



Provincial Sales Tax (PST) Bulletin

Bulletin PST 001

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Registering to Collect PST

Provincial Sales Tax Act

Latest Revision: The revision bar (|) identifies changes to the previous version of this bulletin dated August 2021. For a summary of the changes, see Latest Revision at the end of this document.

This bulletin explains how to register and who must register to collect and remit PST.

Table of Contents

Overview	1
Businesses Required to Register	2
Additional Businesses Required to Register Effective April 1, 2021	7
Obligations of Businesses Required to Register	9
Businesses Not Required to Register	9
Designation Agreements for Principals and Agents.....	11
Location of Your Business	12
Registration.....	13

Overview

Generally, you must register to collect and remit PST if you are located in B.C. and you:

- sell or lease taxable goods in B.C.,
- sell accommodation in B.C., or
- provide legal services, online marketplace services, related services (services to taxable goods or to install taxable goods), software or telecommunication services in B.C.

Some businesses located outside B.C. are also required to register.

Businesses Required to Register

Businesses Located in B.C.

You must register to collect and remit PST if you do any of the following in the ordinary course of your business in B.C.:

- Sell taxable goods in B.C., for example:
 - alcoholic beverages / liquor (see Liquor and Cannabis Sellers below)
 - boats
 - building materials
 - cannabis products (see [Bulletin PST 141](#), Cannabis)
 - general merchandise, such as flowers, clothing, cosmetics, appliances or souvenirs
 - household or office furniture
 - motor vehicles, automotive parts and supplies
 - soda beverages (effective April 1, 2021 - see [Notice 2021-002](#), Notice to Sellers of Soda Beverages)
 - tobacco (effective July 1, 2022 - see [Notice 2022-004](#), Notice to Tobacco Sellers)
 - vapour products (including parts and accessories)
- Lease taxable goods in B.C. (including entering into lease agreements in B.C. or delivering goods to a lessee in B.C.), for example:
 - aircraft
 - artwork
 - motor vehicles
 - tools and equipment
- Provide related services in B.C., for example:
 - application of protective treatments to taxable goods, such as fabric protection, rust proofing or painting
 - repair or maintenance of taxable goods, such as automobiles, knives, watches, TVs, stereos, office equipment or computers
 - restoration or assembly of taxable goods, such as furniture
 - set up, installation or dismantling of taxable goods, such as temporary display counters, shelves or booths at trade fairs and conventions

- Provide legal services in B.C.
- Provide online marketplace services in B.C. (including listing sales of goods, software or taxable service, advertising or promoting, customer service, storage, fulfilling orders or bookings)
- Provide telecommunication services in B.C. (including internet access, non-basic cable, non-residential telephone services, mobile phone services, satellite services, fax services, streaming services, and digital and electronic media content, such as music and movies)
- Provide software in B.C.
- Act as a liquidator, receiver, receiver-manager or trustee and dispose of assets as part of your business

If you meet the above criteria, you are prohibited from making retail sales and leasing goods in B.C. unless you have a valid PST number.

Note: You are not required to register if you qualify as a small seller (see Small Sellers below).

Marketplace Facilitators and Marketplace Sellers

A **marketplace facilitator** is a person who:

- operates, owns or controls (solely or jointly) an online marketplace,
- through the online marketplace, facilitates a marketplace seller's retail sale or lease of goods, sale of software or sale of related services, accommodation, telecommunication services or online marketplace services, and
- collects payment in respect of that retail sale or lease.

Generally, if you are a **marketplace facilitator** located in or outside B.C., you must register to collect and remit PST on the sales and leases you facilitate in B.C., and on the online marketplace services you sell or provide in B.C.

If you are a **marketplace seller**, you are not required to register to collect and remit PST if you make sales only through a marketplace facilitator who is registered to collect and remit PST. In this case, the marketplace facilitator is responsible for collecting and remitting PST on your taxable sales. However, you may be required to register to collect and remit PST if you make taxable sales outside the online marketplace (e.g. through your own website or physical business location in B.C.).

For more information, see [Bulletin PST 142](#), Marketplace Facilitators, Marketplace Sellers and Online Marketplace Services.

Accommodation Providers

You must register to collect and remit PST if you sell accommodation in B.C., unless you:

- sell only exempt accommodation, or
- only sell your accommodation through an online marketplace facilitator.

For details, see [Bulletin PST 120](#), Accommodation.

