On the surface, this appears to me to be a real property contractor issue, although I will agree with our member that trying to figure out when it does and doesn't become real property is challenging. I discussed the concept of his company always self-assessing the PST and then filing for a refund with each remittance, however, like many small business owners who are surviving pay cheque to pay cheque, this isn't always a feasible option for him (ie. not having the capital available to pay the bills).

I told our member I would bring forward his concerns, and I was wondering if you guys had some information I could share with him. Is this an issue that PST has heard about and is looking at? Is there perhaps another simpler solution?

Thank you in advance,

Brendan

**Brendan Rolfe**

Business Counselor

T: 604-684-5325

F: 604-684-0529

[Facebook](#) | [Twitter](#)

**CFIB** – In business for your business.

*IMPORTANT NOTICE : This message or attachment does not constitute legal or accounting advice and is not a substitute for the advice of a lawyer or CPA. In the event of any discrepancy between any content and the law, the law prevails. CFIB is not responsible for the use or misuse, interpretation or misinterpretation of this e-mail or attachment by any person, business or other entity.*

*AVIS IMPORTANT : Ce message et ses pièces jointes ne constituent pas un avis juridique ou un avis fiscal et ne peuvent en aucun cas s'y substituer. En cas de différence entre le contenu de ce courriel et un texte de loi, le texte de loi prévaut. La FCEI ne peut être tenue responsable de l'utilisation ou de l'interprétation qui en sera faite subséquemment par l'entreprise ou une tierce partie.*

---

This e-mail is intended only for use only by the person(s) to whom it is specifically addressed above and may contain information that is personal, private and confidential. If you are not an intended recipient of this e-mail you are hereby notified that any retention, dissemination, distribution or copying of this email or any information contained herein is strictly prohibited. Please notify us if you have received this in error. Thank you for your co-operation and assistance.

Ce courriel est destiné exclusivement à la(aux) personne(s) mentionnées ci-dessus car il peut contenir des informations de nature personnelle, privilégiée ou confidentielle. Si vous n'êtes pas le destinataire visé, nous vous informons par la présente que toute conservation, diffusion, distribution ou reproduction de ce courriel ou des informations qui y figurent est strictement interdite. Si vous avez reçu ce message par erreur, veuillez nous en aviser immédiatement. Nous vous remercions de votre collaboration.

**From:** Goss, Jordan T FIN:EX  
**To:** "Brendan Rolfe"; Perhar, Satish FIN:EX  
**Cc:** Samantha Howard  
**Subject:** RE: PST Bill 302  
**Date:** Monday, March 26, 2018 11:40:46 AM

---

Thanks so much for the email. I will have someone from my team send a response to you so that you have the relevant information.

**Jordan Goss**  
Executive Director  
Consumer Taxation Programs Branch  
Ministry of Finance

Ph. (778) 698-4093

**MINISTRY OF FINANCE: *Trusted financial and economic leadership for a prosperous province***

**From:** Brendan Rolfe [mailto:Brendan.Rolfe@cfib.ca]  
**Sent:** Monday, March 26, 2018 10:34 AM  
**To:** Perhar, Satish FIN:EX; Goss, Jordan T FIN:EX  
**Cc:** Samantha Howard  
**Subject:** PST Bill 302

Good morning all!

I trust a relaxing week was had by each ☺

I just got off the phone with a member who has some serious concerns about BC PST Bill 302 – Delivery Charges.

He owns an aggregate sales and delivery service (and sometimes low level landscaping service as part of the delivery; known as "slinging") – sometimes customers purchase the aggregate from him and he delivers and applies (landscapes), sometimes he delivers goods they have bought from another company and applies, sometimes he delivers and doesn't apply. He believes that the Bill is too confusing to administer properly, especially for his drivers, which often take payment upon completion of delivery (he actually did file for a ruling, which is great, but doesn't agree with the response). He believes that delivery is a service, and that he should not be subject to administering PST.

On the surface, this appears to me to be a real property contractor issue, although I will agree with our member that trying to figure out when it does and doesn't become real property is challenging. I discussed the concept of his company always self-assessing the PST and then filing for a refund with each remittance, however, like many small business owners who are surviving pay cheque to pay cheque, this isn't always a feasible option for him (ie. not having the capital available to pay the bills).

I told our member I would bring forward his concerns, and I was wondering if you guys had some

information I could share with him. Is this an issue that PST has heard about and is looking at? Is there perhaps another simpler solution?

Thank you in advance,

Brendan

**Brendan Rolfe**  
Business Counselor  
T: 604-684-5325  
F: 604-684-0529  
[Facebook](#) | [Twitter](#)

**CFIB** – In business for your business.

*IMPORTANT NOTICE : This message or attachment does not constitute legal or accounting advice and is not a substitute for the advice of a lawyer or CPA. In the event of any discrepancy between any content and the law, the law prevails. CFIB is not responsible for the use or misuse, interpretation or misinterpretation of this e-mail or attachment by any person, business or other entity.*

*AVIS IMPORTANT : Ce message et ses pièces jointes ne constituent pas un avis juridique ou un avis fiscal et ne peuvent en aucun cas s'y substituer. En cas de différence entre le contenu de ce courriel et un texte de loi, le texte de loi prévaut. La FCEI ne peut être tenue responsable de l'utilisation ou de l'interprétation qui en sera faite subséquemment par l'entreprise ou une tierce partie.*

---

This e-mail is intended only for use only by the person(s) to whom it is specifically addressed above and may contain information that is personal, private and confidential. If you are not an intended recipient of this e-mail you are hereby notified that any retention, dissemination, distribution or copying of this email or any information contained herein is strictly prohibited. Please notify us if you have received this in error. Thank you for your co-operation and assistance.

Ce courriel est destiné exclusivement à la(aux) personne(s) mentionnées ci-dessus car il peut contenir des informations de nature personnelle, privilégiée ou confidentielle. Si vous n'êtes pas le destinataire visé, nous vous informons par la présente que toute conservation, diffusion, distribution ou reproduction de ce courriel ou des informations qui y figurent est strictement interdite. Si vous avez reçu ce message par erreur, veuillez nous en aviser immédiatement. Nous vous remercions de votre collaboration.

**From:** [CTBTaxQuestions.FIN:EX](#)  
**To:** "Vincent Minifie CGA"  
**Subject:** TRIM: RE: PST on Delivery Charges  
**Date:** Friday, March 23, 2018 11:58:43 AM  
**Attachments:** [129-2018.pdf](#)

---

Thank you for your inquiry.

### **Short Answer**

There has been no change in the legislation with respect to delivery charges. The British Columbia (BC) Provincial Sales Tax (PST) has always applied to almost all deliveries of goods by the person selling the goods.

### **Explanation**

Please see [Bulletin PST 302 - Delivery Charges](#).

Section 10(2) of the *Provincial Sales Tax Act* (PSTA) has always included as part of the "purchase price" for goods:

(e) any charges for

(i) transportation or delivery of the tangible personal property sold,  
or

(ii) interest, finance, service, customs and excise charges in relation to  
the tangible personal property sold

that are incurred at or before the time that title to the tangible personal property covered by the sale passes under that sale, whether or not those charges are shown separately on any record of the sale, but does not include interest charges on a conditional sale contract if the amount of those charges is segregated on the record of sale or is billed separately to the purchaser, and is payable over the term of the contract;

Put in simple terms, if I buy something from a supplier and ask them to deliver it at the same time (like the customers of your client), the delivery charges form part of the "purchase price" for those goods. If the goods themselves are subject to PST, so too are the charges for delivery, regardless of whether they are separately itemized. This is reflected in the examples on pages 2-3 of the bulletin.

Historically, where the Ministry has audited a vendor and found that they failed to collect PST when they should have been collecting PST (as would almost certainly have been found in the case of your client), they have been assessed for a "penalty equivalent" to the tax not

collected under section 203 of the PSTA.

However, given that there has been a fair bit of misunderstanding of the proper application of the PST to delivery charges amongst vendors, an Order-in-Council was recently signed ("cabinet/executive order") that provides for a "remission" – essentially, forgiveness – of the penalty equivalent that would otherwise be assessed on a vendor who fails to charge and collect the PST on taxable deliveries between April 1, 2013 (when the PST came back) and March 31, 2018. Please see the attached. This was signed just 3 days ago.

More information on British Columbia's PST, including registration, and collecting and remitting the PST, can be found in a series of PST Bulletins and Notices, and the Small Business Guide to PST. Our Forms Page contains exemptions certificates and forms related to registration, applying for a refund, and self-assessing the PST.

For additional information, including free interactive webinars, informational videos and upcoming events, please visit the PST Outreach webpage. To receive updates about legislative changes and new public information, please "Subscribe To Receive Updates."

This correspondence describes how the Ministry interprets the relevant tax provisions for information purposes only. This response may be impacted by variations in circumstance, subsequent changes to legislation or subsequent court decisions. The Ministry is not responsible for updating this response if there are any subsequent changes to the law. This response is provided as an aid to understanding the legislation and is not intended to replace the legislation.

Rulings and Interpretations Team  
Ministry of Finance  
[www.gov.bc.ca/consumertaxes](http://www.gov.bc.ca/consumertaxes)

---

CTB Reference:

Keywords: delivery, gravel

Legislation: PSTA section 10(1)(e)

**From:** Vincent Minifie CGA [<mailto:contact@vincentminifiecga.com>]

**Sent:** Thursday, March 22, 2018 1:34 PM

**To:** CTBTaxQuestions FIN:EX

**Subject:** PST on Delivery Charges

Hello Sir/Madam:

I am a public accountant located in Fernie, B.C.

I have a client who is concerned about the revision of Bulletin PST 302 - Delivery Charges.



This client operates a gravel pit and at the time of sale charges a customer say \$50 for a yard of gravel and say \$200 for delivery. The gravel charge and the delivery charge are separated on one invoice and the client collects PST on the gravel charge but does not collect PST on the delivery charge. With the revision of Bulletin PST 302 has this now changed? Is the delivery charge also now subject to PST?

Please advise, ASAP.

Vincent Minifie, CPA

--

Vincent Minifie CPA, CGA

Phone: 250 423 6669

Fax: 250 423 3781

P. O. Box 1469  
371 2nd Avenue  
Ferne, BC  
V0B 1M0

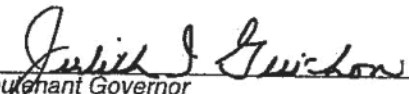
This e-mail may be privileged and/or confidential, and the sender does not waive any related rights and obligations. Any distribution, use or copying of this e-mail or the information it contains by other than an intended recipient is unauthorized. If you received this e-mail in error, please advise me (by return e-mail or otherwise) immediately.

**PROVINCE OF BRITISH COLUMBIA**  
**ORDER OF THE LIEUTENANT GOVERNOR IN COUNCIL**

Order in Council No. 129

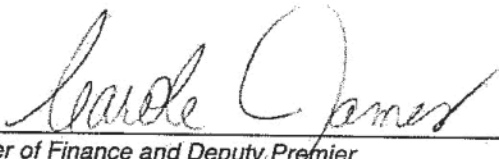
, Approved and Ordered

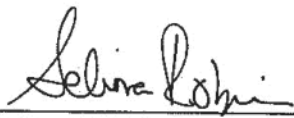
March 20, 2018

  
Lieutenant Governor

Executive Council Chambers, Victoria

On the recommendation of the undersigned, the Lieutenant Governor, by and with the advice and consent of the Executive Council, orders that the attached Provincial Sales Tax (Delivery Charge) Remission Regulation is made.

  
Minister of Finance and Deputy Premier

  
Presiding Member of the Executive Council

(This part is for administrative purposes only and is not part of the Order.)

Authority under which Order is made:

Act and section: *Financial Administration Act*, R.S.B.C. 1996, c. 138, s. 19

Other: \_\_\_\_\_

R20188217

## **PROVINCIAL SALES TAX (DELIVERY CHARGE) REMISSION REGULATION**

### **Definitions**

- 1 (1) In this regulation:
  - “**Act**” means the *Provincial Sales Tax Act*;
  - “**delivery charge**” means a charge included by section 10 (2) (c) (i) of the Act in the purchase price of tangible personal property.
- (2) The definitions in section 1 of the Act apply to this regulation.

### **Remission of penalty**

- 2 Authorization is given for the remission of a penalty under section 203 (1) of the Act imposed on a collector who has not levied tax on the portion of the purchase price of tangible personal property that is a delivery charge, if
  - (a) the sale occurred on or after April 1, 2013 and on or before March 31, 2018,  
and
  - (b) under the sale, title to the tangible personal property passed, or is to pass, to the purchaser at premises of the collector that are in British Columbia.

**From:** shawna@indirecttax.ca  
**To:** Scott, Bob FIN:EX  
**Subject:** delivery charge  
**Date:** Wednesday, March 21, 2018 5:20:54 PM  
**Attachments:** Delivery Charge Remission Order.pdf

---

OK – I can admit this to you – I don’t get it! I’ll add it to the list of things I want to chat with you about – maybe you can walk me through it slowly! My guess is that 10(1) PSTA applies to say that whatever the purchaser agrees to pay for the product is subject to PST and this includes delivery charges agreed to be paid. Then 10(2) (e) (which deals with when title transfers) was misinterpreted by many (including me) to say that delivery charges are not included in 10(1) if title transfers at vendor’s location and purchaser sends their own truck to pick up.

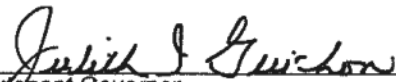
Anyhow I know there is a story out there! Plus I’ll be making sure I tell my clients to stop the ol’ transfer title at vendor location to get out of PST on delivery.

I left you a msg but disregard - I phoned the rulings line and a very nice person agreed with my analysis that module home significantly attached to land is a sale of RP after attached. But the supplier is also installing so I have to send them an email saying “no, stop charging my client PST!”.

Anyway – none of my queries are hot/urgent so call me when you can! <sup>s.22</sup>  
s.22


**PROVINCE OF BRITISH COLUMBIA**  
**ORDER OF THE LIEUTENANT GOVERNOR IN COUNCIL**

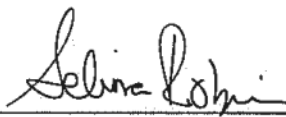
*Order in Council No.*      129      , *Approved and Ordered*      March 20, 2018

  
Lieutenant Governor

**Executive Council Chambers, Victoria**

On the recommendation of the undersigned, the Lieutenant Governor, by and with the advice and consent of the Executive Council, orders that the attached Provincial Sales Tax (Delivery Charge) Remission Regulation is made.

  
Minister of Finance and Deputy Premier

  
Presiding Member of the Executive Council

(This part is for administrative purposes only and is not part of the Order.)

**Authority under which Order is made:**

Act and section: *Financial Administration Act, R.S.B.C. 1996, c. 138, s. 19*

Other: \_\_\_\_\_

R20188217

## **PROVINCIAL SALES TAX (DELIVERY CHARGE) REMISSION REGULATION**

### **Definitions**

- 1** (1) In this regulation:
  - “**Act**” means the *Provincial Sales Tax Act*;
  - “**delivery charge**” means a charge included by section 10 (2) (e) (i) of the Act in the purchase price of tangible personal property.
- (2) The definitions in section 1 of the Act apply to this regulation.

### **Remission of penalty**

- 2** Authorization is given for the remission of a penalty under section 203 (1) of the Act imposed on a collector who has not levied tax on the portion of the purchase price of tangible personal property that is a delivery charge, if
  - (a) the sale occurred on or after April 1, 2013 and on or before March 31, 2018,  
and
  - (b) under the sale, title to the tangible personal property passed, or is to pass, to the purchaser at premises of the collector that are in British Columbia.

**From:** CTBTaxQuestions FIN:EX  
**To:** XT:Anderson, Rosemary J FIN:IN  
**Subject:** TRIM: RE: Regulation 48/2018  
**Date:** Wednesday, March 21, 2018 3:06:50 PM  
**Attachments:** 129-2018.pdf

---

Thank you for your inquiry.

Please see the attached.

You can access the regulations (Orders-in Council) from <https://www.leg.bc.ca/parliamentary-business/bills-and-legislation>

To find the Provincial Sales Tax (Delivery Charge) Remission Regulation, first click on Orders-in Council (OIC). Then click on 2018. Then click on Number 11 (for the most recent OIC's ). Then click on Full Text PDF's. Then click on 129

More information on British Columbia's PST, including registration, and collecting and remitting the PST, can be found in a series of [PST Bulletins and Notices](#), and the [Small Business Guide to PST](#). Our [Forms Page](#) contains exemptions certificates and forms related to registration, applying for a refund, and self-assessing the PST.

For additional information, including free interactive webinars, informational videos and upcoming events, please visit the [PST Outreach](#) webpage. To receive updates about legislative changes and new public information, please "[Subscribe To Receive Updates.](#)"

This correspondence describes how the Ministry interprets the relevant tax provisions for information purposes only. This response may be impacted by variations in circumstance, subsequent changes to legislation or subsequent court decisions. The Ministry is not responsible for updating this response if there are any subsequent changes to the law. This response is provided as an aid to understanding the legislation and is not intended to replace the legislation.

Rulings and Interpretations Team

Ministry of Finance

[www.gov.bc.ca/consumertaxes](http://www.gov.bc.ca/consumertaxes)

---

**From:** Rosemary Anderson [mailto:[rjanderson@thor.ca](mailto:rjanderson@thor.ca)]

**Sent:** Wednesday, March 21, 2018 1:04 PM

**To:** CTBTaxQuestions FIN:EX

**Subject:** Regulation 48/2018

Hello

The attached bulletin refers to Regulation 48/2018; can you please send me a copy of it or a link to it? I can't find a copy of it on BC Laws.

Thanks

Rosemary

Rosemary Anderson, CPA, CA | Thorsteinssons LLP

T 604.602.4279

[rjanderson@thor.ca](mailto:rjanderson@thor.ca)


*This communication may be subject to solicitor-client privilege.*

**PROVINCE OF BRITISH COLUMBIA**  
**ORDER OF THE LIEUTENANT GOVERNOR IN COUNCIL**

Order in Council No. 129


, Approved and Ordered

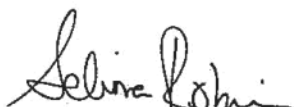
March 20, 2018

  
Lieutenant Governor

Executive Council Chambers, Victoria

On the recommendation of the undersigned, the Lieutenant Governor, by and with the advice and consent of the Executive Council, orders that the attached Provincial Sales Tax (Delivery Charge) Remission Regulation is made.

  
Minister of Finance and Deputy Premier

  
Presiding Member of the Executive Council

(This part is for administrative purposes only and is not part of the Order.)

Authority under which Order is made:

Act and section: *Financial Administration Act, R.S.B.C. 1996, c. 138, s. 19*

Other: \_\_\_\_\_

R20188217



## **PROVINCIAL SALES TAX (DELIVERY CHARGE) REMISSION REGULATION**

### **Definitions**

- 1** (1) In this regulation:  
    “**Act**” means the *Provincial Sales Tax Act*;  
    “**delivery charge**” means a charge included by section 10 (2) (e) (i) of the Act in the purchase price of tangible personal property.  
(2) The definitions in section 1 of the Act apply to this regulation.

### **Remission of penalty**

- 2** Authorization is given for the remission of a penalty under section 203 (1) of the Act imposed on a collector who has not levied tax on the portion of the purchase price of tangible personal property that is a delivery charge, if
  - (a) the sale occurred on or after April 1, 2013 and on or before March 31, 2018,  
and
  - (b) under the sale, title to the tangible personal property passed, or is to pass, to the purchaser at premises of the collector that are in British Columbia.

**From:** [Perhar, Satish FIN:EX](#)  
**To:** [Tecson, Dennis FIN:EX](#); [Kok, Eugene S FIN:EX](#); [Nelson, Katherine M FIN:EX](#); [Sherman, Samantha FIN:EX](#)  
**Subject:** Fwd: B.C. Reg. 48/2018  
**Date:** Wednesday, March 21, 2018 10:57:44 AM  
**Attachments:** [48\\_2018.pdf](#)  
[ATT00001.htm](#)

---

Thanks Sam!

