

\*\*\* This is a supplementary worksheet for the PST Tax Return. It is designed for those businesses that require a means to record PST credits (**STEP 1**) and to show how the credits are applied to your tax payable for this period (**STEP 2 & STEP 3**).

Account Number:

Account Name:

Return Period:

#### Recording Tax Credits

Tax credits represent tax paid on goods and services purchased for resale as well as tax you have already paid to our office but have since refunded to your customer or written off on bad debts.

Credits Carried Forward from Previous Period

Credits and Adjustments (for current period).

- Tax Paid on Items Purchased for Resale.

- Tax Refunded to Customers.

- Tax Written Off on Bad Debts.

- Other: \_\_\_\_\_

Total Credits Recorded for this Period. (Box 2 + Box 3 + Box 4 + Box 5)



Total Tax Credits (Box 1 + Box 6)

**STEP 1**

#### Applying Credits to Tax on Sales

The Total Tax Credits (**Box 7**) are first applied to Total Tax Collected on Sales (**Box 8**) to arrive at the Net Tax Collected (**Box 10**). The Remaining Tax Credits (**Box 11**) can be applied to tax payable on consumption **Step 3**.

- Total Tax Collected on Sales in this Period.

- Portion of Credits Applied (**Box 7**)  
(Credits applied cannot exceed tax in **Box 8**)

Net Tax Collected (Cannot be less than zero.)

► Transfer to Box B on the PST Return Form.

Remaining Tax Credits (Box 7 less Box 9)

**STEP 2**

#### Applying Credits to Consumption Tax

The Remaining Tax Credits (**Box 11**) are applied to Total Consumption Tax (**Box 12**) to arrive at the Net Consumption Tax (**Box 14**). The Remaining Tax Credits (**Box 15**) can be carried forward to your next reporting period or you can apply for a refund by submitting this form along with supporting documentation to our office.

- Total Consumption Tax

- Portion of Credits Applied (**Box 11**)  
(Credits applied cannot exceed tax in **Box 12**)

Net Consumption Tax (cannot be less than zero.)

► Transfer to Box C on the PST Return Form.

Remaining Tax Credits (Box 11 less Box 13)

**STEP 3**

#### Important

A copy of this worksheet and supporting documentation must be retained in your records for audit verification purposes.

Please see the detailed set of instructions or contact our office if you require additional information or assistance.

## **PST WORKSHEET SUPPLEMENT INSTRUCTIONS**

### **Record of PST Credits and Adjustments**

This is a supplementary worksheet for the **PST Return** form. It is designed for those businesses that require a means to record PST credits (if any) as shown in **Step 1** and to record how these credits are applied to your tax return for this period as shown in **Step 2 & Step 3**. You are required to keep this form and supporting documentation for audit verification purposes.

### **Step 1 – Recording Tax Credits**

Tax credits generally represent PST paid on goods and services purchased for resale as well as PST you have remitted to our office on a previous return that has since been refunded to your customer(s) or written off on bad debts. These amounts can be used to offset your current tax payable.

**Box 1** - Represents the unused credits (if any) as carried forward from the **PST Worksheet Supplement** of your previous return.

**Box 2 - Tax paid on items purchased for resale** (keep a copy of receipts for audit verification)

- For retailers and wholesalers this typically includes PST paid to suppliers for resale inventory items and non-returnable packaging materials.
- For manufacturers this may include PST paid to suppliers on raw materials, direct agents or non-returnable packaging materials.
- For contractors this may include PST paid to suppliers on materials sold or incorporated into a real property contract where PST was collected on the total charge to the customer.

**Box 3 - Tax refunded to customers** - This represents PST remitted to our office on a prior period return that was refunded to your customer in the current period. Please keep records showing when the tax was collected, remitted to our office and then refunded to your customer. These typically include:

- Tax on goods that have been returned by your customer for a refund.
- Tax refunded to customers on items where tax was incorrectly charged on sales of exempt items (e.g. basic groceries) or items you have sold to individuals entitled to an exemption (e.g. qualifying status Indian or farmer).

**Box 4 - Tax written off on bad debts** - This represents PST you have remitted on goods or services sold on credit, where the sale was written off as a bad debt for accounting purposes.

**Box 5 - Other credits** - This represents mathematical errors or adjustments where you have remitted the PST in error.

**Box 6** - Represents the total amount of credits you have recorded in your records for this period. (Boxes 2, 3, 4 and 5)

**Box 7** - Represents the total tax credits available this period (**Box 1 plus Box 6**). These tax credits can be used to reduce your current tax payable by offsetting the tax collected on sales and the tax payable on consumption as noted in **Steps 2 & 3**.

### **Step 2 – Applying Credits to Tax Collected on Sales**

The tax credits are first applied to **Tax collected on sales (Box 8)**. This amount represents the total PST collected on sales as recorded in your records for this period. It's important to note that the portion of tax credits applied cannot exceed the amount of tax collected. Any remaining tax credits are recorded in (**Box 11**) and these can be applied to the tax payable on consumption as shown in **Step 3**.

Please ensure that the amount of tax credits applied do not exceed the tax collected, since the “**Net Tax Collected**” amount from **Box 10** which is to be recorded in **Box B** of the PST remittance form, cannot be less than zero.

### **Step 3 – Applying Credits to Tax on Consumption**

The remaining tax credits from **Box 11** can be applied to **Consumption Tax (Box 12)**. This amount represents the total PST payable on goods and services that were used in this period. It's important to note that the portion of credits applied cannot exceed the amount of tax payable. Any remaining tax credits are recorded in (**Box 15**) and this amount can be carried forward to your next reporting period or you can apply for a refund by submitting a copy of this **Worksheet Supplement** form along with supporting documentation.

Please ensure that the amount of tax credits applied do not exceed the tax payable, since the “**Net Consumption Tax**” amount from **Box 14** which is to be recorded in **Box C** of the PST remittance form cannot be less than zero.

### **Use of this guide**

This guide was prepared as a means to assist you in the preparation of your tax return. It is not a substitute for legislation. If you require additional information or assistance please contact us.

### **FOR FURTHER INFORMATION**

Write: Ministry of Finance  
Revenue Division  
PO Box 200  
REGINA SK S4P 2Z6

Telephone: Toll Free 1-800-667-6102  
Regina 306-787-6645

Email: [sasktaxinfo@gov.sk.ca](mailto:sasktaxinfo@gov.sk.ca)

Internet: Tax bulletins, forms and information are available at [www.sets.saskatchewan.ca/taxinfo](http://www.sets.saskatchewan.ca/taxinfo).

Government website: [Saskatchewan.ca](http://Saskatchewan.ca)