Real Property Contractors

The requirement to register to collect and remit PST depends on the type of contract you have with your customer.

You are not required to register to collect and remit PST if you only enter into contracts to supply and affix, or install, goods that become part of real property. This is because you must pay PST on all goods you obtain to fulfil these contracts, unless an exemption applies.

However, you must register to collect and remit PST if:

- the goods you install do not become part of real property,
- the goods you install become part of real property, you have an agreement that states your customer agrees to pay the PST on the goods and that agreement meets certain conditions, or
- you sell goods that you do not install.

For more information, see [Bulletin PST 501](#), Real Property Contractors.

Direct Sellers and Independent Sales Contractors

You are a **direct seller** if you:

- do not regularly make retail sales of exclusive products in B.C. from an established commercial premises (e.g. a retail store), and
- sell exclusive products primarily to independent sales contractors (ISCs).

Exclusive products are those products that you acquire, manufacture or produce and that are primarily offered to purchasers at a retail sale by your ISCs. An exclusive product cannot be liquor, a vehicle, a boat, an aircraft, a manufactured building or a vapour product.

You are an **ISC** if you:

- purchase exclusive products from a direct seller or another ISC of the direct seller for resale or for your own personal use,
- are not an employee or agent of the direct seller, and
- sell or offer to sell the exclusive products only
 - temporarily at an established business premises, or
 - at your private residence or other non-business premises.

Direct sellers must register to collect and remit PST on sales of taxable exclusive products.

Direct sellers located outside B.C. but within Canada must be registered at the time they cause delivery of exclusive products into B.C. Those sales may be to ISCs or directly to purchasers. Direct sellers who only sell exclusive products that are exempt from PST are not required to register.

ISCs who only sell exclusive products must not register to collect PST. However, they must pay PST on their purchases of exclusive products when purchasing those products for resale from a direct seller or another ISC.

For more information, see [Bulletin PST 004](#), Direct Sellers and Independent Sales Contractors.

Businesses Located Outside B.C.

Note: Additional registration requirements for businesses located outside B.C. are in effect April 1, 2021. For more information, see **Additional Businesses Required to Register Effective April 1, 2021** below.

Businesses Located Outside B.C. but Within Canada

You must register to collect and remit PST if you are located outside B.C. (see Location of Your Business below) but within Canada and do **all** of the following in the ordinary course of your business:

- Sell taxable goods to customers in B.C.
- Accept orders from customers located in B.C. (including by telephone, mail, email or Internet) to purchase goods
- Deliver the goods you sell to your B.C. customers to locations in B.C. (this includes goods you deliver through a third party, such as a courier)
- Solicit persons in B.C. (through advertising or other means, including mail, email, fax, newspaper or the Internet) for orders to purchase goods

You must also register to collect and remit PST if you are located outside B.C. (see Location of Your Business below) but within Canada and do **all** of the following in the ordinary course of your business:

- Sell or provide taxable software for use on or with an electronic device ordinarily situated in B.C. or sell or provide taxable telecommunication services to customers in B.C.
- Accept orders from customers located in B.C. (including by telephone, mail, email or Internet) to purchase software for use on or with an electronic device ordinarily situated in B.C. or telecommunication services
- Solicit persons in B.C. (through advertising or other means, including mail, email, fax, newspaper or the Internet) for orders to purchase software for use on or with an electronic device ordinarily situated in B.C. or telecommunication services

For information on software and telecommunication services, see [Bulletin PST 105](#), Software, and [Bulletin PST 107](#), Telecommunication Services.

Note: If you have only a website that is accessible from anywhere in the world, which does not target B.C. customers, you are not soliciting sales in B.C. However, if you have a website and also solicit sales in B.C. by other means, such as through targeted internet advertisements, promotional flyers or newspaper advertisements, you are soliciting sales in B.C.

If you meet these criteria, you must be registered before delivering goods into B.C., providing software for use on or with an electronic device ordinarily situated in B.C., or providing telecommunication services.

Businesses Located Outside B.C. Either In or Outside Canada

Businesses With Inventory in B.C.

You must register to collect and remit PST if you are located outside B.C. and are either in or outside Canada (see Location of Your Business below) and do **all** of the following in the ordinary course of your business:

- Sell taxable goods to customers in B.C.
- Accept orders from customers located in B.C. (including by telephone, mail, email or Internet) to purchase goods
- Hold the goods you sell to your B.C. customers in inventory in B.C. at the time of sale (e.g. you use a B.C. fulfilment house)

If you meet these criteria, you must be registered before you sell goods held in inventory in B.C. to a customer in B.C.