Sent from my iPhone

Begin forwarded message:

**From:** "Sherman, Samantha FIN:EX" <[Samantha.Sherman@gov.bc.ca](mailto:Samantha.Sherman@gov.bc.ca)>  
**Date:** March 21, 2018 at 10:56:03 AM PDT  
**To:** "Perhar, Satish FIN:EX" <[Satish.Perhar@gov.bc.ca](mailto:Satish.Perhar@gov.bc.ca)>  
**Subject:** FW: B.C. Reg. 48/2018

Hi Satish,

The delivery charges remission was deposited and the PI has been updated.

Regards,

Sam

---

**From:** JAG LSB Registrar of Regulations JAG:EX  
**Sent:** Tuesday, March 20, 2018 11:33 AM  
**To:** Nagelbach, Alexander FIN:EX  
**Cc:** Goss, Jordan T FIN:EX; Sherman, Samantha FIN:EX; Murata, Brian FIN:EX  
**Subject:** B.C. Reg. 48/2018

Hello,

Please find attached a copy of B.C. Reg. 48/2018, as deposited today under the *Financial Administration Act*.

Thanks,

**Esha Whitlam**

Office of Legislative Counsel  
Ministry of Attorney General  
250-356-5741

**From:** Tecson, Dennis FIN:EX  
**To:** Tecson, Dennis FIN:EX; Scott, Bob FIN:EX  
**Subject:** Conversation with Tecson, Dennis FIN:EX  
**Date:** Tuesday, March 20, 2018 4:20:54 PM

---

dennis.tecson@gov.bc.ca [4:09 PM]:

hi

Scott, Bob FIN:EX [4:11 PM]:

Hi Dennis

Tecson, Dennis FIN:EX [4:12 PM]:

curious about the remission

believe it is covered in the bulletin but just want to make sure

Scott, Bob FIN:EX [4:13 PM]:

Yes, it should be. I haven't double checked, but I got word that the updated bulletin is now live.

Tecson, Dennis FIN:EX [4:14 PM]:

so okay not to assess for non-compliance prior to Mar 31, 2018 but we advise those audited to apply the tax in accordance with legislation and updated bulletins

Scott, Bob FIN:EX [4:14 PM]:

Yes

Tecson, Dennis FIN:EX [4:14 PM]:

thanks

Scott, Bob FIN:EX [4:14 PM]:

No problem!

**From:** [Nagelbach, Alexander FIN:EX](#)  
**To:** [Nagelbach, Alexander FIN:EX](#); [Scott, Bob FIN:EX](#)  
**Subject:** Conversation with Nagelbach, Alexander FIN:EX  
**Date:** Tuesday, March 20, 2018 2:47:22 PM

---

Nagelbach, Alexander FIN:EX [2:39 PM]:  
delivery charges PI updates are now live

Scott, Bob FIN:EX [2:43 PM]:  
Awesome! big day :)

Nagelbach, Alexander FIN:EX [2:45 PM]:  
lolz

**From:** Scott, Bob FIN:EX  
**To:** Vunder, Anna FIN:EX; Sousa, Rick S FIN:EX; Nijjar, Sukie FIN:EX; Clayton, Joywin FIN:EX; Power, Carolyn FIN:EX; Eggleston, Stephen D FIN:EX; Smith, Darren M FIN:EX; Chang, Lyna FIN:EX  
**Subject:** FW: OICs  
**Date:** Tuesday, March 20, 2018 2:45:00 PM  
**Attachments:** 129-2018.pdf

---

**Bob Scott**

Manager of Rulings and Special Projects | Consumer Taxation Programs Branch | Ministry of Finance

2<sup>nd</sup> Floor, 1802 Douglas St | 778.698.9620 | [Bob.Scott@gov.bc.ca](mailto:Bob.Scott@gov.bc.ca)

***This ruling is for your use only. Please do not issue it to any person outside your section without Policy, Rulings and Services' approval.***

*This correspondence is an interpretation from the Policy, Rulings and Services Section (PRS) of the Consumer Taxation Programs Branch. This interpretation applies relevant tax legislation and policy to the facts you have presented. The interpretation can be used to assist you in completing your audit or other decision. Variations in circumstances, changes in policy or legislation, or new court decisions may impact this interpretation. PRS is not responsible for updating this interpretation to reflect changes to policy or law that occur after the date of this correspondence. This interpretation is an aid to understanding the relevant legislation. It does not replace the legislation.*

---

**From:** Sherman, Samantha FIN:EX  
**Sent:** Tuesday, March 20, 2018 12:07 PM  
**To:** Healey, Kinsburgh C FIN:EX  
**Cc:** Scott, Bob FIN:EX; Lee, Michelle FIN:EX  
**Subject:** FW: OICs

Hi Kinsburgh,

As discussed, here is the remission wording. Please let me know if you want to discuss the appeal in question.

Regards,

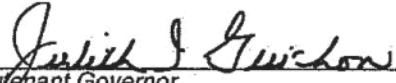
Sam

---

**From:** Dardengo, Doris JAG:EX  
**Sent:** Tuesday, March 20, 2018 10:27 AM  
**To:** Nagelbach, Alexander FIN:EX; Sherman, Samantha FIN:EX  
**Subject:** OICs


**PROVINCE OF BRITISH COLUMBIA**  
**ORDER OF THE LIEUTENANT GOVERNOR IN COUNCIL**

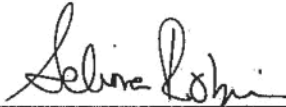
Order in Council No. 129 , Approved and Ordered March 20, 2018

  
Lieutenant Governor

**Executive Council Chambers, Victoria**

On the recommendation of the undersigned, the Lieutenant Governor, by and with the advice and consent of the Executive Council, orders that the attached Provincial Sales Tax (Delivery Charge) Remission Regulation is made.

  
Minister of Finance and Deputy Premier

  
Presiding Member of the Executive Council

---

*(This part is for administrative purposes only and is not part of the Order.)*

**Authority under which Order is made:**

Act and section: *Financial Administration Act, R.S.B.C. 1996, c. 138, s. 19*

Other: \_\_\_\_\_

R20188217

## **PROVINCIAL SALES TAX (DELIVERY CHARGE) REMISSION REGULATION**

### **Definitions**

- 1** (1) In this regulation:  
    “**Act**” means the *Provincial Sales Tax Act*;  
    “**delivery charge**” means a charge included by section 10 (2) (e) (i) of the Act in the purchase price of tangible personal property.  
(2) The definitions in section 1 of the Act apply to this regulation.

### **Remission of penalty**

- 2** Authorization is given for the remission of a penalty under section 203 (1) of the Act imposed on a collector who has not levied tax on the portion of the purchase price of tangible personal property that is a delivery charge, if
  - (a) the sale occurred on or after April 1, 2013 and on or before March 31, 2018,  
and
  - (b) under the sale, title to the tangible personal property passed, or is to pass, to the purchaser at premises of the collector that are in British Columbia.

**From:** Nagelbach, Alexander FIN:EX  
**To:** Van Nes, Sheri FIN:EX  
**Subject:** RE: Delivery charges  
**Date:** Tuesday, March 20, 2018 10:48:00 AM

---

Yes we're all ready to go because we have a signed OIC but we don't have the reg number!

**From:** Van Nes, Sheri FIN:EX  
**Sent:** Tuesday, March 20, 2018 10:47 AM  
**To:** Nagelbach, Alexander FIN:EX  
**Subject:** RE: Delivery charges

Ok great.

Most of the bulletins have been cleaned up and are ready to post. It won't take long to add the reg information and clean up PST 302 once we have the number.

Andrea has also prepared a What's new message along with subscriber notifications for each of the bulletins (attached). Should I start moving on that now too? She opened an ESIT call for the subs so I think they can go out as early as tomorrow (Thursday for sure) if necessary, but I will need to confirm with ESIT. I will also need a bit of time to enter the What's New message into CMS.

Thanks.

Sheri Van Nes  
Public Information Policy Analyst  
778 698-4817

**From:** Nagelbach, Alexander FIN:EX  
**Sent:** Tuesday, March 20, 2018 10:36 AM  
**To:** Van Nes, Sheri FIN:EX  
**Cc:** Sherman, Samantha FIN:EX  
**Subject:** Delivery charges  
**Importance:** High

We are good to start preparing to post all the PI now, but I don't have a B.C. reg number that you will need for PST 302. Will send it when we have it. Thanks,

**Alex Nagelbach, CPA, CGA**  
Policy and Legislative Analyst | Consumer Taxation Programs Branch | Ministry of Finance  
2<sup>nd</sup> Floor, 1802 Douglas St | 778.698.9623 | [alexander.nagelbach@gov.bc.ca](mailto:alexander.nagelbach@gov.bc.ca)



**From:** [Van Nes, Sheri FIN:EX](#)  
**To:** [Nagelbach, Alexander FIN:EX](#)  
**Subject:** RE: Delivery charges  
**Date:** Tuesday, March 20, 2018 10:47:17 AM  
**Attachments:** [What's new message.docx](#)

---

Ok great.

Most of the bulletins have been cleaned up and are ready to post. It won't take long to add the reg information and clean up PST 302 once we have the number.

Andrea has also prepared a What's new message along with subscriber notifications for each of the bulletins (attached). Should I start moving on that now too? She opened an ESIT call for the subs so I think they can go out as early as tomorrow (Thursday for sure) if necessary, but I will need to confirm with ESIT. I will also need a bit of time to enter the What's New message into CMS.

Thanks.

Sheri Van Nes  
Public Information Policy Analyst  
778 698-4817

---

**From:** Nagelbach, Alexander FIN:EX  
**Sent:** Tuesday, March 20, 2018 10:36 AM  
**To:** Van Nes, Sheri FIN:EX  
**Cc:** Sherman, Samantha FIN:EX  
**Subject:** Delivery charges  
**Importance:** High

We are good to start preparing to post all the PI now, but I don't have a B.C. reg number that you will need for PST 302. Will send it when we have it. Thanks,

**Alex Nagelbach, CPA, CGA**

Policy and Legislative Analyst | Consumer Taxation Programs Branch | Ministry of Finance  
2<sup>nd</sup> Floor, 1802 Douglas St | 778.698.9623 | [alexander.nagelbach@gov.bc.ca](mailto:alexander.nagelbach@gov.bc.ca)

## **What's New Subscriber notification message**

March 2018

The following bulletins have been corrected as to when PST applies to delivery charges. Previously, these bulletins incorrectly stated that delivery charges were not subject to PST for goods delivered in BC, where title to the goods passed at the seller's premises. In addition, there are other clarifications in the following bulletins that can be found at the end of the bulletins, in the Latest Revision section.

**Bulletin PST 302, *Delivery Charges***

**Bulletin PST 109, *Printers and Publishers***

**Bulletin PST 110, *Production Machinery and Equipment Exemption***

**Bulletin PST 111, *Mining Industry***

**Bulletin PST 112, *Logging Industry***

**Bulletin PST 113, *Oil and Gas Industry – Producers and Processors***

**Bulletin PST 114, *Oil and Gas Industry – Exploration, Discovery and Development***

**Bulletin PST 115, *Oil and Gas Industry – Service Providers***

**Bulletin PST 129, *Florists***

**Bulletin PST 316, *Bundled Sales and Leases***

## **Subscriber Notifications for the following Bulletins**

**Bulletin PST 302, *Delivery Charges*** has been rewritten to correct errors in the bulletin as to when PST applies to delivery charges.

**Bulletin PST 109, *Printers and Publishers*** has been corrected as to when delivery charges are subject to PST. The bulletin has also clarified the section for Change in Use for goods removed from lease inventory and the section on Goods Brought Into BC.

**Bulletin PST 110, *Production Machinery and Equipment Exemption***, has been corrected as to when delivery charges are subject to PST. The bulletin has also clarified the exemption for PM&E or software must be for substantial use at the qualifying part of the manufacturing site, processing plant, refinery, well site or mine site.

**Bulletin PST 111, *Mining Industry*** has been corrected as to when delivery charges are subject to PST. In addition, de-watering pumps have been removed from the examples of taxable goods.

**Bulletin PST 112, *Logging Industry*** has been corrected as to when delivery charges are subject to PST.

**Bulletin PST 113, *Oil and Gas Industry – Producers and Processors*** has been corrected as to when delivery charges are subject to PST.

**Bulletin PST 114, *Oil and Gas Industry – Exploration, Discovery and Development*** has been corrected as to when delivery charges are subject to PST.

**Bulletin PST 115**, *Oil and Gas Industry – Service Providers* has been corrected as to when delivery charges are subject to PST.

**Bulletin PST 129**, *Florists* has been corrected as to when delivery charges are subject to PST. In addition, the bulletin has clarified the section for Change in Use for goods removed from lease inventory and the section on Goods Brought Into BC.

**Bulletin PST 316**, *Bundled Sales and Leases* has been corrected as to when delivery charges are subject to PST.

**From:** [Nagelbach, Alexander FIN:EX](#)  
**To:** [Thoroughgood, Danna L FIN:EX](#)  
**Subject:** RE: Delivery Charges  
**Date:** Friday, March 16, 2018 8:28:00 AM

---

No that one stays

**From:** Thoroughgood, Danna L FIN:EX  
**Sent:** Friday, March 16, 2018 8:14 AM  
**To:** Nagelbach, Alexander FIN:EX  
**Subject:** RE: Delivery Charges

So you want me to remove the last line of the Latest Revision?

**From:** Thoroughgood, Danna L FIN:EX  
**Sent:** Friday, March 16, 2018 7:19 AM  
**To:** Nagelbach, Alexander FIN:EX  
**Subject:** RE: Delivery Charges

Ok, not sure why Andrea had that in there then.

**From:** Nagelbach, Alexander FIN:EX  
**Sent:** Friday, March 16, 2018 7:19 AM  
**To:** Thoroughgood, Danna L FIN:EX  
**Subject:** RE: Delivery Charges

Yes although I won't be adding a regulatory reference at the end. We don't do that for a remission order.

**From:** Thoroughgood, Danna L FIN:EX  
**Sent:** Thursday, March 15, 2018 3:53 PM  
**To:** Nagelbach, Alexander FIN:EX  
**Subject:** Delivery Charges

Hi Alex,

Just noticed a couple of things. Are you ok to approve without going to Jordan?

**Danna Thoroughgood**

Team Leader, Public Information | Public Information and Corporate Services  
Ministry of Finance | Revenue Division | 778 698-4814

*This email is intended only for the use of the individual or organization to whom it is addressed. It may contain information that is confidential. Any distribution, disclosure, copying, or other use by anyone else is strictly prohibited. If you have received this in error, please telephone or e-mail the sender immediately and delete the message.*

**From:** [Nagelbach, Alexander FIN:EX](#)  
**To:** [Thoroughgood, Danna L FIN:EX](#)  
**Subject:** FW: Delivery Charges bulletin  
**Date:** Thursday, March 15, 2018 8:06:00 AM  
**Attachments:** [Bulletin PST 302 Delivery Charges Jan 15.docx](#)

---

I can't find any later versions. Does Andrea have it stored in a folder?

---

**From:** Nagelbach, Alexander FIN:EX  
**Sent:** Monday, February 19, 2018 7:33 AM  
**To:** Clark, Andrea FIN:EX  
**Subject:** FW: Delivery Charges bulletin

---

**From:** Goss, Jordan T FIN:EX  
**Sent:** Monday, February 19, 2018 5:56 AM  
**To:** Nagelbach, Alexander FIN:EX  
**Subject:** RE: Delivery Charges bulletin

Minor comment on one example – otherwise good to go.

---

**From:** Nagelbach, Alexander FIN:EX  
**Sent:** Thursday, January 25, 2018 9:24 AM  
**To:** Goss, Jordan T FIN:EX  
**Subject:** FW: Delivery Charges bulletin

For your approval. PI has looked at these final edits.

---

**From:** Sherman, Samantha FIN:EX  
**Sent:** Monday, January 22, 2018 12:21 PM  
**To:** Nagelbach, Alexander FIN:EX  
**Subject:** RE: Delivery Charges bulletin

Thanks, looks good.

Sam

---

**From:** Nagelbach, Alexander FIN:EX  
**Sent:** Monday, January 22, 2018 12:14 PM  
**To:** Sherman, Samantha FIN:EX  
**Subject:** RE: Delivery Charges bulletin

Ok please have one last look at my edits/additions to those 2 areas.

---

**From:** Sherman, Samantha FIN:EX  
**Sent:** Monday, January 22, 2018 12:01 PM  
**To:** Nagelbach, Alexander FIN:EX  
**Subject:** RE: Delivery Charges bulletin

Hi,

Two comments.

Sam

---

**From:** Nagelbach, Alexander FIN:EX  
**Sent:** Monday, January 15, 2018 11:11 AM  
**To:** Sherman, Samantha FIN:EX  
**Subject:** Delivery Charges bulletin

Hi Sam,

The BN for the remission is with Jordan for approval and we have a tagged order. We need to finish up the bulletin. I've made edits based on CTAB's comments. Can we send this back to Jordan for final signoff?

[O:\CTPB\Policy Rulings Services\Work\Public Info\Bulletins - PST\Updates\2018 - January\Bulletin PST 302 Delivery Charges Jan 15.docx](#)

Thanks,

Alex Nagelbach, CPA, CGA  
Policy and Legislative Analyst  
Policy, Rulings and Services  
Ministry of Finance



# Provincial Sales Tax (PST) Bulletin

Bulletin PST 302

Issued: April 2013  
Revised: February 2018

## Delivery Charges

*Provincial Sales Tax Act*

---

Latest Revision: This bulletin has been rewritten and replaces the previous version dated December 2016. For a summary of the key changes, see *Latest Revision at the end of this document*.

---

This bulletin explains how PST applies to delivery and other transportation charges (referred to in this bulletin as delivery charges), and to goods that are damaged, destroyed or lost in transit.

This bulletin does not apply to ready-mixed concrete (see **Bulletin PST 136, Concrete**).

This bulletin does not provide information on containers, labels and packaging materials that are included at the time goods are sold or are used during delivery (see **Bulletin PST 305, Containers and Packaging Materials**).

## Table of Contents

Overview.....	1
Delivery Charges.....	3
Goods that are Damaged, Destroyed or Lost in Transit.....	4

## Overview

PST must be calculated on the **total purchase price** paid by the purchaser for taxable goods. The total purchase price includes:

- The value of any services accepted by the seller on account of the purchase price
- Any charges for financing, interest, customs and excise
- Any delivery charges (including shipping and handling) incurred at or before the time that title to the goods transfers to the purchaser

In most cases, delivery charges are incurred at or before the time title to the goods transfers. As a result, you generally charge PST on delivery charges as they form part of the taxable purchase price of the goods.

## Incurring Delivery Charges and Transfer of Title

Delivery charges are considered to be incurred at the time the contract for delivery is entered into and your customer agrees to pay the charges. The charges do not have to be invoiced or paid to be incurred.

## When Title Transfers

Generally, when goods are sold and delivered, title transfers when:

- the sales contract is entered into, **and**
- the specific good being purchased under that contract is identified and in a state ready to be delivered or transported.

Transferring title can also occur at a later time if set out in the contract (e.g. at the time the goods are delivered).

If you have questions on when title transfers in your situation, including other types of sales (e.g. sales of future goods), please contact us at **CTBTaxQuestions@gov.bc.ca**

## Delivery Charges

### Taxable Delivery Charges

You must charge PST on delivery charges that form part of the purchase price for taxable goods in the following situations:

- The goods are delivered from within BC and the delivery charges are incurred at or before the time title to the goods transfers
- The goods are delivered from outside BC to a purchaser in BC

The following examples assume that title transfers based on the general rule above. **Example 1:**

Ash purchases a sofa from a used furniture store. He asks for the sofa to be delivered to his home and arranges for delivery at the time of sale. The furniture store must charge Ash PST on the delivery charge because the charge was incurred at the time the sales contract was made. The delivery charge was incurred at the same time title transferred.

#### Example 2:

Gary purchases an electric bicycle from a bicycle shop and asks for fenders to be added and have the bicycle delivered to his home. The bicycle shop installs the fenders the next day and later calls Gary to inform him that the electric bicycle is ready for delivery. The bicycle shop must charge Gary PST on the delivery charge because the charge was incurred at the time the sales contract was made and before title transferred.

#### Example 3:

Jessie orders a dress from a clothing store that has eight of those dresses in stock. She completes the bill of sale online that includes delivery. The clothing store must charge Jessie PST on the delivery charge because the charge was incurred at the time the bill of sale was completed online and before title transferred.



