

PST Payments on Out-of-Province Purchases



Know Your Responsibilities



Finance, Energy and
Municipal Affairs
Taxation and
Property Records

Know Your Responsibilities

Individuals and businesses that purchase taxable goods in another province or country for use or consumption in Prince Edward Island (PEI) are responsible to self-declare and pay PST on these goods.

Taxable goods are goods that you would have paid PST on if they had been purchased from a vendor in PEI.

The Legislation

Section 4 of the PEI *Revenue Tax Act* provides the legislative authority for charging PST on taxable goods consumed in the province. In most cases, consumers are required to pay a tax at the rate of 10% of the purchase price (in Canadian currency), including GST, duties and any shipping or delivery charges. Subsection 1(c) of the *Revenue Tax Act* defines “consumption” to include bringing goods into, causing goods to be brought into, or taking delivery of goods within the province.

Subsections 9(3) and 9(4) of the *Revenue Tax Act* requires that every person who brings or causes to be brought into the province, or receives delivery in the province, of goods for consumption will immediately report the out-of-province purchase to the Provincial Tax Commissioner, produce the invoice for such goods, and pay the PEI revenue tax (PST) payable on the goods.



Method of Purchase

If you or your business purchases taxable goods in another province or country for consumption or use in PEI, you are responsible for the payment of PST on those purchases. These responsibilities are the same regardless of the method of purchase – in person, through the internet, by mail order, etc.

The information provided in this publication is presented for historical purposes only.

Effective April 1, 2013, the Province of Prince Edward Island implemented the harmonized sales tax (HST). HST replaced the provincial sales tax (PST @ 10%) and the federal goods and services tax (GST @ 5%).

Under HST, the provincial portion is nine percent (9%) and the federal portion is five percent (5%) for a combined rate of 14%.

If taxable goods are purchased in a harmonized province and these goods are brought into PEI for consumption or use, a refund of the provincial component of HST may be available.

In order to be eligible for a refund, a claim must be filed with the Canada Revenue Agency within one year of the day the goods were removed from the harmonized province. In addition, proof must be provided that the applicable PEI PST has been paid.

Fees Collected by the Canadian Border Services Agency

It is important to note that fees collected by the Canada Border Services Agency at border crossings or customs entry points **do not** include PEI's PST.

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Please refer to the Canada Revenue Agency website for assistance with the application of HST in Prince Edward Island, or call 1-800-959-5525.

Self-Declaration

The onus is on you, the consumer, to report and pay the applicable PST. If you do not self-declare at the time of taking delivery of taxable goods, interest may be charged at the rate of 1.5% per month from the date the goods were purchased or brought into the province.

Accessing the Forms

You must pay PST by completing a **Revenue Tax (PST) Self-Declaration** form and returning it with copies of purchase invoices and payment to the Department of Finance, Energy and Municipal Affairs, Taxation and Property Records or any Access PEI site. The form is available:

- at any Access PEI site
- from the Taxation and Property Records Division by:
 - calling: (902) 368-4070; or
 - emailing: taxandland@gov.pe.ca
- online at www.taxandland.pe.ca/forms

PST Payments on Out-of-Province Purchases

For more information on making PST payments on out-of-province purchases, please contact:

Taxation and Property Records

Finance, Energy and Municipal Affairs
P.O. Box 1330
Charlottetown, PE, C1A 7N1

Telephone: (902) 368-4070

Fax: (902) 368-6164

Email: taxandland@gov.pe.ca

Website: www.taxandland.pe.ca

This brochure is prepared for information purposes only, and should not be considered a substitute for the applicable statutes. Should there be any conflict between the contents of this brochure and the statutes, the statutes shall prevail.



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