You must also register to collect and remit PST if you are located outside B.C. and are either in or outside Canada (see Location of Your Business below) and you, as lessor, lease goods in B.C., lease goods that are located in B.C. at the time of the lease, or lease goods that are transferred to a lessee in B.C. If you meet these criteria, you are prohibited from leasing goods in these circumstances unless you have a valid PST number. For more information on leases, see [Bulletin PST 315](#), Rentals and Leases of Goods.

Additional Businesses Required to Register **Effective April 1, 2021**

Businesses Located Outside B.C. but Within Canada

Effective April 1, 2021, you must also register to collect and remit PST if you are located outside B.C. (see Location of Your Business below) but within Canada and do **all** of the following in the ordinary course of your business:

- Sell taxable goods to customers in B.C.
- Accept orders from customers located in B.C. (including by telephone, mail, email or Internet) to purchase goods
- Deliver the goods you sell to your B.C. customers to locations in B.C. (this includes goods you deliver through a third party, such as a courier)
- Meet the minimum B.C. revenue threshold:
 - your gross revenue in the previous 12 months from all retail sales and leases of goods and all sales and provisions of software and telecommunication services to B.C. customers is more than \$10,000, or
 - your estimated gross revenue in the next 12 months from all retail sales and leases of goods and all sales and provisions of software and telecommunication services to B.C. customers is more than \$10,000

If you sell vapour products (including parts and accessories) to B.C. customers, you must register to collect and remit PST even if you do not meet the minimum B.C. revenue threshold.

If you meet these criteria, you must be registered before delivering goods into B.C. You must collect and remit PST on all your taxable sales to B.C. customers.

Businesses Located Outside B.C. Either In or Outside Canada

Effective April 1, 2021, you must also register to collect and remit PST if you are located outside B.C. and are either in or outside Canada (see Location of Your Business below) and do **all** of the following in the ordinary course of your business:

- Sell or provide taxable software for use on or with an electronic device ordinarily situated in B.C. or sell or provide taxable telecommunication services to customers in B.C.
- Accept orders from customers located in B.C. (including by telephone, mail, email or Internet) to purchase software for use on or with an electronic device ordinarily situated in B.C. or telecommunication services
- Meet the minimum B.C. revenue threshold:
 - If you are located in Canada:
 - your gross revenue in the previous 12 months from all retail sales and leases of goods and all sales and provisions of software and telecommunication services to B.C. customers is more than \$10,000, or
 - your estimated gross revenue in the next 12 months from all retail sales and leases of goods and all sales and provisions of software and telecommunication services to B.C. customers is more than \$10,000
 - If you are located outside Canada:
 - your gross revenue in the previous 12 months from all sales and provisions of software and telecommunication services to B.C. customers is more than \$10,000, or
 - your estimated gross revenue in the next 12 months from all sales and provisions of software and telecommunication services to B.C. customers is more than \$10,000.

For information on software and telecommunication services, see [Bulletin PST 105](#), Software, and [Bulletin PST 107](#), Telecommunication Services.

If you meet these criteria, you must be registered before providing software for use on or with an electronic device ordinarily situated in B.C. or providing telecommunication services. You must collect and remit PST on all your taxable sales to B.C. customers.

Sellers of Soda Beverages

Effective April 1, 2021, you must register to collect and remit PST if you sell soda beverages in B.C. This includes restaurants, cafeterias, coffee shops, food trucks, food kiosks, movie theatres, and other eating or drinking establishments.

For more information, see [Notice 2021-002](#), Notice to Sellers of Soda Beverages.

Obligations of Businesses Required to Register

All businesses required to be registered to collect and remit PST are considered to be collectors whether or not they are actually registered. All collectors have specific obligations and should read our [Small Business Guide to PST](#).

Businesses Not Required to Register

You are not required to register to collect and remit PST if you do not make taxable sales of goods, software or accommodation, do not make taxable leases of goods, and do not provide taxable services (related services, telecommunication services and legal services).