#### **Example 4:**

Ritchie purchases a blender online from a retailer located in Alberta and requests that the blender be delivered to his home in Castlegar. If the online retailer is a PST collector, the online retailer must charge Ritchie PST on the delivery charge because the blender is delivered from outside BC into BC. In this situation, for the purposes of the PST, it does not matter when title to the blender transfers. If the online retailer is not a PST collector, Ritchie must self-assess (pay to government) the PST on the delivery charge.

## **Non-taxable Delivery Charges**

### **Exempt Goods**

You do not charge PST on delivery charges for goods that are exempt from PST (e.g. goods purchased for resale).

#### **Example:**

James orders a non-motorized bicycle over the Internet that includes delivery. The bicycle shop does not charge James PST on the delivery charge because non-motorized bicycles are specifically exempt from PST.

### **Delivery in BC – Delivery Charges After Title Has Passed (Customer Owned Goods)**

You do not charge PST on delivery charges for taxable goods if:

- the goods are delivered from within BC, and
- at the time the delivery charges are incurred, title to the goods has already passed to the purchaser (the goods are "customer owned goods"). See section above, When Title Transfers.

The following example assumes that title transfers based on the general rule above.

#### **Example:**

Misty orders a custom door from a building centre in BC and is immediately invoiced by the seller. 3 weeks later, the building centre makes the door and contacts Misty to let her know the door is ready for pickup.

Misty intended to pick the door up from the delivery centre. However when the delivery centre called to let her know the door was ready, she decided to have them deliver the door. A new invoice is drawn up for the delivery charges. The delivery charge does not form part of the purchase price for the door and the building centre does not charge Misty PST on the delivery charge because the charge was incurred after title transferred.

## Goods Shipped Outside BC by the Seller

You do not charge PST on the purchase price or the delivery charges of goods you ship outside BC if:

- the goods are to be shipped or delivered to a location outside BC, and
- no use is to be made by the purchaser of the goods while the goods are in BC (other than storage by the seller).

To show why you did not collect PST on these sales, you must retain evidence that the goods were shipped or delivered to an out-of-province location (e.g. bills of lading, shipping invoices or similar documentation).

## Taxable and Non-Taxable Goods Included in Same Delivery

If both taxable and non-taxable goods are included in the same delivery, and the delivery charge is incurred at or before the time that title to the goods transfers, PST applies to the portion of the delivery charge that can be reasonably attributed to the taxable goods. The following are examples of how delivery charges can be reasonably attributed for PST purposes.

### Example 1:

Brock purchases a \$20 book (exempt) and a \$10 toy (taxable) from an online book store. The goods are shipped together from a fulfillment centre in BC. The delivery charge is incurred at the time of sale and is separately stated on the sales invoice. The online book store charges Brock \$9 for expedited shipping and attributes the delivery charge to each item based on purchase price. The online book store charges PST on \$13.00 (the \$10 price for the toy and 1/3 of the \$9 charge for delivery).

### Example 2:

Tracey purchases 4 books for \$40 (exempt) and a video game for \$60 (taxable) from an online book store in BC. The goods are shipped together from the book store's location in BC. The delivery charge is incurred at the time of sale and is separately stated on the sales invoice. The book store charges Tracey \$10 for shipping and attributes the delivery charge equally to each item based on the number of items. The online book store charges PST on \$62.00 (the \$60 price for the video game and 1/5 of the \$10 charge for delivery).

In addition to the methods described in the above examples, it may be reasonable to allocate delivery charges based on the weight or size of the items. Other methods may also be reasonable.

## Delivery Charges Related to the Lease of Taxable Goods

### Taxable Delivery Charges

You charge PST on delivery charges that are mandatory under a lease agreement. In addition, optional delivery charges are taxable when taxable goods are leased outside BC and are shipped to the lessee in BC. You charge PST even if these charges are separately stated on the invoice because the charges form part of the lease price for the goods.

### Non-taxable Delivery Charges

You do not charge PST on optional delivery charges, except when taxable goods are leased outside of BC and are shipped to the lessee in BC (see above).

## Delivery Without a Sale or Lease of Goods

### Goods Delivered within BC, or from BC to Outside BC

You do not charge PST on delivery charges not related to the sale or lease of taxable goods, provided the goods are transported between locations within BC, or from a location in BC to outside BC (e.g. PST does not apply to charges for transporting a customer's furniture from Victoria to Vancouver, from Kamloops to Moose Jaw or from Chilliwack to Spokane).

### Goods Delivered from Outside BC into BC

When taxable goods are brought, sent or received into BC for use from outside BC (e.g. machinery brought into the province for use), PST applies to the purchase price of the goods. In this case, PST applies to the purchase price of the goods including delivery charges and any other expenses (e.g. service, customs and excise) incurred before the taxable goods are used in BC.

However, PST does not apply to delivery charges related to goods brought into the province by new residents of BC if the goods qualify for the exemption for new residents.

For more information, see **Bulletin PST 310**, *Goods Brought into BC* and **Bulletin PST 306**, *Goods Brought into BC by New Residents*.

## Delivery Charges and Related Services

Related services are services provided to goods, or services provided to install goods. Generally, if a good is taxable when purchased (e.g. a motor vehicle), services provided to that item (e.g. vehicle repair and maintenance) are also taxable unless a specific exemption applies.

You do not charge PST on delivery charges for your customer's goods to which a related service has been provided when such charges are separately stated on the sales invoice.

For more information, see **Bulletin PST 301**, *Related Services*.

## Delivery Charges on Taxable Repair Parts and Taxable Replacement Parts

PST applies to delivery charges related to taxable repair or taxable replacement parts as follows.

- You charge PST on delivery charges related to the purchase of repair parts and replacement parts, as the charges are part of the purchase price paid to obtain the parts.
- If repair is undertaken by a mechanic at the location of your customer's equipment and repair or replacement parts are delivered directly to that location, PST applies to the full amount charged for the repair and replacement parts, including charges for freight to the location of repair, as this is the point of sale.

## Goods that are Damaged, Destroyed or Lost in Transit

---

### Replacement Goods

How PST applies to goods damaged, destroyed or lost in transit depends on whether you or the purchaser is responsible for replacement of the goods. Responsibility for replacement depends on whether you or the purchaser had title to the goods at the time they were damaged, destroyed or lost.

- If the goods are damaged, destroyed or lost **before** title passes to the purchaser and you are responsible for replacing the goods at no additional charge to the purchaser, you do not pay PST on either the goods damaged, destroyed or lost, or on the replacement goods.
- If the goods are damaged, destroyed or lost **after** the transfer of title and the purchaser is responsible for replacing the goods, the purchaser must pay PST on the purchase price of the replacement goods. PST paid on the original purchase is **not** refundable.
- You do not charge PST if the replacement goods are provided free of charge.

### Sales of Damaged Goods

You must charge PST on taxable goods sold at a reduced purchase price, such as damaged goods, demo models and goods sold as "open box" items (there is no exemption for these types of sales).



### Need more info?

Online: [gov.bc.ca/pst](http://gov.bc.ca/pst)

Toll free: 1 877 388-4440

Email: [CTBTaxQuestions@gov.bc.ca](mailto:CTBTaxQuestions@gov.bc.ca)

Subscribe to our **What's New** page to receive email updates when information changes.

The information in this bulletin is for your convenience and guidance and is not a replacement for the legislation.

---

#### Latest Revision

February 2018

- This bulletin has been rewritten to correct errors in the bulletin as to when PST applies to delivery charges.
- The previous version of this bulletin incorrectly stated that delivery charges were not subject to PST for goods delivered in BC, where title to the goods passed at the seller's premises. If you did not charge PST on delivery charges, as in the above scenario, prior to X date, you will not be subject to a penalty. For more information, see **Regulation #**.

---

References: *Provincial Sales Tax Act*, sections 1 "use" and 10; *Provincial Sales Tax Exemption and Refund Regulation*, section 26.

Page 145

Withheld pursuant to/removed as

s.12

## **CONSUMER TAXATION AUDIT BRANCH**

### **TEAM MEETING AGENDA – March 2018**

#### **1. Audits Completed YTD**

The number of audits completed to March 23, 2018 is 2159 with a total recovery of \$135.5M. Audits completed for the period last year was 1879 with a total recovery of \$96.3M.

#### **2. Keeping Email Size Small**

Please use the shared drive to distribute large documents and place a link to the documents in emails. This saves duplicating the file multiple times when it is attached and sent to multiple addressees.

#### **3. WorkSafe BC Form 7**

Employees are responsible to let their supervisor know immediately (or as soon as possible) when they have suffered an injury at work. Employees are also responsible to complete and submit WorkSafe BC form 6 directly to WorkSafeBC BC.

The supervisor is responsible to complete and submit form 7 to the Ministry of Finance's Manager of Occupational Health and Safety who will forward the form to WorkSafe BC.

WorkSafe BC forms may be found here:

[https://www2.gov.bc.ca/assets/gov/careers/managers-supervisors/managing-leaves-absences/workers\\_report\\_injury\\_occupational\\_disease\\_employer\\_form\\_6a.pdf](https://www2.gov.bc.ca/assets/gov/careers/managers-supervisors/managing-leaves-absences/workers_report_injury_occupational_disease_employer_form_6a.pdf)

[https://www2.gov.bc.ca/assets/gov/careers/managers-supervisors/managing-occupational-health-safety/worksafebc\\_form7\\_procedure.docx](https://www2.gov.bc.ca/assets/gov/careers/managers-supervisors/managing-occupational-health-safety/worksafebc_form7_procedure.docx)

#### **4. Taxpayer Requests to Record Meetings - Reminder**

If a taxpayer requests to record a meeting, the auditor should decline and offer to follow up the discussion with an email or letter. If the taxpayer persists, the meeting should be ended.

#### **5. Please request Calgary accommodation bookings sooner rather than later**

Auditors are reminded to book accommodation in Calgary, sooner than later, if at all possible.

Contact Derise Siemens at Helms Briscoe Tel: 403-454-1544 [DSiemens@helmsbriscoe.com](mailto:DSiemens@helmsbriscoe.com)

## **6. Mentors and Masters**

Anyone who wishes to be mentored for auditing a specific Industry, please contact John Ritchie directly. One of our Committee members and John will assist you to be paired with a Mentor who has significant audit experience on the industry you are seeking mentorship.

## **7. Recruitment of First Aid attendants for Surrey and Vancouver offices**

Both Surrey and Vancouver OHS Committees are recruiting for Level II First Aid Attendants:

### **Details of Level 2 are as follows:**

- Five days training and one day for the exam, paid by the employer.
- Three year certification. Once certified, it's expected that you remain as an attendant for the three years.
- Upon certification, you receive a bi-weekly stipend, (current allowance is \$44 per biweekly pay period per collective agreement). See *22.6 Occupational First Aid Requirements and Courses* of the collective agreement.

In this capacity, you would need to coordinate your schedule with the other first aid attendants for your location to ensure that at least one first aid attendant is in the office on the days where there are more than 50 persons physically in the office.

Please consider taking on this important role in supporting the health and well-being of your colleagues. As you can see, there are not that many numbers of days in a year where there will be more than 50 staff physically present in the office. These days are usually planned well ahead usually (learning days, month end, talk Tuesdays....etc.)

If interested, please see your team leader or manager.

## **8. TACS – Linking Franchise Groups to Franchisor**

When auditing a franchisor, individual franchisees should be linked to the franchisor in TACS. If the franchisor is part of a RAP group, the franchisees are not part of the RAP, and should not have a RAP indicator set.

## **9. Auditing Limited Partnerships**

Under certain conditions, an assessment may be issued to a limited partnership instead of a general partner. If you are auditing a limited partnership which is registered under the partnership's name instead of the general partner's name, please ensure you obtain

the general partner's agreement in writing for the NOFA to be issued to the partnership. The agreement should also be documented in the audit working papers.

Please check with your supervisor if you do not have a copy of the 2015 policy statement titled "Summary Document – Purchaser Policy in the Context of Partnerships". While the document has "Purchaser" in the title, page 2 clarifies that this policy also applies to audit assessments.

#### **10. Delivery Charges**

Formatted: Highlight

The new Delivery bulletin states we will not be pursuing assessments prior to March 31, 2018. This concession only applies to the delivery charges which were not previously taxed. If you were holding off processing the sales portion of an audit because of this issue, you can now proceed with closing your audit.

We will still assess delivery charges for the period prior to March 31, 2018 in cases where the invoices had FOB clearly stated as the purchaser's address, cement deliveries, etc., as well as delivery charges from out of province. These were already being assessed under the prior interpretation and all prior rules still apply.

If you have a situation where you are not clear on how to proceed, please discuss with your supervisor.

#### **11. Staff Interested in Transferring to a Regional Office in BC or Mississauga**

If anyone is interest in transferring to a regional office in BC or Mississauga, they should submit their expression of interest to their manager. Note that for such transfers, the Ministry does not pay the moving expenses.

#### **12. Timing of OOP/OOR Trips and File Releases**

It was noted that 20% of OOP travel in 2017-2018 took place in March 2018. Auditors are reminded to plan their trips so travel occurs earlier in the fiscal year.

OOP files are usually released twice a year, except for urgent files. In order to ensure files are released in sufficient time for auditors to plan for their preferred travel times, auditors are requested to indicate what their twice-yearly preferred file release time would be. For example, what would be a suitable file release time for travel from April to June and for travel from September to March?



### **13. New Implementation of TRIM Ruling Database and Ruling Request Process**

Ruling Section has implemented a couple of new procedures/improvement enhancement as of March 20, 2018. The following two are of interest to CTAB's ruling requestor and TRIM Database users:

- a. Introduction of a notification system to first acknowledging that a ruling request has been received and the turnaround time is expected to be 20 business day. Subsequently, if a ruling is going to take longer than 20 business days another notification in the form of an email will be sent to the ruling requestor. So, CTAB managers (or TL requesting with manager's delegation) will get the notice directly from the CTB inbox. These notifications are intended to help with the communication and accountability. Ruling requestor (manager or delegated TL) can reply directly to the email if they have further questions/concerns once they get these notifications.
- b. Secondly, the introduction of a keyword component search to rulings (keywords include section references, TACS System ID number (formerly known as TIN), and industry name.) TRIM Ruling Database users will start to see these as the new templates go into use. This is to improve search efficiency for the TRIM Ruling Database users.

### **14. Roundtable**

**Howden, Denise FIN:EX**

---

**From:** Siu, Mary FIN:EX  
**Sent:** Tuesday, March 27, 2018 10:05 AM  
**To:** Brown, Curt FIN:EX; Brown, Zorayma FIN:EX; Fullerton, Ken B FIN:EX; Paugh, Barbara FIN:EX; Ryan, Gerald FIN:EX; Nelson, Katherine M FIN:EX; Goudy, Glen FIN:EX; Griffiths, Tracy T FIN:EX; Hayes, Jason FIN:EX  
**Subject:** Reg 48/2018

<http://www.bclégislation.ca/2018/03/19/provincial-sales-tax-delivery-charge-remission-regulation-482018/#more-10497>

*Thanks,  
Mary Siu, CPA, CGA  
Audit Manager*

## Howden, Denise FIN:EX

---

**From:** RPDWeb@victoria1.gov.bc.ca  
**Sent:** Tuesday, March 20, 2018 2:34 PM  
**To:** Ritchie, John S FIN:EX  
**Subject:** Consumer Taxation Branch Information Update

This is notification of a document revision.

Document: What's New in B.C. Sales Taxes

Source: Consumer Taxation Branch

URL: <https://www2.gov.bc.ca/gov/content/taxes/tax-changes/whats-new/sales-taxes>

The following bulletins have been corrected as to when PST applies to delivery charges. Previously, these bulletins incorrectly stated that delivery charges were not subject to PST for goods delivered in BC, where title to the goods passed at the seller's premises. In addition, there are other clarifications in the following bulletins that can be found at the end of the bulletins, in the Latest Revision section.

- Bulletin PST 302, Delivery Charges
- Bulletin PST 109, Printers and Publishers
- Bulletin PST 110, Production Machinery and Equipment Exemption
- Bulletin PST 111, Mining Industry
- Bulletin PST 112, Logging Industry
- Bulletin PST 113, Oil and Gas Industry - Producers and Processors
- Bulletin PST 114, Oil and Gas Industry - Exploration, Discovery and Development
- Bulletin PST 115, Oil and Gas Industry - Service Providers
- Bulletin PST 129, Florists
- Bulletin PST 316, Bundled Sales and Leases

Do not reply to this e-mail. This e-mail account is not monitored.

If you need further information, please call us toll free in Canada at 1 877 388-4440.

To unsubscribe, go to:

[http://www.sbr.gov.bc.ca/applications/SUBS/sys/sysfile.asp?targetPage=subscription\\_list.asp](http://www.sbr.gov.bc.ca/applications/SUBS/sys/sysfile.asp?targetPage=subscription_list.asp)

## Howden, Denise FIN:EX

---

**From:** Kok, Eugene S FIN:EX  
**Sent:** Wednesday, March 21, 2018 11:12 AM  
**To:** Ritchie, John S FIN:EX; Howden, Denise FIN:EX; Hughes, Suzanne M FIN:EX; Kwok, Kingman FIN:EX; Wong, Jeremy C FIN:EX  
**Subject:** FW: B.C. Reg. 48/2018  
**Attachments:** 48\_2018.pdf

FYI - To follow the revised bulletin released yesterday, attached is the remission order which provides the authority not to assess errors prior to April 1, 2018.

---

**From:** JAG LSB Registrar of Regulations JAG:EX  
**Sent:** Tuesday, March 20, 2018 11:33 AM  
**To:** Nagelbach, Alexander FIN:EX  
**Cc:** Goss, Jordan T FIN:EX; Sherman, Samantha FIN:EX; Murata, Brian FIN:EX  
**Subject:** B.C. Reg. 48/2018

Hello,

Please find attached a copy of B.C. Reg. 48/2018, as deposited today under the *Financial Administration Act*.

Thanks,

**Esha Whitlam**  
Office of Legislative Counsel  
Ministry of Attorney General  
250-356-5741

## Howden, Denise FIN:EX

---

**From:** Kok, Eugene S FIN:EX  
**Sent:** Wednesday, March 21, 2018 6:51 AM  
**To:** Ritchie, John S FIN:EX; Howden, Denise FIN:EX; Hughes, Suzanne M FIN:EX; Kwok, Kingman FIN:EX; Wong, Jeremy C FIN:EX  
**Subject:** FW: Delivery Charge and Approach on Our Audits

FYI

---

**From:** Tecson, Dennis FIN:EX  
**Sent:** Tuesday, March 20, 2018 4:32 PM  
**To:** Godin, Jeannette FIN:EX; Chang, Bryan FIN:EX; Dhanju, Pam FIN:EX; Tam, Shirley FIN:EX  
**Cc:** Kok, Eugene S FIN:EX; Nelson, Katherine M FIN:EX; Perhar, Satish FIN:EX  
**Subject:** RE: Delivery Charge and Approach on Our Audits

Yes, and for invoices where FOB is clearly stated as purchasers address, cement, etc. All prior rules apply. If you have anything not clear and / or contentious, escalate as necessary. Thanks.

---

**From:** Godin, Jeannette FIN:EX  
**Sent:** Tuesday, March 20, 2018 4:30 PM  
**To:** Tecson, Dennis FIN:EX; Chang, Bryan FIN:EX; Dhanju, Pam FIN:EX; Tam, Shirley FIN:EX  
**Cc:** Kok, Eugene S FIN:EX; Nelson, Katherine M FIN:EX; Perhar, Satish FIN:EX  
**Subject:** RE: Delivery Charge and Approach on Our Audits

Just confirming that this concession is just for in province delivery charges, we will continue assessing for delivery charges for goods coming in from OOP.

Jeannette

---

**From:** Tecson, Dennis FIN:EX  
**Sent:** Tuesday, March 20, 2018 4:25 PM  
**To:** Chang, Bryan FIN:EX; Dhanju, Pam FIN:EX; Godin, Jeannette FIN:EX; Tam, Shirley FIN:EX  
**Cc:** Kok, Eugene S FIN:EX; Nelson, Katherine M FIN:EX; Perhar, Satish FIN:EX  
**Subject:** Delivery Charge and Approach on Our Audits

Just had a conversation with Bob Scott and he has confirmed the ministry's approach on our outstanding / current audits with respect to delivery charge. We will not be pursuing assessments for non-compliance with delivery charges prior to March 31, 2018. This approach has also been covered in the new bulletin. Taxpayers that we come in contact with should be advised to apply the tax in accordance with the current legislation and updated bulletin. Any non-compliance post March 31, 2018 will be subject to an assessment.

