

**RTG: 109**  
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### For Historical Reference Only

Effective April 1, 2013, the Province of Prince Edward Island adopted the harmonized sales tax (HST). HST replaces the former provincial revenue sales tax (PST). The information provided on the PST is presented for historical reference only. Please refer to the [Canada Revenue Agency](#) for assistance with the application of the HST.

### TAX EXEMPTIONS FOR FARMERS

The following goods may be purchased by a farmer who is in possession of a valid [Revenue Tax Exemption Permit](#), exempt of revenue tax (PST) when purchased for use in farming and for no other commercial purpose.

#### -A-

- Alarm systems that monitor temperature and humidity levels, if used to prevent death or damage to livestock or crops
- Anti-backflow devices
- Apiary equipment
  - beekeeping supplies
  - bee hives
  - pollen traps
  - smokers
  - swarming poles and boxes
  - wax extractors
- Artificial insemination equipment
- Auxiliary power generators
- Axes

#### -B-

- Bale elevators and loaders
- Bale shredders, grapples and spears
- Barn and stable cleaning equipment
  - automatic barn cleaners
  - brooms
  - forks
  - pressure washers
  - shovels
  - wheelbarrows
- Bees
- Blacksmith tools

- Brush cutters
- Buckets and pails
- Bulk boxes specifically designed to haul farm products, fertilizer or pesticides and attached to farm wagons or trailers not registered for highway use or to a motor vehicle that is registered as a “farm truck” under the [Highway Traffic Act Farm Truck Registration Regulations](#)

-C-

- Calcium chloride for farm tractor tires
- Carcass incinerators
- Chain saws and buck saws
- Chains for farm tractor tires
- Chemical application equipment, either self-propelled or for attachment to farm tractors
  - field sprayers or dusters
  - water pumps for sprayer tanks
- Containers used to process, ship or deliver farm products, but not including containers mounted on trucks or trailers
- Crop handling equipment
  - bin loaders
  - conveyors
  - escalators
  - grading equipment for farm products
  - grain augers
  - grain blowers
  - grain cleaners
  - grain moisture meters
  - grain treaters
  - portable grain elevators
  - potato bin loaders
- Crop harvesting equipment, either self propelled or for attachment to farm tractors
  - combines
  - potato harvesters
  - swath turners
- Crop nutrients
  - fertilizer
  - lime
  - plant growth regulants
- Crop planting equipment, either self propelled or for attachment to farm tractors
  - planters and seeders
- Crop protectants
  - crop protectors
  - fungicide
  - herbicide
  - insecticide
  - pesticides
  - rodent control devices and chemicals

-D-

- Dump boxes, attached to farm wagons or trailers not registered for highway use or to a motor vehicle that is registered as a “farm truck” under the [Highway Traffic Act Farm Truck Registration Regulations](#).

-E-

- Egg handling and grading equipment
  - baskets, cartons and trays
  - brushes
  - candlers
  - gathering equipment
  - graders
- Electric motors for use on farm machinery
- Electronic controls and GPS systems for farm machinery
- Equipment used to skin, flesh and preserve animal pelts
  - fleshing machines
  - pelting boards, knives and sleeves
  - skinning machines
- Equipment used to ventilate, dry, humidify, refrigerate or aerate farm product
  - aeration systems
  - hay drying fans
  - humidifiers used in product storage
  - refrigeration systems for feed and produce
  - ventilation systems

-F-

- Farm trailers not required to be registered under the [Highway Traffic Act](#)
- Farm wagons not required to be registered under the [Highway Traffic Act](#)
- Fencing equipment
  - all types of fencing
  - poles, posts and stakes
  - posthole augers
- Fertilizer and lime application equipment, for attachment to farm tractors
  - applicators and spreaders
  - fertilizer auger
  - lime bulk boxes
  - liquid fertilizer diluter, injectors and valves
  - tanks
- Flat beds attached to farm wagons or trailers not required to be registered for highway use or to a motor vehicle that is registered as a “farm truck” under the [Highway Traffic Act Farm Truck Registration Regulations](#)
- Fork lifts, either self propelled or for attachment to farm tractors
- Forks
- Fox tongs
- Front end loaders, either self propelled or for attachment to farm tractors
  - industrial front end loaders

## -G-

- GPS systems for farm machinery
- Gearbox pans
- Grease
- Greenhouse glass cleaning equipment
- Greenhouse material handling equipment
  - carriers
  - material handling
  - pots and flats
  - soil mining machinery
- Greenhouse thermostats and humidistats
  - humidistats
  - thermostats and temperature controls
- Greenhouse watering systems
  - feed water treatment equipment
  - watering equipment and programmers

