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Revenue Tax Guide

Subject:

Application of Revenue Tax to Sawmills

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DRAFT

Reference:

Revenue Tax Act
Regulations to the *Revenue Tax Act*

Introduction

This guide provides information for sawmill operators on the application of revenue tax (PST) to various types of sales that may be made by a sawmill operator. Under the provisions of the *Revenue Tax Act* sawmill operators are considered to be manufacturers or producers. For more information on tax exemptions to manufacturers or producers please see the Revenue Tax Guide 153: Revenue Tax Exemptions to Manufacturers/Producers.

TAX APPLICATION:

GOODS SUBJECT TO REVENUE TAX (PST)

The following products are taxable when sold by a sawmill:

- rough lumber (unplaned)
- planed lumber
- processed logs (planed, notched or shaped)
- sawdust and bark

GOODS EXEMPT FROM REVENUE TAX (PST)

The following goods and services are NOT subject to revenue tax (PST) when sold by a sawmill:

- milling of lumber and processing of logs where the customer provides the lumber or logs
- cutting logs to size, where the customer provides the logs
- firewood
- unprocessed logs whether cut to length or not

FURTHER INFORMATION

This guide 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 guide and the statutes, the statutes shall prevail.

For copies of the *Revenue Tax Act* and Regulations and any inquires regarding this Revenue Tax Guide, please contact:

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