Please advise your team and perhaps reiterate in your month end meeting this month.

*Regards,*

*Dennis Tecson*  
*Tel: 604-660-4558 Cell: 778-828-5274*

## Howden, Denise FIN:EX

---

**From:** Ritchie, John S FIN:EX  
**Sent:** Friday, May 18, 2018 2:20 PM  
**To:** Howden, Denise FIN:EX  
**Subject:** FW: Manager's Meeting Minutes and Month-end Team Meeting Agenda

I believe I missed this one, Denise.

---

**From:** Godin, Jeannette FIN:EX  
**Sent:** Thursday, March 22, 2018 3:01 PM  
**To:** Siu, Mary FIN:EX; Turpin, David FIN:EX  
**Cc:** FIN REV CTAB Managers  
**Subject:** RE: Manager's Meeting Minutes and Month-end Team Meeting Agenda

Hi,

Here is what I sent to my team on this topic. The second paragraph was cleared with Dennis.

The bulletin states we will not be pursuing assessments prior to March 31, 2018. This concession only applies to the delivery charges which were not previously taxed. If you were holding off processing the sales portion of an audit because of this issue, you can now proceed with closing your audit.

We will still assess delivery charges for the period prior to March 31, 2018 in cases where the invoices had FOB clearly stated as the purchaser's address, cement deliveries, etc., as well as delivery charges from out of province. These were already being assessed under the prior interpretation and all prior rules still apply.

If you have a situation where you are not clear on how to proceed, please discuss with your supervisor or me.

Jeannette

---

**From:** Siu, Mary FIN:EX  
**Sent:** Thursday, March 22, 2018 2:52 PM  
**To:** Turpin, David FIN:EX  
**Cc:** FIN REV CTAB Managers  
**Subject:** RE: Manager's Meeting Minutes and Month-end Team Meeting Agenda

Now that the Bulletin 302 (delivery charge) is published. Should we add the next steps instructions to the ME agenda? Not sure if you received any instructions from the directors on this?

*Thanks,  
Mary Siu, CPA, CGA  
Audit Manager*

---

**From:** Turpin, David FIN:EX  
**Sent:** Wednesday, March 21, 2018 12:54 PM  
**To:** FIN REV CTAB Managers  
**Subject:** Manager's Meeting Minutes and Month-end Team Meeting Agenda

Hi Everyone,

Here are links to the draft manager's meeting minutes and month-end team meeting agenda. Add any revisions / additions with changes tracked. Please make any changes by the end of day Friday March 23<sup>rd</sup>.

Denise, can you update the YTD audit stats on the team agenda. John, can you add information about Mentors and Masters to the team agenda under item 5.

Manager's Meeting Minutes

Month-end Team Meeting Agenda

Thank you,

David

David Turpin, CPA, CGA  
*Audit Project Manager*, Consumer Taxation Audit Branch  
Revenue Division, Ministry of Finance  
Government of British Columbia  
8th Floor – 900 Howe Street Vancouver, BC V6Z 2N3  
Email: [David.Turpin@gov.bc.ca](mailto:David.Turpin@gov.bc.ca)  
Telephone: (778) 828-5162 Fax: (604) 660-4784  
Website: [www.gov.bc.ca/pst](http://www.gov.bc.ca/pst)

## Howden, Denise FIN:EX

---

**From:** Kok, Eugene S FIN:EX  
**Sent:** Thursday, March 29, 2018 1:26 PM  
**To:** Ritchie, John S FIN:EX; Howden, Denise FIN:EX; Hughes, Suzanne M FIN:EX; Kwok, Kingman FIN:EX  
**Subject:** FW: PST Bill 302 - Delivery Charge

Info, CFIB/delivery charges.

---

**From:** Scott, Bob FIN:EX  
**Sent:** Wednesday, March 28, 2018 3:07 PM  
**To:** 'Brendan.Rolfe@cfib.ca'  
**Cc:** Perhar, Satish FIN:EX; Goss, Jordan T FIN:EX  
**Subject:** RE: PST Bill 302

Hello Brendan,

Thank-you for your question. Your email was forward to me for response.

**1. Information on the updated Bulletin 302, *Delivery Charges***

As you may be aware, on March 20<sup>th</sup> the Ministry issued an updated [Bulletin 302, \*Delivery Charges\*](#). The changes are not the result of any program change or change to the *Provincial Sales Tax Act* (PSTA). The previous version of the bulletin incorrectly stated that delivery charges were not subject to provincial sales tax (PST) for goods delivered in British Columbia, where title to the goods passed at the seller's premises.

If a business did not charge PST on delivery charges in this situation on or before March 31, 2018, the business will not be subject to a penalty. This relief is provided for under the [Provincial Sales Tax \(Delivery Charge\) Remission Regulation](#).

**2. How do the rules apply to the Canadian Federation of Independent Business's (CFIB) member?**

We understand that the CFIB member's business provides aggregates and delivery services in a variety of situations. How the PST applies depends on the specifics of the situation. For ease of explanation, I have broken down our explanation by each situation.

***Scenario #1: A customer hires the business to supply and install aggregate (i.e., the business provides slinging).***

The business is not required to collect PST in this situation, but is required to pay PST on the aggregates.

As you noted in your email, this is an improvement to real property situation. Determining when goods become an improvement to real property can be challenging because the test is based on court decisions. However, to help businesses determine whether they are providing an improvement to real property, the Ministry of Finance has prepared a series of bulletins that explain when goods become an improvement to real property. Two bulletins are particular relevant to help with this process. [Bulletin PST 501, \*Real Property Contractors\*](#), explains the test used to determine whether goods become an improvement to real property (see pages 1-2). [Bulletin PST 502, \*Examples – Goods that Generally Become Improvements to Real Property and Goods that Do Not\*](#), provides specific examples. The relevant example to the CFIB member is on page 3 under "Landscaping material." That bullet explains that installation of landscaping materials (including aggregate) means the materials are spread or installed in the place where they are to remain. Installation does not include landscape materials that are delivered and left in a pile (e.g. left on a customer's tarp or in their driveway).



We understand that “slinging” is a process by which the aggregate is placed in the location where it will remain. Therefore, when the CFIB member’s slings the aggregate they are installing it as an improvement to real property.

In the case of improvement to real property, the real property contractor must pay PST on the goods they purchase and use to fulfil the contract to improve the real property (in this case the aggregate). The CFIB member should not collect tax from their customer in this situation.

Please note: As you may know, there is a special rule whereby contractors and their purchasers can transfer the PST liability to the purchaser. For the purposes of this response, we assume the business and their customer have not come to such an agreement.

**Scenario #2: A customer hires the business to deliver and install aggregate the customer purchased from a different supplier.**

In this situation, the business should not collect PST and is not required to pay PST on the aggregates.

Like scenario #1, the business is still installing goods to improve real property. However, in this case they are only providing a service to the real property only. Services to real property are not subject to PST. Therefore, in this situation the business is not required to pay or collect PST on the aggregate they install into the real property.

Please note: when the customer purchases the aggregates from the other supplier, they will have to pay PST on the full purchase price of the aggregates including delivery charges as outlined in Bulletin PST 302.

**Scenario #3: A customer hires the business to deliver aggregate they have purchased from the business without any installation (e.g., no slinging).**

In this situation, the business is simply selling aggregates and therefore must collect PST on the full purchase price (including delivery charges as outlined in Bulletin PST 302, *Delivery Charges*).

As explained in Bulletin PST 302, *Delivery Charges*, any delivery charges incurred at or before the time the title to the goods transfers to the purchaser are part of the taxable purchase price of the goods (in this case the aggregates). Whether this condition is met depends on the specifics of the transaction. However, in most situations, the delivery charges will be incurred prior to title transferring and, as a result, will form part of the taxable purchase price.

The business may purchase aggregates they resell exempt from PST by providing their supplier with their PST number.

**Scenario #4: A customer hires the business to deliver aggregate the customer purchased from a different supplier without any installation (e.g., no slinging).**

The business is not required to collect PST in this case.

Stand-alone delivery services (e.g., delivery of customer-owned aggregate) are exempt from tax under the PSTA. For more information, please see page 5 of Bulletin PST 302.

**3. Self-assessing PST and applying for a refund**

Because the business is acting both as a retailer and a contractor who improves real property, the application of tax is more complex. However, the Ministry has prepared Bulletin PST 502, *Contractors Who Are Also Retailers or Wholesalers*, to help businesses understand their different options for meeting their obligations.

In terms of the aggregate the business holds in its inventory, Bulletin PST 502 outlines three options that the business could use to comply with the PSTA when they sell aggregate at retail and when they install it into real property:

- The business may purchase all the aggregates exempt from PST if they are the same type they sell at retail and provide under the contracts to improve real property, the aggregates will be in the business's possession and the aggregates will be readily for resale. The business must then self-assess the PST on all aggregates it purchased to install into real property. The business can self-assess the PST on its regular tax return.
- The business can pay PST on all of its purchases, and then submit a refund request to the Ministry for all goods that were resold to your customers. For information on refunds, please see [Bulletin PST 400 – Refunds](#).
- The business can maintain separate inventories of goods purchase for its own use (e.g., to install into real property), and aggregates purchased for resale.

If you have additional questions or concerns, please do not hesitate to contact me.

This correspondence describes how the Ministry interprets the relevant tax provisions for information purposes only. This response may be impacted by variations in circumstance, subsequent changes to legislation or subsequent court decisions. The Ministry is not responsible for updating this response if there are any subsequent changes to the law. This response is provided as an aid to understanding the legislation and is not intended to replace the legislation.

**Bob Scott**

Manager of Rulings and Special Projects | Consumer Taxation Programs Branch | Ministry of Finance  
2<sup>nd</sup> Floor, 1802 Douglas St | 778.698.9620 | [Bob.Scott@gov.bc.ca](mailto:Bob.Scott@gov.bc.ca)

---

**From:** Brendan Rolfe [<mailto:Brendan.Rolfe@cfib.ca>]

**Sent:** Monday, March 26, 2018 10:34 AM

**To:** Perhar, Satish FIN:EX; Goss, Jordan T FIN:EX

**Cc:** Samantha Howard

**Subject:** PST Bill 302

Good morning all!

I trust a relaxing week was had by each ☺

I just got off the phone with a member who has some serious concerns about [BC PST Bill 302 – Delivery Charges](#).

He owns an aggregate sales and delivery service (and sometimes low level landscaping service as part of the delivery; known as “slinging”) – sometimes customers purchase the aggregate from him and he delivers and applies (landscapes), sometimes he delivers goods they have bought from another company and applies, sometimes he delivers and doesn't apply. He believes that the Bill is too confusing to administer properly, especially for his drivers, which often take payment upon completion of delivery (he actually did file for a ruling, which is great, but doesn't agree with the response). He believes that delivery is a service, and that he should not be subject to administering PST.

On the surface, this appears to me to be a real property contractor issue, although I will agree with our member that trying to figure out when it does and doesn't become real property is challenging. I discussed the concept of his company always self-assessing the PST and then filing for a refund with each remittance, however, like many small business owners who are surviving pay cheque to pay cheque, this isn't always a feasible option for him (ie. not having the capital available to pay the bills).

I told our member I would bring forward his concerns, and I was wondering if you guys had some information I could share with him. Is this an issue that PST has heard about and is looking at? Is there perhaps another simpler solution?

Thank you in advance,

Brendan

**Brendan Rolfe**

Business Counselor

T: 604-684-5325

F: 604-684-0529

[Facebook](#) | [Twitter](#)

**CFIB** – In business for your business.

*IMPORTANT NOTICE : This message or attachment does not constitute legal or accounting advice and is not a substitute for the advice of a lawyer or CPA. In the event of any discrepancy between any content and the law, the law prevails. CFIB is not responsible for the use or misuse, interpretation or misinterpretation of this e-mail or attachment by any person, business or other entity.*

*AVIS IMPORTANT : Ce message et ses pièces jointes ne constituent pas un avis juridique ou un avis fiscal et ne peuvent en aucun cas s'y substituer. En cas de différence entre le contenu de ce courriel et un texte de loi, le texte de loi prévaut. La FCEI ne peut être tenue responsable de l'utilisation ou de l'interprétation qui en sera faite subséquentement par l'entreprise ou une tierce partie.*

---

This e-mail is intended only for use only by the person(s) to whom it is specifically addressed above and may contain information that is personal, private and confidential. If you are not an intended recipient of this e-mail you are hereby notified that any retention, dissemination, distribution or copying of this email or any information contained herein is strictly prohibited. Please notify us if you have received this in error. Thank you for your co-operation and assistance.

Ce courriel est destiné exclusivement à la(aux) personne(s) mentionnées ci-dessus car il peut contenir des informations de nature personnelle, privilégiée ou confidentielle. Si vous n'êtes pas le destinataire visé, nous vous informons par la présente que toute conservation, diffusion, distribution ou reproduction de ce courriel ou des informations qui y figurent est strictement interdite. Si vous avez reçu ce message par erreur, veuillez nous en aviser immédiatement. Nous vous remercions de votre collaboration.

## Howden, Denise FIN:EX

---

**From:** Kumar, Anjani T FIN:EX  
**Sent:** Thursday, March 29, 2018 1:56 PM  
**To:** Nelson, Katherine M FIN:EX  
**Subject:** RE: PST Bill 302

I don't see anything. Just the whole issue has been a bit sensitive so wanted to be sure. ☺

*Regards,*

*Anjani Kumar, BBA, CPA, CMA  
Audit Manager*

*Consumer Taxation Audit Branch  
Ministry of Finance  
Cell:604-992-9303*

Website: [www.gov.bc.ca/PST](http://www.gov.bc.ca/PST)

**Our Vision:** Trusted and highly regarded consumption tax experts administering provincial statutes that support funding for government services.

*This email is intended only for the use of the individual or organization to whom it is addressed. It may contain information that is privileged or confidential. Any distribution, disclosure, copying, or other use by anyone else is strictly prohibited. If you have received this in error, please telephone or email the sender immediately and destroy the email. Thank you*

---

**From:** Nelson, Katherine M FIN:EX  
**Sent:** Thursday, March 29, 2018 1:55 PM  
**To:** Kumar, Anjani T FIN:EX  
**Subject:** RE: PST Bill 302

I think so...I was a bit worried about context but Brendan doesn't mention any names just scenarios...unless you see something of concern?

---

**From:** Kumar, Anjani T FIN:EX  
**Sent:** Thursday, March 29, 2018 1:52 PM  
**To:** Nelson, Katherine M FIN:EX  
**Subject:** RE: PST Bill 302

Hi,

Ok to share with our teams?

*Regards,*

Anjani Kumar, BBA, CPA, CMA  
Audit Manager

Consumer Taxation Audit Branch  
Ministry of Finance  
Cell:604-992-9303

Website: [www.gov.bc.ca/PST](http://www.gov.bc.ca/PST)

Our Vision: Trusted and highly regarded consumption tax experts administering provincial statutes that support funding for government services.

*This email is intended only for the use of the individual or organization to whom it is addressed. It may contain information that is privileged or confidential. Any distribution, disclosure, copying, or other use by anyone else is strictly prohibited. If you have received this in error, please telephone or email the sender immediately and destroy the email. Thank you*

---

**From:** Nelson, Katherine M FIN:EX  
**Sent:** Thursday, March 29, 2018 1:50 PM  
**To:** Siu, Mary FIN:EX; Ryan, Gerald FIN:EX; Kumar, Anjani T FIN:EX; Turpin, David FIN:EX  
**Subject:** FW: PST Bill 302

Sharing this information with you as the examples are quite good in terms of explaining various scenarios that might arise.

Kathy

---

**From:** Perhar, Satish FIN:EX  
**Sent:** Wednesday, March 28, 2018 3:28 PM  
**To:** Tecson, Dennis FIN:EX; Kok, Eugene S FIN:EX; Nelson, Katherine M FIN:EX  
**Subject:** FW: PST Bill 302

Info, CFIB/delivery charges.

*Satish*  
604-586-3709

---

**From:** Scott, Bob FIN:EX  
**Sent:** Wednesday, March 28, 2018 3:07 PM  
**To:** 'Brendan.Rolfe@cfib.ca'  
**Cc:** Perhar, Satish FIN:EX; Goss, Jordan T FIN:EX  
**Subject:** RE: PST Bill 302

Hello Brendan,

Thank-you for your question. Your email was forward to me for response.

**1. Information on the updated Bulletin 302, Delivery Charges**

As you may be aware, on March 20<sup>th</sup> the Ministry issued an updated Bulletin 302, *Delivery Charges*. The changes are not the result of any program change or change to the *Provincial Sales Tax Act* (PSTA). The

previous version of the bulletin incorrectly stated that delivery charges were not subject to provincial sales tax (PST) for goods delivered in British Columbia, where title to the goods passed at the seller's premises.

If a business did not charge PST on delivery charges in this situation on or before March 31, 2018, the business will not be subject to a penalty. This relief is provided for under the Provincial Sales Tax (Delivery Charge) Remission Regulation.

## **2. How do the rules apply to the Canadian Federation of Independent Business's (CFIB) member?**

We understand that the CFIB member's business provides aggregates and delivery services in a variety of situations. How the PST applies depends on the specifics of the situation. For ease of explanation, I have broken down our explanation by each situation.

### ***Scenario #1: A customer hires the business to supply and install aggregate (i.e., the business provides slinging).***

The business is not required to collect PST in this situation, but is required to pay PST on the aggregates.

As you noted in your email, this is an improvement to real property situation. Determining when goods become an improvement to real property can be challenging because the test is based on court decisions. However, to help businesses determine whether they are providing an improvement to real property, the Ministry of Finance has prepared a series of bulletins that explain when goods become an improvement to real property. Two bulletins are particular relevant to help with this process. Bulletin PST 501, Real Property Contractors, explains the test used to determine whether goods become an improvement to real property (see pages 1-2). Bulletin PST 502, Examples – Goods that Generally Become Improvements to Real Property and Goods that Do Not, provides specific examples. The relevant example to the CFIB member is on page 3 under "Landscaping material." That bullet explains that installation of landscaping materials (including aggregate) means the materials are spread or installed in the place where they are to remain. Installation does not include landscape materials that are delivered and left in a pile (e.g. left on a customer's tarp or in their driveway).

We understand that "slinging" is a process by which the aggregate is placed in the location where it will remain. Therefore, when the CFIB member's slings the aggregate they are installing it as an improvement to real property.

In the case of improvement to real property, the real property contractor must pay PST on the goods they purchase and use to fulfil the contract to improve the real property (in this case the aggregate). The CFIB member should not collect tax from their customer in this situation.

Please note: As you may know, there is a special rule whereby contractors and their purchasers can transfer the PST liability to the purchaser. For the purposes of this response, we assume the business and their customer have not come to such an agreement.

### **Scenario #2: A customer hires the business to deliver and install aggregate the customer purchased from a different supplier.**

In this situation, the business should not collect PST and is not required to pay PST on the aggregates.

Like scenario #1, the business is still installing goods to improve real property. However, in this case they are only providing a service to the real property only. Services to real property are not subject to PST. Therefore, in this situation the business is not required to pay or collect PST on the aggregate they install into the real property.

Please note: when the customer purchases the aggregates from the other supplier, they will have to pay PST on the full purchase price of the aggregates including delivery charges as outlined in Bulletin PST 302.

**Scenario #3: A customer hires the business to deliver aggregate they have purchased from the business without any installation (e.g., no slinging).**

In this situation, the business is simply selling aggregates and therefore must collect PST on the full purchase price (including delivery charges as outlined in Bulletin PST 302, *Delivery Charges*).

As explained in Bulletin PST 302, *Delivery Charges*, any delivery charges incurred at or before the time the title to the goods transfers to the purchaser are part of the taxable purchase price of the goods (in this case the aggregates). Whether this condition is met depends on the specifics of the transaction. However, in most situations, the delivery charges will be incurred prior to title transferring and, as a result, will form part of the taxable purchase price.

The business may purchase aggregates they resell exempt from PST by providing their supplier with their PST number.

**Scenario #4: A customer hires the business to deliver aggregate the customer purchased from a different supplier without any installation (e.g., no slinging).**

The business is not required to collect PST in this case.