## -H-

- Hay and forage crop harvesting equipment, either self propelled or for attachment to farm tractors
  - bale wrappers
  - baler twine and ties
  - balers
  - forage harvesters
  - mowers and mower conditioners
  - rakes and tedders
  - silage cutters
- Heaters (salamanders)
- Heating systems for incubators or farrowing crates
- Hoes
- Horse harness and hardware
- Horseshoes
- Hydrometers

## -I-

### Incubation equipment and supplies

- equipment and light bulbs to promote or inhibit growth
- heat lamps and bulbs
- incubators

## -L-

- Labels for packaging product for sale
- Labour to repair any exempt machinery and equipment
- Ladders designed for fruit picking
- Land drainage tile

- Land irrigation systems
  - applicators
  - pipes, tubing and fittings
  - pumps
  - submergible pumps
  - sprinklers
  - water pumps
- Land tillage and cultivating equipment, for attachment to farm tractors
  - brush cutters
  - chisel plows
  - cultivators
  - harrows
  - moldboard plow
  - rototillers
  - weeders
- Light bulbs
  - HID lamps
    - HPS or LPS (high and low pressure sodium)
    - MH (metal halide or multi vapor)
    - MV (mercury vapor)
  - infrared heat lamps
  - plant grow lamps
  - tough skin bulbs or Teflon coated bulbs
- Lightning rods
- Livestock
  - cattle
  - horses
  - poultry
  - sheep
  - swine
- Livestock bedding materials
  - sand
  - sawdust
  - shredded paper
  - straw
  - wood chips
- Livestock feed and feed additives
  - grain
  - hay
  - hay salt
  - molasses
  - salt licks
- Livestock feeding equipment, systems and controls
  - automatic systems and controls
  - bins and carts
  - bottles and pails for feeding and drenching
  - cookers, grinders, mixers and grain rollers
  - hammer mills
  - scoops

- Livestock grooming and cleaning equipment
  - foot rot shears
  - hoof trimming knives
  - hoof trimming stalls
  - shampoos for livestock
  - sheep shears and clippers
  - vacuum cleaners for livestock
- Livestock handling equipment
  - bull rings, staff and snaps
  - cattle squeezes
  - cow stanchions and ties
  - dehorner, both paste and wire
  - head gates
  - hobbles
  - kick restrainers
  - livestock cages
  - portable corrals
  - poultry debeakers
  - prod poles
  - stock boxes
  - tooth nippers
  - wire mesh for livestock cages
- Livestock health maintenance and monitoring equipment
  - calf pullers
  - castrators, holders and knives
  - gestation calendars
  - lamb savers
  - mastitis detectors
  - nipples
  - obstetrical saw wire
  - pregnancy testers
  - ROP test bottles
  - sow collars, stalls and ties
  - udder infusion tubes
- Livestock identification equipment
  - bar coding equipment
  - ear notchers
  - marking pencils and guns
  - micro chips
  - tags
- Livestock protective equipment
  - animal blankets
  - animal boots
  - animal foot baths
  - cattle back rubbers, oilers and oiler concentrates
  - protectors
  - rumen magnets
  - Livestock watering equipment

- electric deicers for stock tank
- nozzles
- portable immersible heaters and warmers for water troughs
- troughs
- watering bowls

**-M-**

- Manure handling equipment
- Manure spreaders
- Milking and milk storage equipment
  - coolers and storage tanks
  - liners, strainers and filters
  - milking machines
  - milking parlor equipment
  - pipelines and transfer systems
  - rubber mats for parlors
  - stools
  - teat dip, dilators, instruments, protectors and spray
  - udder supports, wash, disposable udder wipes
- Mulch

**-O-**

- Oil

**-P-**

- Packaging materials
  - ink
  - plastic wrap
  - stampers
- Parts (repair/replacement) for any exempt equipment and machinery
  - batteries
  - complete parts
  - fan belts
  - filters
  - hoses
  - hydraulic hose and fittings
  - machine bolts, nuts and washers
  - paint applied to goods exempted to farmers
  - spark plugs
  - tires
- Plants
- Potting machine
- Prefabricated or portable storage bins
  - grain bins
- Protective clothing and devices used in the distribution of controlled chemicals
- Pruning clippers and shears

**-R-**

- Rakes
- Removable pens, crates, stalls and flooring for livestock
  - farrowing crates
  - plastic flooring for pens and stalls
  - rubber cow mats
- Repair labour to service exempt equipment and machinery
- Rock pickers
- Rope