For example, you do not need to register if you:

- Only sell non-taxable or exempt software or goods (such as children's clothing), or provide non-taxable or exempt services (such as dry cleaning or transportation services)
- Are a wholesaler and do not make retail sales
- Are a small seller (see Small Sellers below)
- Are an independent sales contractor only selling exclusive products (see Direct Sellers and Independent Sales Contractors above)

If you are not registered and you collect PST or an amount as if it were PST on any sales or leases, you must remit that amount. For example, if you charged and collected PST on an exempt or non-taxable item or collected tax at an incorrect rate (e.g. 10% instead of 7%), you would still have to remit that amount. Depending on the circumstances, your customer may be entitled to a refund either directly from you or from us.

If you are not required to register to collect and remit PST, you may still wish to register so you can use your PST number to claim an exemption in certain circumstances, e.g. inventory purchases for resale (see Voluntary Registration below).

Small Sellers

If you qualify as a small seller, you are not required to register to collect and remit PST. Small sellers pay PST when purchasing products for resale and do not charge or collect PST on their sales.

You may be a small seller if:

- you are located in B.C.,
- you do not maintain an established business premises and do not regularly make retail sales from an established commercial premises (e.g. you do not sell goods from a shop, including a home-based shop),
- you have \$10,000 or less in gross revenue from all retail sales of eligible goods, software and services in the previous 12 months, and
- your estimated gross revenue from all retail sales of eligible goods, software and services in the next 12 months is \$10,000 or less.

This is not a complete list. For more information and to find out if you qualify as a small seller, see [Bulletin PST 003](#), Small Sellers.

Voluntary Registration

If you are not required to register, you may **voluntarily** register to collect and remit PST in the following situations:

- You carry on business in B.C. or intend to carry on business in B.C.
- You are located in Canada but outside B.C. (see Location of Your Business below) and you sell or provide (or intend to sell or provide) goods, software, legal services, related services or telecommunication services to a person in B.C.
- You are located outside Canada (see Location of Your Business below) and you sell or provide (or intend to sell or provide) any of the following to a person in B.C.:
 - software, legal services, related services or telecommunication services
 - goods for commercial use that you bring, send or cause to be delivered into B.C. from outside Canada
 - goods you purchase in Canada to fulfil an agreement to sell or provide the goods to a person in B.C. (e.g. you fill orders using suppliers located in Canada who ship goods to persons in B.C., also known as “drop shipping”)
 - goods you hold in inventory in Canada but outside B.C. at the time you sold or provided the goods to a person in B.C.

Businesses that wish to voluntarily register to collect and remit PST may apply using any of the options described in Registration below.

Note: If you are located outside B.C. and wish to voluntarily register, you may be required to enter into an agreement with us prior to your registration being approved.

Designation Agreements for Principals and Agents

In a principal and agent relationship, one person (the agent) acts on behalf of another (the principal) when selling or leasing goods, selling software or providing services.

If you are in a principal and agent relationship, you have the option to jointly designate one of the parties to collect and remit PST, and municipal and regional district tax (MRDT), if applicable, on sales and leases made under a designation agreement.

Note: When a designation agreement applies to accommodation, it applies to both PST and MRDT.

Examples of a principal and agent relationship where the parties could choose to make a designation include:

- An artist who regularly sells their work through an art gallery
- A cosmetics counter in a department store
- A yacht owner who regularly leases their yacht through an agent such as a marina

To make a designation, both parties must complete the Designation Agreement or Cancellation ([FIN 406](#)).

Once the parties have made a designation, the designated party must:

- Within 90 days of the first sale or lease made under the designation agreement:
 - Send us a completed Designation Agreement or Cancellation ([FIN 406](#)).
 - Register to collect PST (if not already registered). If the designated party is already registered, we recommend they register for a separate PST account for sales and leases made under this agreement.

Note: The designation will be void if, within 90 days, we do not receive a copy of the agreement or the designated party does not register to collect PST.

- Charge, collect, report and remit PST and MRDT (if applicable) on sales and leases made under the designation agreement

The non-designated party does not need to register to collect PST for sales and leases made under the designation agreement and must **not** charge and collect PST on these sales and leases. However, they must continue to charge, collect, report and remit PST and MRDT (if applicable) on any sales and leases they make outside of the designation agreement, if applicable.

Both parties to the designation agreement are liable for any assessments, penalties or interest imposed for failing to charge, collect or remit the PST due. For information on penalties and interest, see [Bulletin CTB 005](#), Penalties and Interest.