Stand-alone delivery services (e.g., delivery of customer-owned aggregate) are exempt from tax under the PSTA. For more information, please see page 5 of Bulletin PST 302.

**3. Self-assessing PST and applying for a refund**

Because the business is acting both as a retailer and a contractor who improves real property, the application of tax is more complex. However, the Ministry has prepared [Bulletin PST 502, Contractors Who Are Also Retailers or Wholesalers](#), to help businesses understand their different options for meeting their obligations.

In terms of the aggregate the business holds in its inventory, Bulletin PST 502 outlines three options that the business could use to comply with the PSTA when they sell aggregate at retail and when they install it into real property:

- The business may purchase all the aggregates exempt from PST if they are the same type they sell at retail and provide under the contracts to improve real property, the aggregates will be in the business's possession and the aggregates will be readily for resale. The business must then self-assess the PST on all aggregates it purchased to install into real property. The business can self-assess the PST on its regular tax return.
- The business can pay PST on all of its purchases, and then submit a refund request to the Ministry for all goods that were resold to your customers. For information on refunds, please see [Bulletin PST 400 – Refunds](#).
- The business can maintain separate inventories of goods purchase for its own use (e.g., to install into real property), and aggregates purchased for resale.

If you have additional questions or concerns, please do not hesitate to contact me.

This correspondence describes how the Ministry interprets the relevant tax provisions for information purposes only. This response may be impacted by variations in circumstance, subsequent changes to legislation or subsequent court decisions. The Ministry is not responsible for updating this response if there are any subsequent changes to the law. This response is provided as an aid to understanding the legislation and is not intended to replace the legislation.

**Bob Scott**

---

**From:** Brendan Rolfe [<mailto:Brendan.Rolfe@cfib.ca>]  
**Sent:** Monday, March 26, 2018 10:34 AM  
**To:** Perhar, Satish FIN:EX; Goss, Jordan T FIN:EX  
**Cc:** Samantha Howard  
**Subject:** PST Bill 302

Good morning all!

I trust a relaxing week was had by each ☺

I just got off the phone with a member who has some serious concerns about [BC PST Bill 302](#) – Delivery Charges.

He owns an aggregate sales and delivery service (and sometimes low level landscaping service as part of the delivery; known as “slinging”) – sometimes customers purchase the aggregate from him and he delivers and applies (landscapes), sometimes he delivers goods they have bought from another company and applies, sometimes he delivers and doesn’t apply. He believes that the Bill is too confusing to administer properly, especially for his drivers, which often take payment upon completion of delivery (he actually did file for a ruling, which is great, but doesn’t agree with the response). He believes that delivery is a service, and that he should not be subject to administering PST.

On the surface, this appears to me to be a real property contractor issue, although I will agree with our member that trying to figure out when it does and doesn’t become real property is challenging. I discussed the concept of his company always self-assessing the PST and then filing for a refund with each remittance, however, like many small business owners who are surviving pay cheque to pay cheque, this isn’t always a feasible option for him (ie. not having the capital available to pay the bills).

I told our member I would bring forward his concerns, and I was wondering if you guys had some information I could share with him. Is this an issue that PST has heard about and is looking at? Is there perhaps another simpler solution?

Thank you in advance,

Brendan

**Brendan Rolfe**  
Business Counselor  
T: 604-684-5325  
F: 604-684-0529  
[Facebook](#) | [Twitter](#)

**CFIB** – In business for your business.

*IMPORTANT NOTICE : This message or attachment does not constitute legal or accounting advice and is not a substitute for the advice of a lawyer or CPA. In the event of any discrepancy between any content and the law, the law prevails. CFIB is not responsible for the use or misuse, interpretation or misinterpretation of this e-mail or attachment by any person, business or other entity.*

*AVIS IMPORTANT : Ce message et ses pièces jointes ne constituent pas un avis juridique ou un avis fiscal et ne peuvent en aucun cas s’y substituer. En cas de différence entre le contenu de ce courriel et un texte de loi, le texte de loi prévaut. La FCEI ne peut être tenue responsable de l’utilisation ou de l’interprétation qui en sera faite subséquentement par l’entreprise ou une tierce partie.*



---

This e-mail is intended only for use only by the person(s) to whom it is specifically addressed above and may contain information that is personal, private and confidential. If you are not an intended recipient of this e-mail you are hereby notified that any retention, dissemination, distribution or copying of this email or any information contained herein is strictly prohibited. Please notify us if you have received this in error. Thank you for your co-operation and assistance.

Ce courriel est destiné exclusivement à la(aux) personne(s) mentionnées ci-dessus car il peut contenir des informations de nature personnelle, privilégiée ou confidentielle. Si vous n'êtes pas le destinataire visé, nous vous informons par la présente que toute conservation, diffusion, distribution ou reproduction de ce courriel ou des informations qui y figurent est strictement interdite. Si vous avez reçu ce message par erreur, veuillez nous en aviser immédiatement. Nous vous remercions de votre collaboration.

## Howden, Denise FIN:EX

---

**From:** Tecson, Dennis FIN:EX  
**Sent:** Thursday, March 29, 2018 1:46 PM  
**To:** Kok, Eugene S FIN:EX; Nelson, Katherine M FIN:EX  
**Subject:** RE: PST Bill 302

same

---

**From:** Kok, Eugene S FIN:EX  
**Sent:** Thursday, March 29, 2018 1:45 PM  
**To:** Nelson, Katherine M FIN:EX; Tecson, Dennis FIN:EX  
**Subject:** RE: PST Bill 302

I have shared in whole with my managers.

---

**From:** Nelson, Katherine M FIN:EX  
**Sent:** Thursday, March 29, 2018 1:44 PM  
**To:** Kok, Eugene S FIN:EX; Tecson, Dennis FIN:EX  
**Subject:** FW: PST Bill 302

Curious about whether you are sharing this email in full or in part with your managers...some of the questions that came up this morning in a month end meeting are very much answered in Bob's email but I'm just a bit concerned about context...your thoughts?

---

**From:** Perhar, Satish FIN:EX  
**Sent:** Wednesday, March 28, 2018 3:28 PM  
**To:** Tecson, Dennis FIN:EX; Kok, Eugene S FIN:EX; Nelson, Katherine M FIN:EX  
**Subject:** FW: PST Bill 302

Info, CFIB/delivery charges.

*Satish*  
604-586-3709

---

**From:** Scott, Bob FIN:EX  
**Sent:** Wednesday, March 28, 2018 3:07 PM  
**To:** 'Brendan.Rolfe@cfib.ca'  
**Cc:** Perhar, Satish FIN:EX; Goss, Jordan T FIN:EX  
**Subject:** RE: PST Bill 302

Hello Brendan,

Thank-you for your question. Your email was forward to me for response.

**1. Information on the updated Bulletin 302, *Delivery Charges***

As you may be aware, on March 20<sup>th</sup> the Ministry issued an updated *Bulletin 302, Delivery Charges*. The changes are not the result of any program change or change to the *Provincial Sales Tax Act* (PSTA). The previous version of the bulletin incorrectly stated that delivery charges were not subject to provincial sales tax (PST) for goods delivered in British Columbia, where title to the goods passed at the seller's premises.

If a business did not charge PST on delivery charges in this situation on or before March 31, 2018, the business will not be subject to a penalty. This relief is provided for under the Provincial Sales Tax (Delivery Charge) Remission Regulation.

**2. How do the rules apply to the Canadian Federation of Independent Business's (CFIB) member?**

We understand that the CFIB member's business provides aggregates and delivery services in a variety of situations. How the PST applies depends on the specifics of the situation. For ease of explanation, I have broken down our explanation by each situation.

***Scenario #1: A customer hires the business to supply and install aggregate (i.e., the business provides slinging).***

The business is not required to collect PST in this situation, but is required to pay PST on the aggregates.

As you noted in your email, this is an improvement to real property situation. Determining when goods become an improvement to real property can be challenging because the test is based on court decisions. However, to help businesses determine whether they are providing an improvement to real property, the Ministry of Finance has prepared a series of bulletins that explain when goods become an improvement to real property. Two bulletins are particular relevant to help with this process. Bulletin PST 501, Real Property Contractors, explains the test used to determine whether goods become an improvement to real property (see pages 1-2). Bulletin PST 502, Examples – Goods that Generally Become Improvements to Real Property and Goods that Do Not, provides specific examples. The relevant example to the CFIB member is on page 3 under "Landscaping material." That bullet explains that installation of landscaping materials (including aggregate) means the materials are spread or installed in the place where they are to remain. Installation does not include landscape materials that are delivered and left in a pile (e.g. left on a customer's tarp or in their driveway).

We understand that "slinging" is a process by which the aggregate is placed in the location where it will remain. Therefore, when the CFIB member's slings the aggregate they are installing it as an improvement to real property.

In the case of improvement to real property, the real property contractor must pay PST on the goods they purchase and use to fulfil the contract to improve the real property (in this case the aggregate). The CFIB member should not collect tax from their customer in this situation.

Please note: As you may know, there is a special rule whereby contractors and their purchasers can transfer the PST liability to the purchaser. For the purposes of this response, we assume the business and their customer have not come to such an agreement.

**Scenario #2: A customer hires the business to deliver and install aggregate the customer purchased from a different supplier.**

In this situation, the business should not collect PST and is not required to pay PST on the aggregates.

Like scenario #1, the business is still installing goods to improve real property. However, in this case they are only providing a service to the real property only. Services to real property are not subject to PST. Therefore, in this situation the business is not required to pay or collect PST on the aggregate they install into the real property.

Please note: when the customer purchases the aggregates from the other supplier, they will have to pay PST on the full purchase price of the aggregates including delivery charges as outlined in Bulletin PST 302.

**Scenario #3: A customer hires the business to deliver aggregate they have purchased from the business without any installation (e.g., no slinging).**

In this situation, the business is simply selling aggregates and therefore must collect PST on the full purchase price (including delivery charges as outlined in Bulletin PST 302, *Delivery Charges*).

As explained in Bulletin PST 302, *Delivery Charges*, any delivery charges incurred at or before the time the title to the goods transfers to the purchaser are part of the taxable purchase price of the goods (in this case the aggregates). Whether this condition is met depends on the specifics of the transaction. However, in most situations, the delivery charges will be incurred prior to title transferring and, as a result, will form part of the taxable purchase price.

The business may purchase aggregates they resell exempt from PST by providing their supplier with their PST number.

**Scenario #4: A customer hires the business to deliver aggregate the customer purchased from a different supplier without any installation (e.g., no slinging).**

The business is not required to collect PST in this case.

Stand-alone delivery services (e.g., delivery of customer-owned aggregate) are exempt from tax under the PSTA. For more information, please see page 5 of Bulletin PST 302.

### **3. Self-assessing PST and applying for a refund**

Because the business is acting both as a retailer and a contractor who improves real property, the application of tax is more complex. However, the Ministry has prepared [Bulletin PST 502, \*Contractors Who Are Also Retailers or Wholesalers\*](#), to help businesses understand their different options for meeting their obligations.

In terms of the aggregate the business holds in its inventory, Bulletin PST 502 outlines three options that the business could use to comply with the PSTA when they sell aggregate at retail and when they install it into real property:

- The business may purchase all the aggregates exempt from PST if they are the same type they sell at retail and provide under the contracts to improve real property, the aggregates will be in the business's possession and the aggregates will be readily for resale. The business must then self-assess the PST on all aggregates it purchased to install into real property. The business can self-assess the PST on its regular tax return.
- The business can pay PST on all of its purchases, and then submit a refund request to the Ministry for all goods that were resold to your customers. For information on refunds, please see [Bulletin PST 400 – Refunds](#).
- The business can maintain separate inventories of goods purchase for its own use (e.g., to install into real property), and aggregates purchased for resale.

If you have additional questions or concerns, please do not hesitate to contact me.

This correspondence describes how the Ministry interprets the relevant tax provisions for information purposes only. This response may be impacted by variations in circumstance, subsequent changes to legislation or subsequent court decisions. The Ministry is not responsible for updating this response if there are any subsequent changes to the law. This response is provided as an aid to understanding the legislation and is not intended to replace the legislation.

#### **Bob Scott**

Manager of Rulings and Special Projects | Consumer Taxation Programs Branch | Ministry of Finance  
2<sup>nd</sup> Floor, 1802 Douglas St | 778.698.9620 | [Bob.Scott@gov.bc.ca](mailto:Bob.Scott@gov.bc.ca)

---

**From:** Brendan Rolfe [<mailto:Brendan.Rolfe@cfib.ca>]  
**Sent:** Monday, March 26, 2018 10:34 AM  
**To:** Perhar, Satish FIN:EX; Goss, Jordan T FIN:EX  
**Cc:** Samantha Howard  
**Subject:** PST Bill 302

Good morning all!

I trust a relaxing week was had by each ☺

I just got off the phone with a member who has some serious concerns about BC PST Bill 302 – Delivery Charges.

He owns an aggregate sales and delivery service (and sometimes low level landscaping service as part of the delivery; known as “slinging”) – sometimes customers purchase the aggregate from him and he delivers and applies (landscapes), sometimes he delivers goods they have bought from another company and applies, sometimes he delivers and doesn’t apply. He believes that the Bill is too confusing to administer properly, especially for his drivers, which often take payment upon completion of delivery (he actually did file for a ruling, which is great, but doesn’t agree with the response). He believes that delivery is a service, and that he should not be subject to administering PST.

On the surface, this appears to me to be a real property contractor issue, although I will agree with our member that trying to figure out when it does and doesn’t become real property is challenging. I discussed the concept of his company always self-assessing the PST and then filing for a refund with each remittance, however, like many small business owners who are surviving pay cheque to pay cheque, this isn’t always a feasible option for him (ie. not having the capital available to pay the bills).

I told our member I would bring forward his concerns, and I was wondering if you guys had some information I could share with him. Is this an issue that PST has heard about and is looking at? Is there perhaps another simpler solution?

Thank you in advance,

Brendan

**Brendan Rolfe**  
Business Counselor  
T: 604-684-5325  
F: 604-684-0529  
[Facebook](#) | [Twitter](#)

**CFIB** – In business for your business.

*IMPORTANT NOTICE : This message or attachment does not constitute legal or accounting advice and is not a substitute for the advice of a lawyer or CPA. In the event of any discrepancy between any content and the law, the law prevails. CFIB is not responsible for the use or misuse, interpretation or misinterpretation of this e-mail or attachment by any person, business or other entity.*

*AVIS IMPORTANT : Ce message et ses pièces jointes ne constituent pas un avis juridique ou un avis fiscal et ne peuvent en aucun cas s’y substituer. En cas de différence entre le contenu de ce courriel et un texte de loi, le texte de loi prévaut. La FCEI ne peut être tenue responsable de l’utilisation ou de l’interprétation qui en sera faite subséquemment par l’entreprise ou une tierce partie.*

---

This e-mail is intended only for use only by the person(s) to whom it is specifically addressed above and may contain information that is personal, private and confidential. If you are not an intended recipient of this e-mail you are hereby notified that any retention, dissemination, distribution or copying of this email or any information contained herein is strictly prohibited. Please notify us if you have received this in error. Thank you for your co-operation and assistance.

Ce courriel est destiné exclusivement à la(aux) personne(s) mentionnées ci-dessus car il peut contenir des informations de nature personnelle, privilégiée ou confidentielle. Si vous n'êtes pas le destinataire visé, nous vous informons par la présente que toute conservation, diffusion, distribution ou reproduction de ce courriel ou des informations qui y figurent est strictement interdite. Si vous avez reçu ce message par erreur, veuillez nous en aviser immédiatement. Nous vous remercions de votre collaboration.

## Howden, Denise FIN:EX

---

**From:** Brendan Rolfe <Brendan.Rolfe@cfib.ca>  
**Sent:** Monday, March 26, 2018 3:39 PM  
**To:** Goss, Jordan T FIN:EX; Perhar, Satish FIN:EX  
**Cc:** Samantha Howard  
**Subject:** RE: PST Bill 302

Hi Jordan,

Just received another call from a member who offers strictly freight courier services (ie. no sales of goods) who said she also received a notice from PST stating that due to changes to Bill 302 she should be assessing PST on her delivery services (at least, that's how she interpreted it).

I don't mean to pester nor rush you, but I just thought I'd bring this forward as it's fresh on my mind.

Were there recent changes to the Bill?

Cheers,

Brendan

**Brendan Rolfe**  
Business Counselor  
T: 604-684-5325  
F: 604-684-0529  
[Facebook](#) | [Twitter](#)

**CFIB** – In business for your business.

*IMPORTANT NOTICE : This message or attachment does not constitute legal or accounting advice and is not a substitute for the advice of a lawyer or CPA. In the event of any discrepancy between any content and the law, the law prevails. CFIB is not responsible for the use or misuse, interpretation or misinterpretation of this e-mail or attachment by any person, business or other entity.*

*AVIS IMPORTANT : Ce message et ses pièces jointes ne constituent pas un avis juridique ou un avis fiscal et ne peuvent en aucun cas s'y substituer. En cas de différence entre le contenu de ce courriel et un texte de loi, le texte de loi prévaut. La FCEI ne peut être tenue responsable de l'utilisation ou de l'interprétation qui en sera faite subséquemment par l'entreprise ou une tierce partie.*

---

**From:** Goss, Jordan T FIN:EX [mailto:Jordan.Goss@gov.bc.ca]  
**Sent:** Monday, March 26, 2018 11:41 AM  
**To:** Brendan Rolfe; Perhar, Satish FIN:EX  
**Cc:** Samantha Howard  
**Subject:** RE: PST Bill 302

Thanks so much for the email. I will have someone from my team send a response to you so that you have the relevant information.

**Jordan Goss**

Executive Director  
Consumer Taxation Programs Branch  
Ministry of Finance

Ph. (778) 698-4093

**MINISTRY OF FINANCE: *Trusted financial and economic leadership for a prosperous province***

---

**From:** Brendan Rolfe [<mailto:Brendan.Rolfe@cfib.ca>]  
**Sent:** Monday, March 26, 2018 10:34 AM  
**To:** Perhar, Satish FIN:EX; Goss, Jordan T FIN:EX  
**Cc:** Samantha Howard  
**Subject:** PST Bill 302

Good morning all!

I trust a relaxing weekend was had by each ☺

I just got off the phone with a member who has some serious concerns about [BC PST Bill 302](#) – Delivery Charges.

He owns an aggregate sales and delivery service (and sometimes low level landscaping service as part of the delivery; known as “slinging”) – sometimes customers purchase the aggregate from him and he delivers and applies (landscapes), sometimes he delivers goods they have bought from another company and applies, sometimes he delivers and doesn’t apply. He believes that the Bill is too confusing to administer properly, especially for his drivers, which often take payment upon completion of delivery (he actually did file for a ruling, which is great, but doesn’t agree with the response). He believes that delivery is a service, and that he should not be subject to administering PST.

On the surface, this appears to me to be a real property contractor issue, although I will agree with our member that trying to figure out when it does and doesn’t become real property is challenging. I discussed the concept of his company always self-assessing the PST and then filing for a refund with each remittance, however, like many small business owners who are surviving pay cheque to pay cheque, this isn’t always a feasible option for him (ie. not having the capital available to pay the bills).

I told our member I would bring forward his concerns, and I was wondering if you guys had some information I could share with him. Is this an issue that PST has heard about and is looking at? Is there perhaps another simpler solution?

Thank you in advance,

Brendan

**Brendan Rolfe**  
Business Counselor  
T: 604-684-5325  
F: 604-684-0529  
[Facebook](#) | [Twitter](#)

**CFIB** – In business for your business.

*IMPORTANT NOTICE : This message or attachment does not constitute legal or accounting advice and is not a substitute for the advice of a lawyer or CPA. In the event of any discrepancy between any content and the law, the law prevails. CFIB is not responsible for the use or misuse, interpretation or misinterpretation of this e-mail or attachment by any person, business or other entity.*



*AVIS IMPORTANT : Ce message et ses pièces jointes ne constituent pas un avis juridique ou un avis fiscal et ne peuvent en aucun cas s'y substituer. En cas de différence entre le contenu de ce courriel et un texte de loi, le texte de loi prévaut. La FCEI ne peut être tenue responsable de l'utilisation ou de l'interprétation qui en sera faite subséquemment par l'entreprise ou une tierce partie.*

---

This e-mail is intended only for use only by the person(s) to whom it is specifically addressed above and may contain information that is personal, private and confidential. If you are not an intended recipient of this e-mail you are hereby notified that any retention, dissemination, distribution or copying of this email or any information contained herein is strictly prohibited. Please notify us if you have received this in error. Thank you for your co-operation and assistance.