**-S-**

- Safety switches
- Scales and weight tapes
- Seed treaters
- Seeds
- Shovels
- Silo unloaders
- Skid steer loaders and fork lifts
- Soil additives and pasteurizers
  - soil packers and pulverizers
  - soil saver cloth
- Sub soilers

**-T-**

- Tarpaulins
- Thermometers
- Time temperature recorders
- Tow cables
- Tractors (compact utility class or greater)
- Two way radio equipment for use on farm machinery

**-V-**

- Vacuum columns
- Ventilation equipment for farm buildings
- Veterinary services and supplies
  - antibiotics
  - balling guns
  - disinfectants
  - drugs
  - medicines and medicaments
  - needles and syringes
  - obstetrical chains and handles
  - polypropylene glycol for ketosis
  - scours tablets
  - sterilization equipment
  - thermometers



- vaccines
- veterinary tools and supplies
- vitamins
- wound dressing

-W-

- Weed and stubble burners
- Welding supplies
  - rental of oxygen and acetylene tanks
- Wheelbarrows
- Wool cards

## **REFUNDABLE GOODS**

The following goods may not be purchased exempt of (PST). However, when purchased by a farmer in possession of a valid [Revenue Tax Exemption Permit](#), for use in a farming operation and for no other commercial purpose, the PST paid may be refunded.

All terrain vehicle (4x4 with a minimum 400cc engine displacement)  
 Snowblowers for attachment to tax exempt equipment  
 Snowplows for attachment to tax exempt equipment.  
 Stream crossing building material (culverts, bridge building material)

To qualify for the refund a farmer must:

1. [Apply in writing](#);
2. Attach original invoices, receipts and other documentation;
3. Have purchased the goods within 4 years of the date of the application; and
4. Provide sufficient evidence to satisfy the Minister that the goods were used exclusively in a farming operation.

## **NEW FARMERS**

Before you qualify to receive a valid [Revenue Tax Exemption Permit](#), you must pay PST on all goods you use in your business. Once you qualify and have received your [Revenue Tax Exemption Permit](#), you can apply for a [refund of PST](#) paid on goods exempt to farmers.

To qualify for a refund, a new farmer must:

1. [Apply in writing](#);
2. Attach original invoices, receipts and other documentation
3. Have purchased goods which were exempt to a farmer at the time of the purchase;
4. Submit evidence of being actively engaged in farming or custom agricultural contracting during the period covered by the application;

5. Submit evidence that the farmer reported income from the sale of products from the farming operation or from the custom agricultural operation during the years covered by the application; and
6. Submit proof that the goods were purchased within 5 years from the date of the application, or within 7 years from the date of the application in the case of a blueberry grower, or within 10 years from the date of the application in the case of an apple or cranberry grower.

### **DEFINITION OF FARMER AND FARMING INCOME**

For information regarding who qualifies as a farmer for the purposes of the [Revenue Tax Exemption Permit](#) and what constitutes income from farming, please see [Revenue Tax Guide RTG:175 – Farming Income](#).

### **PST REBATE ON FARM STRUCTURES WITH ENVIRONMENTAL BENEFIT**

A rebate of the PST paid on building supplies used in the construction of identified farm structures with environmental benefit is available to farmers who meet certain eligibility criteria.

Eligible farm structures include:

- Manure Storages and Covers
- Pesticide Storages
- Pesticide Mixing and Filling Areas
- Petroleum Storage
- Milk House Waste Management System
- Silage Effluent Containment
- Deadstock Composting Facility
- Feedlots and Livestock Yards
- Greenhouse Spill Containment

For more information on materials eligible for rebate and other eligibility criteria, please visit the [Agriculture, Fisheries and Aquaculture](#) section of the PEI Government website ([www.gov.pe.ca](http://www.gov.pe.ca)) and look under programs.

### **RENEWABLE ENERGY EQUIPMENT TAX EXEMPTION**

Certain renewable energy equipment is exempt of PST, including:

- Organic combustion systems
- Wind power energy generating systems
- Biogas energy generating systems
- Geothermal heat pump energy generating systems
- Solar thermal energy collection systems
- Solar photovoltaic energy collection systems
- Drain water heat recovery energy collection devices

For details on the eligibility of a particular renewable energy system, please see [Revenue Tax Guide 164](#).

## **FURTHER INFORMATION**

For copies of the [Revenue Tax Act](#) and [Regulations](#) and any inquiries regarding this Revenue Tax Guide, please contact:

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