

Hilco Industrial Acquisitions Canada ULC

Canada GST and British Columbia PST Rules Summary

Tara Precision
6691 Mirah Rd.
Saanichton, BC V8M 1Z4 Canada
Sale type: Online

Asset Type: Precision Architectural Metal Fabricator, CNC press brake, pin setter press, precision tooling & measuring, steel inventory, warehouse equipment

Combined Tax Rate – 12%

Sales at this auction are subject to the 5% Canada GST and 7% British Columbia Provincial Sales Tax (PST)

Provincial Sales Tax (PST) Rules:

Provincial sales tax (PST) is a retail sales tax that applies when a taxable good or service is purchased, acquired or brought into B.C., unless a specific exemption applies.

The PST generally applies to:

- the purchase or lease of new and used goods in B.C.
- goods brought, sent or delivered into B.C. for use in B.C.
- the purchase of:
 - software
 - services to goods such as vehicle maintenance, furniture assembly, computer repair
 - accommodation
 - legal services
 - telecommunication services, including Internet services and certain digital and electronic media content such as music and movies
- gifts of vehicles, boats and aircraft

EXEMPTIONS:

Production Machinery and Equipment:

Qualifying machinery or equipment used in:

- exploration for, discovery of or development of petroleum or natural gas
- exploration for minerals or development of mines
- extraction or processing of minerals
- extraction or processing of petroleum or natural gas
- geophysical surveying
- local government power generation
- logging
- manufacturing
- pollution control
- providing manufacturing services to manufacturers
- software development
- transmission or distribution of goods or software
- waste management
- Qualifying electrical machinery or equipment

- Qualifying vehicle-mounted machinery and equipment
- Qualifying parts and materials obtained for qualifying machinery or equipment
- Related services and goods for use in providing services to qualifying machinery or equipment
- Software used in certain situations with qualifying machinery and equipment

Certificate of Exemption – Production Machinery and Equipment (FIN 492).

http://www.sbr.gov.bc.ca/documents_library/forms/0492FILL.pdf

Resale Exemption: Goods purchased for resale are exempt. To claim the exemption, a PST number must be provided. If the reseller does not have a PST number, a completed Certificate of Exemption – General (FIN 490) must be provided at the time of sale. This form is available at:

http://www.sbr.gov.bc.ca/documents_library/forms/0490FILL.pdf

PST numbers may be subject to verification at: [https://www.etax.gov.bc.ca/btp/eservicesReg/ /](https://www.etax.gov.bc.ca/btp/eservicesReg/)

GST Rules:

Export:

If claiming the Export Exemption, the following documents must be submitted, in order to obtain a refund for GST paid.

- Buyer Release form, showing Common Carrier taking first possession of assets;
- Bill of Lading(s), showing assigned Common Carrier's departure and destination; and
- Customs documents showing port of exit / entry.

Zero-rated purchases:

A supply is zero-rated if all of the following apply:

- A supply of tangible personal property (other than an excisable good) made by a person to a recipient (other than a consumer) who intends to export the property where,
- the recipient exports the property as soon after the property is delivered by the person to the recipient as is reasonable having regard to the circumstances surrounding the exportation and, where applicable, to the normal business practice of the recipient;
- the property is not acquired by the recipient for consumption, use or supply in Canada before the exportation of the property by the recipient;
- after the supply is made and before the recipient exports the property, the property is not further processed, transformed or altered in Canada except to the extent reasonably necessary or incidental to its transportation; and;
- the person maintains evidence satisfactory to the Minister