Ce courriel est destiné exclusivement à la(aux) personne(s) mentionnées ci-dessus car il peut contenir des informations de nature personnelle, privilégiée ou confidentielle. Si vous n'êtes pas le destinataire visé, nous vous informons par la présente que toute conservation, diffusion, distribution ou reproduction de ce courriel ou des informations qui y figurent est strictement interdite. Si vous avez reçu ce message par erreur, veuillez nous en aviser immédiatement. Nous vous remercions de votre collaboration.

---

This e-mail is intended only for use only by the person(s) to whom it is specifically addressed above and may contain information that is personal, private and confidential. If you are not an intended recipient of this e-mail you are hereby notified that any retention, dissemination, distribution or copying of this email or any information contained herein is strictly prohibited. Please notify us if you have received this in error. Thank you for your co-operation and assistance.

Ce courriel est destiné exclusivement à la(aux) personne(s) mentionnées ci-dessus car il peut contenir des informations de nature personnelle, privilégiée ou confidentielle. Si vous n'êtes pas le destinataire visé, nous vous informons par la présente que toute conservation, diffusion, distribution ou reproduction de ce courriel ou des informations qui y figurent est strictement interdite. Si vous avez reçu ce message par erreur, veuillez nous en aviser immédiatement. Nous vous remercions de votre collaboration.

## Howden, Denise FIN:EX

---

**From:** Nelson, Katherine M FIN:EX  
**Sent:** Tuesday, March 20, 2018 4:01 PM  
**To:** Kok, Eugene S FIN:EX; Tecson, Dennis FIN:EX  
**Subject:** RE: Delivery charges

I would think so – and I hadn't read it myself either.

---

**From:** Kok, Eugene S FIN:EX  
**Sent:** Tuesday, March 20, 2018 3:59 PM  
**To:** Nelson, Katherine M FIN:EX; Tecson, Dennis FIN:EX  
**Subject:** RE: Delivery charges

My apology and I think I spoke too fast. The bulletin is clearly stated that we will not assess PE prior to March 31, 2018 errors and so, sounds like we know the remission order is approved. If this is the case, we can go ahead and close all the on hold audits following the bulletin.

---

**From:** Kok, Eugene S FIN:EX  
**Sent:** Tuesday, March 20, 2018 3:29 PM  
**To:** Nelson, Katherine M FIN:EX; Tecson, Dennis FIN:EX  
**Subject:** RE: Delivery charges

The new bulletin actually have the following. Even with that s.14

s.14 I think we need to wait to see if the remission order results before advising staff. No?

### **Latest Revision**

March 2018

- This bulletin has been rewritten to correct errors in the bulletin as to when PST applies to delivery charges.
  - The previous version of this bulletin incorrectly stated that delivery charges were not subject to PST for goods delivered in BC, where title to the goods passed at the seller's premises. If you did not charge PST on delivery charges, as in the above scenario, on or before March 31, 2018, you will not be subject to a penalty. For more information, see Regulation 48/2018.
- 

**From:** Nelson, Katherine M FIN:EX  
**Sent:** Tuesday, March 20, 2018 2:48 PM  
**To:** Kok, Eugene S FIN:EX; Tecson, Dennis FIN:EX  
**Subject:** Delivery charges

Mary just advised that the Delivery Charges bulletin is now out. Are we going to provide instructions to staff on what to do now? Are we waiting for P&L to put something together?

## Howden, Denise FIN:EX

---

**Subject:** Delivery charges bulletin and various  
**Location:** Online Meeting

**Start:** Mon 2017-12-04 11:00 AM  
**End:** Mon 2017-12-04 12:00 PM  
**Show Time As:** Tentative

**Recurrence:** (none)

**Meeting Status:** Not yet responded

**Organizer:** Nelson, Katherine M FIN:EX  
**Required Attendees:** Kok, Eugene S FIN:EX; Tecson, Dennis FIN:EX

---

### Join online meeting

s.15,s.17

#### Join by Phone

Local - Victoria: s.15,s.17

Local - Vancouver: s.15,s.17

Toll-Free: s.15,s.17

[Find a local number](#)

Conference ID: s.15,s.17

[Forgot your dial-in PIN?](#) | [First online meeting?](#)

---

## Howden, Denise FIN:EX

---

**From:** Nelson, Katherine M FIN:EX  
**Sent:** Tuesday, November 28, 2017 1:59 PM  
**To:** Kok, Eugene S FIN:EX; Tecson, Dennis FIN:EX  
**Subject:** FW: Delivery Charges  
**Attachments:** Bulletin PST 302 Delivery Charges Nov 24 ANAC.docx

Should we get together again maybe tomorrow and scroll through Alex's comments?

---

**From:** Perhar, Satish FIN:EX  
**Sent:** Monday, November 27, 2017 3:44 PM  
**To:** Tecson, Dennis FIN:EX; Kok, Eugene S FIN:EX; Nelson, Katherine M FIN:EX  
**Subject:** FW: Delivery Charges

Can you review and let me know if your queries addressed or if you still would like to meet with them. Thanks,

*Satish*  
604-586-3709

---

**From:** Nagelbach, Alexander FIN:EX  
**Sent:** Monday, November 27, 2017 12:05 PM  
**To:** Perhar, Satish FIN:EX  
**Cc:** Tecson, Dennis FIN:EX; Kok, Eugene S FIN:EX; Nelson, Katherine M FIN:EX  
**Subject:** RE: Delivery Charges

Hi Satish,

We've made changes based on your comments. Please see the attached version and let me know if this works for CTAB.

Thanks,

Alex Nagelbach, CPA, CGA  
Policy and Legislative Analyst  
Policy, Rulings and Services  
Ministry of Finance

---

**From:** Perhar, Satish FIN:EX  
**Sent:** Friday, November 24, 2017 1:03 PM  
**To:** Nagelbach, Alexander FIN:EX  
**Cc:** Tecson, Dennis FIN:EX; Kok, Eugene S FIN:EX; Nelson, Katherine M FIN:EX  
**Subject:** FW: Delivery Charges

Hi Alex,

Please find attached the bulletin with comments from my directors. Could we all have a meeting to go over the comments once you have a chance to look at them. Thanks,

*Satish*  
604-586-3709

---

**From:** Nelson, Katherine M FIN:EX  
**Sent:** Friday, November 24, 2017 11:52 AM  
**To:** Perhar, Satish FIN:EX  
**Cc:** Kok, Eugene S FIN:EX; Tecson, Dennis FIN:EX  
**Subject:** FW: Delivery Charges

Hi Satish,

We have reviewed, provided comments and suggested edits. Some of our questions we'd like to ask CTPB directly for clarification.

Kathy

---

**From:** Perhar, Satish FIN:EX  
**Sent:** Monday, November 20, 2017 11:40 AM  
**To:** Tecson, Dennis FIN:EX; Kok, Eugene S FIN:EX; Nelson, Katherine M FIN:EX  
**Subject:** FW: Delivery Charges

For your review and advise if all is in order. Please review and give me joint response back. Thanks,

*Satish*  
604-586-3709

---

**From:** Nagelbach, Alexander FIN:EX  
**Sent:** Monday, November 20, 2017 10:07 AM  
**To:** Perhar, Satish FIN:EX  
**Subject:** Delivery Charges

Hi Satish,

Attached is a version of PST 302, Delivery Charges, that corrects errors in the current online version regarding when delivery charges are subject to PST. This version has been approved by Jordan and we intend on having it go live once a remission order for past sales is considered.

Please let me know if you have any concerns with this version.

Thanks,

Alex Nagelbach, CPA, CGA  
Policy and Legislative Analyst  
Policy, Rulings and Services  
Ministry of Finance



# Provincial Sales Tax (PST) Bulletin

Bulletin PST 302

Issued: April 2013  
Revised: November 2017

## Delivery Charges

*Provincial Sales Tax Act*

Latest Revision: *This bulletin has been rewritten and replaces the previous version dated December 2016. For a summary of the key changes, see Latest Revision at the end of this document.*

This bulletin explains how PST applies to delivery and other transportation charges (referred to in this bulletin as delivery charges), and to goods that are damaged, destroyed or lost in transit.

This bulletin does not apply to ready-mixed concrete (see **Bulletin PST 136, Concrete**).

This bulletin does not provide information on containers, labels and packaging materials that are included at the time goods are sold or are used during delivery (see **Bulletin PST 305, Containers and Packaging Materials**).

## Table of Contents

Overview .....	1
Delivery Charges.....	3
Goods that are Damaged, Destroyed or Lost in Transit.....	4

## Overview

PST must be calculated on the **total purchase price** paid by the purchaser for taxable goods. The total purchase price includes:

- The value of any services accepted by the seller on account of the purchase price
- Any charges for financing, interest, customs and excise
- Any delivery charges (including shipping and handling) incurred at or before the time that title to the goods transfers to the purchaser

In most cases, delivery charges are incurred at or before the time title to the goods transfers. As a result, you generally **charge** PST on delivery charges as they form part of the taxable purchase price of the goods.

## Incurring Delivery Charges and Transfer of Title

Delivery charges are considered to be incurred at the time the contract for delivery is entered into and your customer agrees to pay the charges. The charges do not have to be invoiced or paid to be incurred.

**Comment [NKMF1]:** This sets up the bulletin to be from the sellers pov and I find it is consistent throughout.

**Comment [TDF2]:** This section is written for the seller.

**Comment [NKMF3]:** I think fine to have it all from pov of seller as they are the ones that have to charge the tax (or not as the case may be)...if a seller doesn't think they should pay tax then they could look this up but otherwise the user of this bulletin is the seller.

**Comment [ESKKOK4]:** Do we need to specify that this can be both verbal and written if "incur" doesn't mean "invoiced or paid"?

## When Title Transfers

Generally, when goods are sold and delivered, title transfers when:

- the sales contract is entered into, **and**
- the specific good being purchased under that contract is identified and in a state ready to be delivered or transported.

Transferring title can also occur at a later time if set out in the contract (e.g. at the time the goods are delivered).

If you have questions on when title transfers in your situation, including other types of sales (e.g. sales of future goods), please contact us at [CTBTaxQuestions@gov.bc.ca](mailto:CTBTaxQuestions@gov.bc.ca)

## Delivery Charges

### Taxable Delivery Charges

You must charge PST on delivery charges that form part of the purchase price for taxable goods in the following situations:

- The goods are delivered from within BC and the delivery charges are incurred at or before the time title to the goods transfers
- The goods are delivered from outside BC to a purchaser in BC

The following examples assume that title transfers based on the general rule above and that a later time has not been set out in a contract.

#### Example 1:

Ash purchases a sofa from a used furniture store. He asks for the sofa to be delivered to his home and arranges for delivery at the time of sale. The furniture store Ash must must charges Ash pay PST on the delivery charge because the charge was incurred at the time the sales contract was made. The delivery charge was incurred at the same time title transferred.

#### Example 2:

Gary purchases an electric bicycle from a bicycle shop and asks for fenders to be added and have the bicycle delivered to his home. The bicycle shop installs the fenders the next day and later calls Gary to inform him that the electric bicycle is ready for delivery. The bicycle shop must charges Gary must pay PST on the delivery charge because the charge was incurred at the time the sales contract was made and before title transferred.

#### Example 3:

Jessie orders a dress from a clothing store that has eight of those dresses in stock. She completes the bill of sale online that includes delivery. Jessie The clothing store must must charge Jessie pay PST on the delivery charge because the charge was incurred at the time the bill of sale was completed online and before title transferred.

**Comment [TDF5]:** This section appears to be written from the purchaser's point of view vs. seller as above. Should we be consistent?

**Comment [NKMf6]:** I think the instructions are from the seller's point of view throughout. However, to be consistent I've made some changes to the examples to keep that seller's pov.

**Comment [NKMf7]:** This is the seller's pov and is consistent throughout.

**Comment [TDF8]:** I don't think this is needed and will add confusion. I bought the sofa today and want it delivered later on the weekend ... so there must be no tax on the deliver as it is set later? But really yes, there is tax as it is set up at the same time.

**Comment [ESKKOK9]:** I suggest we keep the word must as it aligns with the legislation – tax must be charged on taxable TPP/services unless an exemption applies.

**Comment [TDF10]:** Can we use electric or hybrid vehicle vs. bicycle not to confuse with exempt bicycle.

**Comment [TDF11]:** Let's use tv or microwave or something other than clothing not to confuse with children's exemption.

#### Example 4:

Ritchie purchases a blender online from a retailer located in Alberta and requests that the blender be delivered to his home in Castlegar. The online retailer Ritchie must must charges Ritchie pay PST on the delivery charge because the blender is delivered from outside BC into BC. In this situation, for the purposes of the PST, it does not matter when title to the blender transfers.

### Non-taxable Delivery Charges

#### Exempt Goods

You do not charge PST on delivery charges for goods that are exempt from PST (e.g. goods purchased for resale).

#### Example:

James orders a non-motorized bicycle over the Internet that includes delivery. The seller does not charge James ~~does not pay~~ PST on the delivery charge because non-motorized bicycles are specifically exempt from PST.

### Delivery in BC – Delivery Charges After Title Has Passed (Customer Owned Goods)

You do not charge PST on delivery charges for taxable goods if:

- the goods are delivered from within BC, and
- at the time the delivery charges are incurred, title to the goods has already passed to the purchaser (the goods are “customer owned goods”). See section above, When Title Transfers.

The following example assumes that title transfers based on the general rule above and that a later time has not been set out in a contract.

#### Example:

Misty orders a door from a building centre in BC and is immediately invoiced by the seller. The door is in stock and a specific door is removed from inventory to be held for Misty for pickup. Title to the door transfers to Misty at the time the door is removed from inventory and held for pickup. Misty later calls the building centre and asks to have the door delivered. A new invoice is drawn up for the delivery charges. The delivery charge does not form part of the purchase price for the door and the building centre does not charge Misty ~~does not pay~~ PST on the delivery charge because the charge was incurred after title transferred.

### Goods Shipped Outside BC by the Seller

You do not charge PST on the purchase price or the delivery charges if the goods are to be shipped or delivered by you, the seller, to a location outside BC, provided no use whatsoever is to be made by the purchaser of the goods while the goods are in BC (other than storage by the seller). To show why you did not collect PST on these sales, you must retain evidence that the goods were shipped or delivered to an out-of-province location (e.g. bills of lading, shipping invoices or similar documentation).

### Taxable and Non-Taxable Goods Included in Same Delivery

If both taxable and non-taxable goods are included in the same delivery, and the delivery

Comment [NKMFI2]: Also seller's pov which I believe is appropriate.

Comment [ESKKOK13]: I wonder CTPB keeps using the purchaser must pay or does not pay tax because PST is a use tax and the purchaser is ultimately responsible for the tax. It would be nice to have consistency throughout in our examples – either charge tax or pay tax.

s. 14

s. 13

Comment [NKMFI6]: I understand this phrase not sure what doesn't make sense.

Comment [TDF17]: This phrase does not make sense.



charge is incurred at or before the time that title to the goods transfers, PST applies to the portion of the delivery charge that can be reasonably attributed to the taxable goods. The following are examples of how delivery charges can be reasonably attributed for PST purposes.

#### Example 1:

Brock purchases a \$20 book (exempt) and a \$10 toy (taxable) from an online book store. The goods are shipped together from a fulfillment centre in BC. The delivery charge is incurred at the time of sale and is separately stated on the sales invoice. The online book store charges Brock \$9 for expedited shipping and attributes the delivery charge to each item based on purchase price. The online book store charges PST on \$13.00 (the \$10 price for the toy and 1/3 of the \$9 charge for delivery).

**Comment [NKMF18]:** These examples are consistent with pov of the seller and making the changes to the examples above aligns better with these two examples.

#### Example 2:

Tracey purchases 4 books for \$40 (exempt) and a video game for \$60 (taxable) from an online book store in BC. The goods are shipped together from the book store's location in BC. The delivery charge is incurred at the time of sale and is separately stated on the sales invoice. The book store charges Tracey \$10 for shipping and attributes the delivery charge equally to each item based on the number of items. The online book store charges PST on \$62.00 (the \$60 price for the video game and 1/5 of the \$10 charge for delivery).

**Comment [ESKKOK19]:** Though the preamble says "reasonable attributed", the two examples demonstrate that the charge is generally divided up by the number of items. However and in most cases, the delivery charge depending on the weight and size of the items shipped.

## Delivery Charges Related to the Lease of Taxable Goods

### Taxable Delivery Charges

You charge PST on delivery charges that are mandatory under a lease agreement. In addition, optional delivery charges are taxable when taxable goods are leased outside BC and are shipped to the lessee in BC. You charge PST even if these charges are separately stated on the invoice because the charges form part of the lease price for the goods.

**Comment [TDF20]:** So I buy a TV and have it delivered and there is tax on the TV. But if I lease it and have it delivered, there is not tax on the delivery charge?

### Non-taxable Delivery Charges

You do not charge PST on optional delivery charges, except when taxable goods are leased outside of BC and are shipped to the lessee in BC (see above).

**Comment [NKMF21]:** Yes that's because of optional delivery charges – not taxable. [s. 13](#)

**s. 13**  
If the delivery charges are mandatory under the lease agreement they form part of the lease price vs. if not mandatory they do not form part of the (taxable) lease price.

## Delivery Without a Sale or Lease of Goods

### Goods Delivered within BC, or from BC to Outside BC

You do not charge PST on delivery charges not related to the sale or lease of taxable goods, provided the goods are transported between locations within BC, or from a location in BC to outside BC (e.g. PST does not apply to charges for transporting a customer's furniture from Victoria to Vancouver, from Kamloops to Moose Jaw or from Chilliwack to Spokane).

### Goods Delivered from Outside BC into BC

When taxable goods are brought, sent or received into BC for use from outside BC (e.g. machinery brought into the province for use), PST applies to the purchase price of the goods. In this case, PST applies to the purchase price of the goods including delivery charges and any other expenses (e.g. service, customs and excise) incurred before the taxable goods are used in BC.

However, PST does not apply to delivery charges related to goods brought into the province by new residents of BC if the goods qualify for the exemption for new residents.

For more information, see **Bulletin PST 310**, *Goods Brought into BC* and **Bulletin PST 306**, *Goods Brought into BC by New Residents*.

## Delivery Charges and Related Services

Related services are services provided to goods, or services provided to install goods. Generally, if a good is taxable when purchased (e.g. a motor vehicle), services provided to that item (e.g. vehicle repair and maintenance) are also taxable unless a specific exemption applies.

You do not charge PST on delivery charges for your customer's goods to which a related service has been provided when such charges are separately stated on the sales invoice.

s.13

For more information, see **Bulletin PST 301**, *Related Services*.

## Delivery Charges on Taxable Repair Parts and Taxable Replacement Parts

PST applies to delivery charges related to taxable repair or taxable replacement parts as follows.

- You charge PST on delivery charges related to the purchase of repair parts and replacement parts, as the charges are part of the purchase price paid to obtain the parts.
- If repair is undertaken by a mechanic at the location of your customer's equipment and repair or replacement parts are delivered directly to that location, PST applies to the full amount charged for the repair and replacement parts, including charges for freight to the location of repair, as this is the point of sale.

## Goods that are Damaged, Destroyed or Lost in Transit

### Replacement Goods

How PST applies to goods damaged, destroyed or lost in transit depends on whether you or the purchaser is responsible for replacement of the goods. Responsibility for replacement depends on whether you or the purchaser had title to the goods at the time they were damaged, destroyed or lost.

- If the goods are damaged, destroyed or lost **before** title passes to the purchaser and you are responsible for replacing the goods at no additional charge to the purchaser, you do not pay PST on either the goods damaged, destroyed or lost, or on the replacement goods.
- If the goods are damaged, destroyed or lost **after** the transfer of title and the purchaser is responsible for replacing the goods, the purchaser must pay PST on the purchase price of the replacement goods. PST paid on the original purchase is **not** refundable.
- You do not charge PST if the replacement goods are provided free of charge.

### Sales of Damaged Goods

You must charge PST on taxable goods sold at a reduced purchase price, such as damaged goods, demo models and goods sold as "open box" items (there is no exemption for these types of sales).