To cancel a designation, send us a completed Designation Agreement or Cancellation ([FIN 406](#)).

Auction

If you are an auctioneer and acting as an agent, you are responsible for charging, collecting, reporting and remitting PST. If the principal (owner) is not a small seller, you may jointly agree that the principal will charge, collect, report and remit the PST. Contact us for more information.

Location of Your Business

The location of your business affects whether you must register to collect and remit PST. For PST purposes, your business is considered to be located:

- in B.C.,
- outside B.C. but within Canada, or
- outside Canada.

We consider your business to be **located in B.C.** if **any** of the following conditions are met:

- Your business has a physical presence in B.C., including:
 - a storefront, factory, mill, branch, office or other physical place of business (except use of temporary space such as trade show booths)
 - a place of extraction such as a mine, oil and gas well, or logging site

- real property, such as a warehouse or yard, that is leased or owned (does not include a contract with another person to store inventory, such as a contract with a fulfilment house)
- Your business has agents or employees physically located in B.C.
- Your business's management and control is in B.C.

We consider your business to be **located outside B.C. but within Canada** if you are not considered to be located in B.C. as described above and **any** of the following conditions are met:

- Your business has a physical presence in Canada, including:
 - a storefront, factory, mill, branch, office or other physical place of business (except use of temporary space such as trade show booths)
 - a place of extraction such as a mine, oil and gas well, or logging site
 - real property, such as a warehouse or yard, that is leased or owned (does not include a contract with another person to store inventory, such as a contract with a fulfilment house)
- Your business has agents or employees physically located in Canada
- Your business's management and control is in Canada

We consider your business to be **located outside Canada** if you are not considered to be located in B.C. or Canada as described above.

Note: We consider your business's management and control to be where the persons in control of the business make most of their decisions regarding the business. For example, the management and control of a corporation is generally in B.C. if the members of the board of directors meet and hold most of their meetings in B.C.

Registration

You can apply to register to collect and remit PST using any of the following options:

- **Online:** Register using **eTaxBC** (see [Register to Collect PST](#))
- **In person:** Visit your local [Service BC Centre](#)
- **By fax or mail:** Complete a paper form and mail or fax it to us

The Application for Registration for Provincial Sales Tax (PST) ([FIN 418](#)) is available from any Service BC Centre and on our website.

If we approve your application, you will be provided with a letter advising you of your PST number and your ongoing reporting periods for your PST returns.

Note: Registering to collect PST and having a registration number does not take the place of a business licence or any other required authorization. You apply for a business licence through your municipality or regional district, or through the [OneStop Business Registry](#) in participating municipalities.

Liquor and Cannabis Sellers

If you sell (or intend to sell) liquor at a restaurant, bar, pub or similar establishment, or you sell (or intend to sell) non-medical cannabis products, you must provide us with the following documentation as part of your application for registration to collect and remit PST:

- Copy of your liquor or cannabis licence(s)
- If you **purchased** the business from the previous owner, you must include a copy of the signed bill of sale or purchase agreement
- If you **lease** the premises, you must attach a copy of your lease agreement to show you have the legal right to operate in that location
- If you **operate but do not own** the business, you must attach a copy of your management or third-party operating agreement

Notification of Changes

Once you are registered, you must notify us if you:

- change your address, change the name or nature of your business, or stop operating your business, or
- change the legal structure of your business (e.g. sole proprietor to corporation).

Note: Your PST number is not transferable and if you do not comply with the provisions of the Provincial Sales Tax Act, you may have your PST number suspended or cancelled.

Need more info?

Online: gov.bc.ca/pst

Toll free: 1-877-388-4440

Email: 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

July 2022

- Revised to reflect that, effective July 1, 2022, PST applies to tobacco
 - Revised information on online accommodation platforms based on the new rules for online marketplaces effective July 1, 2022
 - Other minor revisions
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References: Provincial Sales Tax Act, sections 1 "accommodation", "collector", "direct seller", "electronic device", "exclusive product", "independent sales contractor", "lease", "legal services", "lessor", "online marketplace facilitator", "online marketplace seller", "online marketplace service", "registrant", "registration number", "related service", "retail sale", "sale", "small seller", "soda beverage", "software", "taxable service", "telecommunication service", "use", "vendor", 26.1, 80, 89, 91, 98, 99, 105, 106, 119, 122, 126, 130, 137, 139, 168-182 and 183.