## Need more info?

Online: [gov.bc.ca/pst](http://gov.bc.ca/pst)  
Toll free: 1 877 388-4440  
Email: [CTBTaxQuestions@gov.bc.ca](mailto:CTBTaxQuestions@gov.bc.ca)

Subscribe to our **What's New** page to receive email updates when information changes.

The information in this bulletin is for your convenience and guidance and is not a replacement for the legislation.

---

### Latest Revision

November 2017

- This bulletin has been rewritten to correct errors in the bulletin as to when PST applies to delivery charges.
  - The previous version of this bulletin incorrectly stated that delivery charges were not subject to PST for goods delivered in BC, where title to the goods passed at the seller's premises. If you did not charge PST on delivery charges, as in the above scenario, prior to X date, you will not be subject to a penalty. For more information, see **Regulation #**.
- 

References: *Provincial Sales Tax Act*, sections 1 "use" and 10; *Provincial Sales Tax Exemption and Refund Regulation*, section 26.

## Howden, Denise FIN:EX

---

**From:** Nelson, Katherine M FIN:EX  
**Sent:** Tuesday, November 21, 2017 12:37 PM  
**To:** Kok, Eugene S FIN:EX; Tecson, Dennis FIN:EX  
**Subject:** FW: Delivery Charges  
**Attachments:** Bulletin PST 302 Delivery Charges Nov 20 - edit.docx

What is our next step? I don't see how we can clean it up without getting some answers from CTPB first. Can I suggest we go back to Alex and seek clarity and then send to Satish when we've got that clarity about how it is written?

---

**From:** Kok, Eugene S FIN:EX  
**Sent:** Tuesday, November 21, 2017 12:28 PM  
**To:** Tecson, Dennis FIN:EX; Nelson, Katherine M FIN:EX  
**Subject:** FW: Delivery Charges

My comments added.

---

**From:** Nelson, Katherine M FIN:EX  
**Sent:** Tuesday, November 21, 2017 8:19 AM  
**To:** Tecson, Dennis FIN:EX; Kok, Eugene S FIN:EX  
**Subject:** RE: Delivery Charges

Edited with tracked changes and comments throughout – and answers to some questions too.  
Kathy

---

**From:** Tecson, Dennis FIN:EX  
**Sent:** Monday, November 20, 2017 1:41 PM  
**To:** Kok, Eugene S FIN:EX; Nelson, Katherine M FIN:EX  
**Subject:** RE: Delivery Charges

My comments. If you guys have an answer to them, please let me know so we can adjust before sending on.

---

**From:** Perhar, Satish FIN:EX  
**Sent:** Monday, November 20, 2017 11:40 AM  
**To:** Tecson, Dennis FIN:EX; Kok, Eugene S FIN:EX; Nelson, Katherine M FIN:EX  
**Subject:** FW: Delivery Charges

For your review and advise if all is in order. Please review and give me joint response back. Thanks,

*Satish*  
604-586-3709

---

**From:** Nagelbach, Alexander FIN:EX  
**Sent:** Monday, November 20, 2017 10:07 AM  
**To:** Perhar, Satish FIN:EX  
**Subject:** Delivery Charges

Hi Satish,

Attached is a version of PST 302, Delivery Charges, that corrects errors in the current online version regarding when delivery charges are subject to PST. This version has been approved by Jordan and we intend on having it go live once a remission order for past sales is considered.

Please let me know if you have any concerns with this version.

Thanks,

Alex Nagelbach, CPA, CGA  
Policy and Legislative Analyst  
Policy, Rulings and Services  
Ministry of Finance

Page 186 to/à Page 203

Withheld pursuant to/removed as

s.15;s.21

## Howden, Denise FIN:EX

---

**From:** Tecson, Dennis FIN:EX  
**Sent:** Thursday, March 29, 2018 12:16 PM  
**To:** Chang, Bryan FIN:EX; Tam, Shirley FIN:EX  
**Cc:** Dhanju, Pam FIN:EX; Godin, Jeannette FIN:EX; Nelson, Katherine M FIN:EX; Kok, Eugene S FIN:EX; Perhar, Satish FIN:EX  
**Subject:** FW: Delivery Charge Potential Taxpayer Outreach  
**Attachments:** FW: Delivery Charge Potential Taxpayer Outreach

FYI as similar comments have come up from Jeannette's team. You might get similar comments from yours. Won't be there as I have CTEX Tuesday morning.

---

**From:** Tecson, Dennis FIN:EX  
**Sent:** Thursday, March 29, 2018 11:20 AM  
**To:** Devkar, Sangeeta FIN:EX; Dhanju, Pam FIN:EX  
**Subject:** Fwd: Delivery Charge Potential Taxpayer Outreach

FYI as suggested by some staff in your meeting.

Begin forwarded message:

**From:** "Scott, Bob FIN:EX" <Bob.Scott@gov.bc.ca>  
**Date:** March 29, 2018 at 11:17:58 PDT  
**To:** "Tecson, Dennis FIN:EX" <Dennis.Tecson@gov.bc.ca>  
**Subject:** RE: Delivery Charge Potential Taxpayer Outreach

Great. Thanks Dennis. That is very helpful.

Bob

**From:** Tecson, Dennis FIN:EX  
**Sent:** Thursday, March 29, 2018 10:26 AM  
**To:** Scott, Bob FIN:EX  
**Subject:** FW: Delivery Charge Potential Taxpayer Outreach

Hi Bob,

Further to the note below, I have been on a month end meeting and a couple of suggestions have been raised:

- Message on eTax as a reference to the new bulletin
- Message on blank returns referencing the bulletin/clarification on the application of the tax to delivery charge

---

**From:** Ryan, Gerald FIN:EX  
**Sent:** Thursday, March 29, 2018 8:53 AM  
**To:** Siu, Mary FIN:EX; Nelson, Katherine M FIN:EX; Goudy, Glen FIN:EX; Hayes, Jason FIN:EX; Griffiths, Tracy T FIN:EX; Brown, Curt FIN:EX; Brown, Zorayma FIN:EX; Fullerton, Ken B FIN:EX; Paugh, Barbara FIN:EX

Cc: Kumar, Anjani T FIN:EX

**Subject:** Delivery Charge Potential Taxpayer Outreach

Further to our discussion on this topic during our leadership call, I had a conversation with Bob Scott. Outreach, beyond the bulletin update, has not been contemplated yet, however, he recognizes there may be a need and will be initiating discussions on his end. I let him know we are, as always, prepared to lend a hand.

Stay tuned.

**Jerry Ryan** BBA, CPA, CMA  
Audit Manager  
Ministry of Finance  
Consumer Taxation Audit Branch  
Suite 204 – 117 10<sup>th</sup> Ave S  
Cranbrook, BC V1C 2N1  
Phone: 250-919-3522



## Howden, Denise FIN:EX

---

**From:** Dhanju, Pam FIN:EX  
**Sent:** Thursday, March 22, 2018 9:03 AM  
**To:** Dholakia, Harish FIN:EX; Livingstone, Brenda FIN:EX; Mann, Bobby S FIN:EX; Isaacson, David E FIN:EX; Isaacs, Michael FIN:EX; Dudas, George FIN:EX; Devkar, Sangeeta FIN:EX; Francke, Susan FIN:EX; Odgers, Ronald FIN:EX; Dhaliwal, Aman D FIN:EX; Chiong, Philip FIN:EX; Brock, Kurt FIN:EX; Catambing, Sheila FIN:EX; Marek, Michael FIN:EX; Lee, Juyun FIN:EX; Li, Ling FIN:EX; Randhawa, Lavreet FIN:EX; Lai, Kathleen FIN:EX  
**Subject:** FW: Delivery Charge and Approach on Our Audits  
**Attachments:** FW: Tax Application: Freight Charges

Hi - At the bottom of this email is a link to the much anticipated updated Delivery Charges bulletin.

We will not be pursuing assessments on in-province delivery charges prior to March 31, 2018 where title to the goods passed at seller's premises and delivery charges were incurred beforehand. This approach is also outlined at the end of the delivery charges bulletin under "Latest Revision". Any partials that were on hold can now be closed as appropriate. Taxpayer should be advised of the correct tax application. Any errors made after March 31, 2018 can be assessed.

Please note that we will continue to assess delivery charges prior to March 31, 2018:

- on goods coming from OOP
- cases where it has always been clear that the in-province freight was taxable. (i.e. goods sold FOB purchaser's premises)

Attached for your reference is the prior communication on delivery charges.

If there are questions, please let me know.

Thanks,

**Pam Dhanju**

Tel: (604) 992-7320

---

**From:** Tecson, Dennis FIN:EX  
**Sent:** Tuesday, March 20, 2018 4:32 PM  
**To:** Godin, Jeannette FIN:EX; Chang, Bryan FIN:EX; Dhanju, Pam FIN:EX; Tam, Shirley FIN:EX  
**Cc:** Kok, Eugene S FIN:EX; Nelson, Katherine M FIN:EX; Perhar, Satish FIN:EX  
**Subject:** RE: Delivery Charge and Approach on Our Audits

Yes, and for invoices where FOB is clearly stated as purchasers address, cement, etc. All prior rules apply. If you have anything not clear and / or contentious, escalate as necessary. Thanks.

---

**From:** Godin, Jeannette FIN:EX  
**Sent:** Tuesday, March 20, 2018 4:30 PM  
**To:** Tecson, Dennis FIN:EX; Chang, Bryan FIN:EX; Dhanju, Pam FIN:EX; Tam, Shirley FIN:EX  
**Cc:** Kok, Eugene S FIN:EX; Nelson, Katherine M FIN:EX; Perhar, Satish FIN:EX  
**Subject:** RE: Delivery Charge and Approach on Our Audits

Just confirming that this concession is just for in province delivery charges, we will continue assessing for delivery charges for goods coming in from OOP.

Jeannette

---

**From:** Tecson, Dennis FIN:EX  
**Sent:** Tuesday, March 20, 2018 4:25 PM  
**To:** Chang, Bryan FIN:EX; Dhanju, Pam FIN:EX; Godin, Jeannette FIN:EX; Tam, Shirley FIN:EX  
**Cc:** Kok, Eugene S FIN:EX; Nelson, Katherine M FIN:EX; Perhar, Satish FIN:EX  
**Subject:** Delivery Charge and Approach on Our Audits

Just had a conversation with Bob Scott and he has confirmed the ministry's approach on our outstanding / current audits with respect to delivery charge. We will not be pursuing assessments for non-compliance with delivery charges prior to March 31, 2018. This approach has also been covered in the new bulletin. Taxpayers that we come in contact with should be advised to apply the tax in accordance with the current legislation and updated bulletin. Any non-compliance post March 31, 2018 will be subject to an assessment.

Please advise your team and perhaps reiterate in your month end meeting this month.

*Regards,*

*Dennis Tecson*

*Tel: 604-660-4558 Cell: 778-828-5274*

-----Original Message-----

**From:** [RPDWeb@victoria1.gov.bc.ca](mailto:RPDWeb@victoria1.gov.bc.ca) [<mailto:RPDWeb@victoria1.gov.bc.ca>]  
**Sent:** Tuesday, March 20, 2018 2:33 PM  
**To:** Godin, Jeannette FIN:EX  
**Subject:** Consumer Taxation Branch Information Update

This is notification of a document revision.

Document: What's New in B.C. Sales Taxes

Source: Consumer Taxation Branch

URL: <https://www2.gov.bc.ca/gov/content/taxes/tax-changes/whats-new/sales-taxes>

The following bulletins have been corrected as to when PST applies to delivery charges. Previously, these bulletins incorrectly stated that delivery charges were not subject to PST for goods delivered in BC, where title to the goods passed at the seller's premises. In addition, there are other clarifications in the following bulletins that can be found at the end of the bulletins, in the Latest Revision section.

- Bulletin PST 302, Delivery Charges
- Bulletin PST 109, Printers and Publishers
- Bulletin PST 110, Production Machinery and Equipment Exemption
- Bulletin PST 111, Mining Industry
- Bulletin PST 112, Logging Industry
- Bulletin PST 113, Oil and Gas Industry - Producers and Processors
- Bulletin PST 114, Oil and Gas Industry - Exploration, Discovery and Development
- Bulletin PST 115, Oil and Gas Industry - Service Providers
- Bulletin PST 129, Florists

- Bulletin PST 316, Bundled Sales and Leases

Do not reply to this e-mail. This e-mail account is not monitored.

If you need further information, please call us toll free in Canada at 1 877 388-4440.

To unsubscribe, go to:

[http://www.sbr.gov.bc.ca/applications/SUBS/sys/sysfile.asp?targetPage=subscription\\_list.asp](http://www.sbr.gov.bc.ca/applications/SUBS/sys/sysfile.asp?targetPage=subscription_list.asp)

## Howden, Denise FIN:EX

---

**From:** Kok, Eugene S FIN:EX  
**Sent:** Tuesday, March 20, 2018 3:45 PM  
**To:** Wong, Jeremy C FIN:EX  
**Cc:** Ritchie, John S FIN:EX; Howden, Denise FIN:EX; Hughes, Suzanne M FIN:EX; Kwok, Kingman FIN:EX  
**Subject:** RE: Consumer Taxation Branch Information Update

We will discuss and see what instructions (at this point) need to provide staff with.

Note: Any assessments on the delivery charge will be penalty as in penalty equivalent for tax not collected. So, basically what the revised bulletin indicated is that no PE will be assessed prior to April 1, 2018.

March 2018

This bulletin has been rewritten to correct errors in the bulletin as to when PST applies to delivery charges. The previous version of this bulletin incorrectly stated that delivery charges were not subject to PST for goods delivered in BC, where title to the goods passed at the seller's premises. If you did not charge PST on delivery charges, as in the above scenario, on or before March 31, 2018, you will not be subject to a penalty. For more information, see Regulation 48/2018.

-----Original Message-----

From: Wong, Jeremy C FIN:EX  
Sent: Tuesday, March 20, 2018 2:59 PM  
To: Kok, Eugene S FIN:EX; Ritchie, John S FIN:EX; Howden, Denise FIN:EX; Hughes, Suzanne M FIN:EX; Kwok, Kingman FIN:EX  
Subject: RE: Consumer Taxation Branch Information Update

So, we don't assess penalty for transactions happened on or before March 31, 2018. Correct me if I am wrong, we still assess the tax on the delivery charges happened on or before March 31, 2018 without penalty if section 203 is not a problem?

-----Original Message-----

From: Kok, Eugene S FIN:EX  
Sent: Tuesday, March 20, 2018 2:53 PM  
To: Ritchie, John S FIN:EX; Howden, Denise FIN:EX; Hughes, Suzanne M FIN:EX; Kwok, Kingman FIN:EX; Wong, Jeremy C FIN:EX  
Subject: FW: Consumer Taxation Branch Information Update

FYI - in case you have not subscribed to the update.

-----Original Message-----

From: [RPDWeb@victoria1.gov.bc.ca](mailto:RPDWeb@victoria1.gov.bc.ca) [mailto:[RPDWeb@victoria1.gov.bc.ca](mailto:RPDWeb@victoria1.gov.bc.ca)]  
Sent: Tuesday, March 20, 2018 2:34 PM  
To: Kok, Eugene S FIN:EX  
Subject: Consumer Taxation Branch Information Update

This is notification of a document revision.

Document: What's New in B.C. Sales Taxes

Source: Consumer Taxation Branch

URL: <https://www2.gov.bc.ca/gov/content/taxes/tax-changes/whats-new/sales-taxes>

The following bulletins have been corrected as to when PST applies to delivery charges. Previously, these bulletins incorrectly stated that delivery charges were not subject to PST for goods delivered in BC, where title to the goods passed at the seller's premises. In addition, there are other clarifications in the following bulletins that can be found at the end of the bulletins, in the Latest Revision section.

- Bulletin PST 302, Delivery Charges
- Bulletin PST 109, Printers and Publishers
- Bulletin PST 110, Production Machinery and Equipment Exemption
- Bulletin PST 111, Mining Industry
- Bulletin PST 112, Logging Industry
- Bulletin PST 113, Oil and Gas Industry - Producers and Processors
- Bulletin PST 114, Oil and Gas Industry - Exploration, Discovery and Development
- Bulletin PST 115, Oil and Gas Industry - Service Providers
- Bulletin PST 129, Florists
- Bulletin PST 316, Bundled Sales and Leases

Do not reply to this e-mail. This e-mail account is not monitored.

If you need further information, please call us toll free in Canada at 1 877 388-4440.

To unsubscribe, go to:

[http://www.sbr.gov.bc.ca/applications/SUBS/sys/sysfile.asp?targetPage=subscription\\_list.asp](http://www.sbr.gov.bc.ca/applications/SUBS/sys/sysfile.asp?targetPage=subscription_list.asp)

## Godin, Jeannette FIN:EX

---

**From:** Siu, Mary FIN:EX  
**Sent:** Tuesday, March 20, 2018 2:52 PM  
**To:** Godin, Jeannette FIN:EX; Chang, Bryan FIN:EX; Dhanju, Pam FIN:EX; Howden, Denise FIN:EX; Hughes, Suzanne M FIN:EX; Kumar, Anjani T FIN:EX; Kwok, Kingman FIN:EX; Ritchie, John S FIN:EX; Ryan, Gerald FIN:EX; Tam, Shirley FIN:EX; Turpin, David FIN:EX  
**Subject:** RE: Delivery bulletin is out - Consumer Taxation Branch Information Update

I just asked Kathy for the instructions. She said she will check into it.

Thanks,  
Mary Siu, CPA, CGA  
Audit Manager

-----Original Message-----

**From:** Godin, Jeannette FIN:EX  
**Sent:** Tuesday, March 20, 2018 2:36 PM  
**To:** Chang, Bryan FIN:EX; Dhanju, Pam FIN:EX; Howden, Denise FIN:EX; Hughes, Suzanne M FIN:EX; Kumar, Anjani T FIN:EX; Kwok, Kingman FIN:EX; Ritchie, John S FIN:EX; Ryan, Gerald FIN:EX; Siu, Mary FIN:EX; Tam, Shirley FIN:EX; Turpin, David FIN:EX  
**Subject:** FW: Delivery bulletin is out - Consumer Taxation Branch Information Update

Forwarding in case you don't receive the automatic notifications.

Jeannette

-----Original Message-----

**From:** RPDWeb@victoria1.gov.bc.ca [mailto:RPDWeb@victoria1.gov.bc.ca]  
**Sent:** Tuesday, March 20, 2018 2:33 PM  
**To:** Godin, Jeannette FIN:EX  
**Subject:** Consumer Taxation Branch Information Update

This is notification of a document revision.

**Document:** What's New in B.C. Sales Taxes  
**Source:** Consumer Taxation Branch  
**URL:** <https://www2.gov.bc.ca/gov/content/taxes/tax-changes/whats-new/sales-taxes>

The following bulletins have been corrected as to when PST applies to delivery charges. Previously, these bulletins incorrectly stated that delivery charges were not subject to PST for goods delivered in BC, where title to the goods passed at the seller's premises. In addition, there are other clarifications in the following bulletins that can be found at the end of the bulletins, in the Latest Revision section.

- Bulletin PST 302, Delivery Charges
- Bulletin PST 109, Printers and Publishers

- Bulletin PST 110, Production Machinery and Equipment Exemption
- Bulletin PST 111, Mining Industry
- Bulletin PST 112, Logging Industry
- Bulletin PST 113, Oil and Gas Industry - Producers and Processors
- Bulletin PST 114, Oil and Gas Industry - Exploration, Discovery and Development
- Bulletin PST 115, Oil and Gas Industry - Service Providers
- Bulletin PST 129, Florists
- Bulletin PST 316, Bundled Sales and Leases

Do not reply to this e-mail. This e-mail account is not monitored.

If you need further information, please call us toll free in Canada at 1 877 388-4440.

To unsubscribe, go to:

[http://www.sbr.gov.bc.ca/applications/SUBS/sys/sysfile.asp?targetPage=subscription\\_list.asp](http://www.sbr.gov.bc.ca/applications/SUBS/sys/sysfile.asp?targetPage=subscription_list.asp)

## Godin, Jeannette FIN:EX

---

**From:** Godin, Jeannette FIN:EX  
**Sent:** Tuesday, March 20, 2018 4:45 PM  
**To:** Bawa, Brinder FIN:EX; Cheng, Anthony FIN:EX; Clarotto, Daniela FIN:EX; Hou, Sandy FIN:EX; Robson, Dian FIN:EX; Zhong, James (Xiaokang) FIN:EX; Zhu, Gloria FIN:EX; Dai, Min FIN:EX; Daredia, Mohamud FIN:EX; Gibbons, Susan M FIN:EX; Jamal, Raffique FIN:EX; Lowe, Betty FIN:EX; Pagtakhan, Maria FIN:EX; Beres, Ilona FIN:EX; Desrochers, Blanca FIN:EX; Hikita, Helen FIN:EX; Lazar, Daniela N FIN:EX; Reid, Janice FIN:EX; Wan, Jean FIN:EX  
**Subject:** FW: Delivery Charges - What to assess and when

Hi everyone,

The bulletin states we will not be pursuing assessments prior to March 31, 2018. This concession only applies to the delivery charges which were not previously taxed. If you were holding off processing the sales portion of an audit because of this issue, you can now proceed with closing your audit.

We will still assess delivery charges for the period prior to March 31, 2018 in cases where the invoices had FOB clearly stated as the purchaser's address, cement deliveries, etc., as well as delivery charges from out of province. These were already being assessed under the prior interpretation and all prior rules still apply.

If you have a situation where you are not clear on how to proceed, please discuss with your supervisor or me.

Thanks,

Jeannette

-----Original Message-----

**From:** Godin, Jeannette FIN:EX  
**Sent:** Tuesday, March 20, 2018 2:36 PM  
**To:** Bawa, Brinder FIN:EX; Cheng, Anthony FIN:EX; Clarotto, Daniela FIN:EX; Hou, Sandy FIN:EX; Robson, Dian FIN:EX; Zhong, James (Xiaokang) FIN:EX; Zhu, Gloria FIN:EX; Dai, Min FIN:EX; Daredia, Mohamud FIN:EX; Gibbons, Susan M FIN:EX; Jamal, Raffique FIN:EX; Lowe, Betty FIN:EX; Pagtakhan, Maria FIN:EX; Beres, Ilona FIN:EX; Desrochers, Blanca FIN:EX; Hikita, Helen FIN:EX; Lazar, Daniela N FIN:EX; Reid, Janice FIN:EX; Wan, Jean FIN:EX  
**Subject:** FW: Delivery Charges Bulletins - Consumer Taxation Branch Information Update

Forwarding in case anyone didn't register for automatic notification of bulletin revisions.

Jeannette

-----Original Message-----

**From:** RPDWeb@victoria1.gov.bc.ca [<mailto:RPDWeb@victoria1.gov.bc.ca>]  
**Sent:** Tuesday, March 20, 2018 2:33 PM  
**To:** Godin, Jeannette FIN:EX  
**Subject:** Consumer Taxation Branch Information Update

This is notification of a document revision.



Document: What's New in B.C. Sales Taxes

Source: Consumer Taxation Branch

URL: <https://www2.gov.bc.ca/gov/content/taxes/tax-changes/whats-new/sales-taxes>

The following bulletins have been corrected as to when PST applies to delivery charges. Previously, these bulletins incorrectly stated that delivery charges were not subject to PST for goods delivered in BC, where title to the goods passed at the seller's premises. In addition, there are other clarifications in the following bulletins that can be found at the end of the bulletins, in the Latest Revision section.

- Bulletin PST 302, Delivery Charges
- Bulletin PST 109, Printers and Publishers
- Bulletin PST 110, Production Machinery and Equipment Exemption
- Bulletin PST 111, Mining Industry
- Bulletin PST 112, Logging Industry
- Bulletin PST 113, Oil and Gas Industry - Producers and Processors
- Bulletin PST 114, Oil and Gas Industry - Exploration, Discovery and Development
- Bulletin PST 115, Oil and Gas Industry - Service Providers
- Bulletin PST 129, Florists
- Bulletin PST 316, Bundled Sales and Leases

Do not reply to this e-mail. This e-mail account is not monitored.

If you need further information, please call us toll free in Canada at 1 877 388-4440.

To unsubscribe, go to:

[http://www.sbr.gov.bc.ca/applications/SUBS/sys/sysfile.asp?targetPage=subscription\\_list.asp](http://www.sbr.gov.bc.ca/applications/SUBS/sys/sysfile.asp?targetPage=subscription_list.asp)

## Godin, Jeannette FIN:EX

---

**From:** Godin, Jeannette FIN:EX  
**Sent:** Thursday, March 22, 2018 3:56 PM  
**To:** Turpin, David FIN:EX  
**Subject:** RE: Manager's Meeting Minutes and Month-end Team Meeting Agenda

Will do.

Jeannette

---

**From:** Turpin, David FIN:EX  
**Sent:** Thursday, March 22, 2018 3:10 PM  
**To:** Siu, Mary FIN:EX; Godin, Jeannette FIN:EX  
**Cc:** FIN REV CTAB Managers  
**Subject:** RE: Manager's Meeting Minutes and Month-end Team Meeting Agenda

Hi Jeannette,

As you have discussed this with Dennis, could you add an item to the team meeting agenda for it?

---

**From:** Siu, Mary FIN:EX  
**Sent:** March-22-18 3:04 PM  
**To:** Godin, Jeannette FIN:EX; Turpin, David FIN:EX  
**Cc:** FIN REV CTAB Managers  
**Subject:** RE: Manager's Meeting Minutes and Month-end Team Meeting Agenda

Thank Jeanette.

It would be great if it can be put into the ME agenda.

*Thanks,  
Mary Siu, CPA, CGA  
Audit Manager*

---

**From:** Godin, Jeannette FIN:EX  
**Sent:** Thursday, March 22, 2018 3:01 PM  
**To:** Siu, Mary FIN:EX; Turpin, David FIN:EX  
**Cc:** FIN REV CTAB Managers  
**Subject:** RE: Manager's Meeting Minutes and Month-end Team Meeting Agenda

Hi,

Here is what I sent to my team on this topic. The second paragraph was cleared with Dennis.

The bulletin states we will not be pursuing assessments prior to March 31, 2018. This concession only applies to the delivery charges which were not previously taxed. If you were holding off processing the sales portion of an audit because of this issue, you can now proceed with closing your audit.

We will still assess delivery charges for the period prior to March 31, 2018 in cases where the invoices had FOB clearly stated as the purchaser's address, cement deliveries, etc., as well as delivery charges from out of province. These were already being assessed under the prior interpretation and all prior rules still apply.

If you have a situation where you are not clear on how to proceed, please discuss with your supervisor or me.

Jeannette

---

**From:** Siu, Mary FIN:EX  
**Sent:** Thursday, March 22, 2018 2:52 PM  
**To:** Turpin, David FIN:EX  
**Cc:** FIN REV CTAB Managers  
**Subject:** RE: Manager's Meeting Minutes and Month-end Team Meeting Agenda

Now that the Bulletin 302 (delivery charge) is published. Should we add the next steps instructions to the ME agenda? Not sure if you received any instructions from the directors on this?

*Thanks,  
Mary Siu, CPA, CGA  
Audit Manager*

---

**From:** Turpin, David FIN:EX  
**Sent:** Wednesday, March 21, 2018 12:54 PM  
**To:** FIN REV CTAB Managers  
**Subject:** Manager's Meeting Minutes and Month-end Team Meeting Agenda

Hi Everyone,

Here are links to the draft manager's meeting minutes and month-end team meeting agenda. Add any revisions / additions with changes tracked. Please make any changes by the end of day Friday March 23<sup>rd</sup>.

Denise, can you update the YTD audit stats on the team agenda. John, can you add information about Mentors and Masters to the team agenda under item 5.

Manager's Meeting Minutes

Month-end Team Meeting Agenda

Thank you,

David

David Turpin, CPA, CGA  
Audit Project Manager, Consumer Taxation Audit Branch  
Revenue Division, Ministry of Finance  
Government of British Columbia  
8th Floor – 900 Howe Street Vancouver, BC V6Z 2N3

Email: [David.Turpin@gov.bc.ca](mailto:David.Turpin@gov.bc.ca)

Telephone: (778) 828-5162 Fax: (604) 660-4784

Website: [www.gov.bc.ca/pst](http://www.gov.bc.ca/pst)

## **CONSUMER TAXATION AUDIT BRANCH**

### **TEAM MEETING AGENDA – March 2018**

**Boardroom 803 Grouse, 10:30 AM to Noon**

#### **Attendees:**

Brinder Bawa, Ilona Beres, Anthony Cheng, Daniela Clarotto, Min Dai, Blanca Desrochers, Jeannette Godin, Helen Hikita, Sandy Hou, Kevin Lai, Norman Lee, Daniela Lazar, Betty Lowe, Maria Pagtakhan, Dian Robson, Dennis Tecson, James Zhong, Gloria Zhu

Absent: Mohamud Daredia, Susan Gibbons, Raffique Jamal, Janice Reid

#### **1. Team News**

s.22

#### **2. WorkSafe BC Form 7 (Employer) and Form 6 (Employee)**

Employees are responsible to let their supervisor know immediately (or as soon as possible) when they have suffered an injury at work. Employees are also responsible to complete and submit WorkSafe BC Form 6 directly to WorkSafe BC.

The supervisor is responsible to complete and submit WorkSafe BC Form 7 to the Ministry of Finance's Manager of Occupational Health and Safety who will forward the form to WorkSafe BC.

WorkSafe BC forms may be found here:

[https://www2.gov.bc.ca/assets/gov/careers/managers-supervisors/managing-leaves-absences/workers\\_report\\_injury\\_occupational\\_disease\\_employer\\_form\\_6a.pdf](https://www2.gov.bc.ca/assets/gov/careers/managers-supervisors/managing-leaves-absences/workers_report_injury_occupational_disease_employer_form_6a.pdf)

[https://www2.gov.bc.ca/assets/gov/careers/managers-supervisors/managing-occupational-health-safety/worksafebc\\_form7\\_procedure.docx](https://www2.gov.bc.ca/assets/gov/careers/managers-supervisors/managing-occupational-health-safety/worksafebc_form7_procedure.docx)

### **3. Recruitment of First Aid attendants for Surrey and Vancouver offices**

Both Surrey and Vancouver OHS Committees are recruiting for Level II First Aid Attendants:

#### **Details of Level 2 are as follows:**

- Five days training and one day for the exam, paid by the employer.
- Three year certification. Once certified, it's expected that you remain as an attendant for the three years.
- Upon certification, you receive a bi-weekly stipend, (current allowance is \$44 per biweekly pay period per collective agreement). See *22.6 Occupational First Aid Requirements and Courses* of the collective agreement.

In this capacity, you would need to coordinate your schedule with the other first aid attendants for your location to ensure that at least one first aid attendant is in the office on the days where there are more than 50 persons physically in the office.

Please consider taking on this important role in supporting the health and well-being of your colleagues. As you can see, there are not that many numbers of days in a year where there will be more than 50 staff physically present in the office. These days are usually planned well ahead (learning days, month end, talk Tuesdays....etc.)

If interested, please see your team leader or manager.

### **4. Mentors and Masters**

Anyone who wishes to be mentored for auditing a specific Industry, please contact John Ritchie directly. One of our Committee members and John will assist you to be paired with a Mentor who has significant audit experience on the industry you are seeking mentorship.

Kevin advised that individuals are also able to volunteer to be a mentor, for which they would get PD points.

### **5. Rulings Presentations**

- Gloria: Rock bolts used in an underground mine
- Daniela C: Raw materials used in sand moulds

The rulings can be temporarily found at the following location:

M:\CTAB File Transfer Area\GODIN, Jeannette\March 2018 Rulings.docx

There was discussion surrounding the determination that rock bolts qualified as safety equipment whereas PST bulletin 111 classifies timber poles used as supports in the mine shaft as taxable.

In addition, auditors questioned why some current rulings refer to the TIM under the SSTA and administrative policies under that Act when auditors don't have access to this reference material. Jeannette will follow up with Rulings on these matters.

## **6. New Implementation of TRIM Ruling Database and Ruling Request Process**

Ruling Section has implemented a couple of new procedures/improvement enhancement as of March 20, 2018. The following two are of interest to CTAB's ruling requestor and TRIM Database users:

- a. Introduction of a notification system to first acknowledging that a ruling request has been received and the turnaround time is expected to be 20 business days. Subsequently, if a ruling is going to take longer than 20 business days another notification in the form of an email will be sent to the ruling requestor. So, CTAB managers (or TL requesting with manager's delegation) will get the notice directly from the CTB inbox. These notifications are intended to help with the communication and accountability. Ruling requestor (manager or delegated TL) can reply directly to the email if they have further questions/concerns once they get these notifications.
- b. Secondly, the introduction of a keyword component search to rulings (keywords include section references, TACS System ID number (formerly known as TIN), and industry name.) TRIM Ruling Database users will start to see these as the new templates go into use. This is to improve search efficiency for the TRIM Ruling Database users.

## **7. Taxpayer Requests to Record Meetings - Reminder**

If a taxpayer requests to record a meeting, the auditor should decline and offer to follow up the discussion with an email or letter. If the taxpayer persists, the meeting should be ended.

Auditors mentioned that some of the big companies concerned with security, for example the big Oil and Gas companies in Calgary, require the auditors to supply their id which the companies photocopy for their files. Jeannette will follow up on this matter.

Some auditors asked whether it would be possible to get new photo ids since theirs are getting quite worn. In some cases, they also would like new photos, especially for those people who did not get to go to CRA. Jeannette will also look into this matter.

#### **8. Keeping Email Size Small**

Please use the shared drive to distribute large documents and place a link to the documents in emails. This saves duplicating the file multiple times when it is attached and sent to multiple addressees.

#### **9. Staff Interested in Transferring to a Regional Office in BC or Mississauga**

If anyone is interest in transferring to a regional office in BC or Mississauga, they should submit their expression of interest to their manager. Note that for such transfers, the Ministry does not pay the moving expenses.

#### **10. Timing of OOP/OOR Trips and File Releases - Survey**

It was noted that 20% of CTAB's OOP travel in 2017-2018 took place in March 2018. Although this was not the case for our team, auditors are reminded to plan their trips so travel occurs earlier in the fiscal year.

For files already on hand, we should already have travel dates arranged.

**Survey:** OOP files are usually released twice a year, except for urgent files. In order to ensure files are released in sufficient time for auditors to plan for their preferred travel times, auditors are requested to indicate what their twice-yearly preferred file release time would be. For example, what would be a suitable file release time for travel from April to June and for travel from September to March?

Auditors agreed that distribution of files 3 months ahead of the start of the trip period would be appropriate, i.e. December-January for April to June trips and May-June for September to March trips.

Fall trips: I will request expressions of interest once the file locations become available, hopefully in April.

#### **11. Please request Calgary accommodation bookings sooner rather than later**

Auditors are reminded to book accommodation in Calgary, sooner than later, if at all possible.



Contact Derise Siemens at Helms Briscoe Tel: 403-454-1544  
[DSiemens@helmsbriscoe.com](mailto:DSiemens@helmsbriscoe.com)

## **12. RAP Assignments for 2018 – 2022**

s.15,s.21

Participation in RAP files as a resource will help fulfill a new goal being introduced for 2018-2019, team audits. This goal came about as a result of the Strategic Planning meetings in 2017.

## **13. TACS – Linking Franchisee Group to Franchisor**

When auditing a franchisor, individual franchisees should be linked to the franchisor in TACS. If the franchisor is part of a RAP group, the franchisees are not part of the RAP, and should not have a RAP indicator set.

## **14. Auditing Limited Partnerships**

Under certain conditions, an assessment may be issued to a limited partnership instead of a general partner. If you are auditing a limited partnership which is registered under the partnership's name instead of the general partner's name, please ensure you obtain

the general partner's agreement in writing for the NOFA to be issued to the partnership. The agreement should also be documented in the audit working papers.

If the general partner doesn't agree to the NOFA being issued to the partnership, the general partner will need to be registered prior to the audit being completed.

Please check with your supervisor if you do not have a copy of the 2015 policy statement titled "Summary Document – Purchaser Policy in the Context of Partnerships". While the document has "Purchaser" in the title, page 2 clarifies that this policy also applies to audit assessments.

## **15. Delivery Charges**

The new Delivery bulletin states we will not be pursuing assessments prior to March 31, 2018. This concession only applies to the delivery charges which were not previously taxed. If you were holding off processing the sales portion of an audit because of this issue, you can now proceed with closing your audit.

We will still assess delivery charges for the period prior to March 31, 2018 in cases where the invoices had FOB clearly stated as the purchaser's address, cement deliveries, etc., as well as delivery charges from out of province. These were already being assessed under the prior interpretation and all prior rules still apply.

If you have a situation where you are not clear on how to proceed, please discuss with your supervisor.

Regarding whether there will be further notification to taxpayers about the new interpretation:

Dennis mentioned that this question also arose out of Pam's meeting and he has contacted Bob Scott regarding an Outreach, to which CTAB would be willing to participate. Some suggestions from Pam's team members were:

- Message on eTax with a reference to the new bulletin
- Message on blank returns referencing the bulletin/clarification on the application of the tax to delivery charges.

If an auditor have a file(s) for which they advised the taxpayer since last summer that this matter was under review, the auditor should contact the taxpayer at this time to advise of the resolution and provide a link to the bulletin.

### **17. Audits Completed YTD**

The number of audits completed to March 23, 2018 is 2405 with a total recovery of \$149.2M. Audits completed for the period last year was 2122 with a total recovery of \$111.2M.

For our team, we completed 216 audits as of March 27, with a total recovery of \$22.1M. Last year, we completed 204 audits with recovery of \$8.67M.

Thank you for your contribution to the branch's success.

### **18. Ethics and Integrity**

Reference: March 28 emails

- Don Wright, Deputy Minister to the Premier, Cabinet Secretary and Head of the BC Public Service:
  - Standards of Conduct updates to:
    - Conflict of Interest
    - Roles and Responsibilities

- Lori Wanamaker, Deputy Minister of Finance:
  - Ministry Ethics Advisor: Heather Wood

Don Wrights' email has links to the revised Standards of Conduct on MyHR. Please review them to ensure your knowledge and understanding of the standards is current, including the two important new guidelines related to conflict of interest that are now appendices to the standards.

## **19. BCGEU Telephone Townhall re Pension Changes**

Refer to today's FIN5 email for details.

## 20. Roundtable

- Thanks were extended to the following:  
s.22



- Flexible Work Agreements: the Telework agreements signed last year expire on March 31. Dennis agreed to follow up with Satish as to new agreements.
  - Update: New agreements are to be discussed as part of the MyPerformance discussion, signed by the individual, sent to Jeannette for signature in Word format, and for forwarding to Satish for her signature. In box 4, only April 1, 2018 is entered as the start date, with no end date. This will eliminate the need for new agreements having to be signed every year if all is going well with the arrangements.
- It was suggested that it would be beneficial for a meeting to be organized between team members, new TL's, and Jeannette to discuss expectations so that everyone is on the same footing. Jeannette agreed to arrange these meetings for those who are interested.

**Happy Easter and Enjoy the Long Weekend!**

## Godin, Jeannette FIN:EX

---

**From:** Godin, Jeannette FIN:EX  
**Sent:** Thursday, March 29, 2018 6:21 PM  
**To:** Lee, Norman FIN:EX; Lai, Kevin FIN:EX; Bawa, Brinder FIN:EX; Cheng, Anthony FIN:EX; Clarotto, Daniela FIN:EX; Hou, Sandy FIN:EX; Robson, Dian FIN:EX; Zhong, James (Xiaokang) FIN:EX; Zhu, Gloria FIN:EX; Dai, Min FIN:EX; Daredia, Mohamud FIN:EX; Gibbons, Susan M FIN:EX; Jamal, Raffique FIN:EX; Lowe, Betty FIN:EX; Pagtakhan, Maria FIN:EX; Beres, Ilona FIN:EX; Desrochers, Blanca FIN:EX; Hikita, Helen FIN:EX; Lazar, Daniela N FIN:EX; Reid, Janice FIN:EX; Wan, Jean FIN:EX  
**Subject:** Team Meeting Minutes - March 29, 2018  
**Attachments:** Team Meeting Minutes March 2018.docx

Hi everyone,

Attached are the minutes for today's meetings, with tracked changes from agenda items. Please let me know of any concern.

Regards,

Jeannette Godin  
Audit Manager  
Consumer Taxation Audit Branch, Ministry of Finance  
800-900 Howe St., Vancouver BC V6Z 2M4  
Mobile Telephone: 778-879-6749