

Information Bulletin

PST-47

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THE PROVINCIAL SALES TAX ACT

INFORMATION FOR VENDORS PROVIDING ACCOMMODATION SERVICES

This bulletin has been prepared to help you apply and collect the Provincial Sales Tax (PST). It is a general guide and not a substitute for the legislation.

Changes to this bulletin are indicated by a (I) in the left margin.

The contents of this bulletin are presented under the following sections:

- A. Accommodation Services
- B. Exempt Accommodation and Other Charges
- C. Taxable Services and Charges
- D. Accommodation Services Provided in Mining, Lumber, Construction and Similar Camps
- E. Sales of Used Business Assets
- F. Goods and Services for Your Own Use
- G. Tax Tips Line
- H. Saskatchewan eTax Services (SETS)

A. ACCOMMODATION SERVICES

Accommodation in hotels, motels, cabins, cottages, clubs and other similar types of accommodation, located in Saskatchewan, for a period of less than 30 days is a taxable service. Tax must be collected on these charges, including fees such as the Destination Marketing Fee, used by hotel associations or other organizations to promote destination travel to the area.

If the accommodation is supplied for a continuous period of 30 days or more, tax does not apply to charges for any of the accommodation period. Any tax collected during this period should be refunded to the customer. This includes situations where the customer is charged for the required 30-day period or more and the accommodation is occupied by different individuals or left vacant for a portion of that time.

Accommodation supplied for a period of 30 days or more to travel agencies for resale to their customers is subject to tax. Travel agencies are not required to collect tax from their customers but must pay the tax on the purchase price to the supplier of the accommodation service.

Accommodation supplied to Status Indians off reserve is subject to tax.

Accommodation supplied to non-residents of Saskatchewan is subject to tax. A refund of tax paid is not available unless the accommodation is for a period of 30 days or more.

For further information on accommodation services provided by tourist outfitters, vacation farms and bed and breakfast facilities, please refer to Information Bulletin [PST-31, Information for Tourist Outfitters, Vacation Farms and Bed and Breakfast Facilities](#).

Accommodation Services Provided Through Online Platforms

- **Online Accommodation Platform** means an electronic marketplace that enables or facilitates transactions in relation to accommodation services located in Saskatchewan.
- PST applies to accommodation services, and any associated or incidental services, that are delivered or accessed through an online accommodation platform and includes all transaction services, processing services and administration services.

Note: Online platforms providing classified advertising or listing services that do not collect payment on behalf of the individual or business offering accommodation services through their platforms are not considered to be online accommodation platforms for PST purposes.

An accommodation service provider, who makes retail sales exclusively by way of an online accommodation platform, is not required to be licensed as a vendor to collect and remit Saskatchewan PST, when the operator of the online accommodation platform is licensed and collecting the tax.

The accommodation platform operator is responsible for the proper collection of PST, including determining the applicable rate and tax status of goods and services for sale, and is required to collect and remit PST on all taxable sales made through their platforms, regardless of whether the accommodation service provider is licensed as a vendor.

The accommodation service provider is responsible for collecting and remitting PST on sales through all other channels, including sales made through unregistered accommodation service providers.

In order to be relieved of liability regarding the collection of PST on sales conducted through an online accommodation platform, accommodation service providers **must** ensure that:

- the online accommodation platform operator holds a valid PST licence (the online registry/PST Lookup, can be accessed through sets.saskatchewan.ca); and,
- the online accommodation platform operator is collecting Saskatchewan PST on sales of taxable goods or services made through their platform to consumers in Saskatchewan.

Note: In situations where an accommodation service provider has consumption tax obligations in relation to Saskatchewan, the accommodation service provider is required to be registered for the corresponding consumption tax account to report and remit the applicable tax to the Ministry. For further information, please review sets.saskatchewan.ca/taxinfo.

Fees Between Online Accommodation Platforms and Accommodation Service Providers

Fees charged to accommodation service providers by the operator of a registered online accommodation platform in relation to taxable goods or services are subject to PST. For example, charges that cover taxable services, such as website design, update or maintenance, support services, marketing services or materials, or taxable insurance products, are subject to PST. However, charges in relation to sales commission and transaction processing fees are not subject to PST.

B. EXEMPT ACCOMMODATION AND OTHER CHARGES

The following types of accommodation and other charges are not subject to tax:

- The rental of public rooms in hotels used for special functions, including meetings, weddings, etc. Rental charges for equipment such as podiums and audio visual equipment are subject to tax. For further reference on equipment rentals, please see Information Bulletin [PST-72, Information for Rental Businesses](#);
- Accommodation supplied by the Salvation Army or other similar institutions as charity;
- Accommodation supplied by religious or other organizations to their own members or their guests on a casual basis at summer camps and similar functions;
- Accommodation supplied to students, patients, residents or employees in educational institutions, hospitalizing institutions, nursing homes or senior citizen homes;
- Accommodation supplied in boarding houses;
- Accommodation in tent sites or trailer sites supplied by a campground or trailer park;
- Accommodation provided free of charge to employees or entertainers of hotels, motels, etc.;
- Accommodation supplied by universities and colleges on a casual basis during the summer months;
- Charges from the employer to employees for accommodation provided in mining, lumber, construction and similar on-site camps, even if the accommodation is for less than one month. The employer is required to pay PST on any taxable services or rentals acquired for this purpose;
- Sales to federal government departments and agencies. (**Note:** Sales to federal crown corporations and provincial government ministries, agencies and crown corporations are **taxable**). Employees who are billed directly are required to pay the tax;
- Telephone calls (the provider of the service must pay tax to the telephone company for telephone calls);
- Newspapers and magazines; and,
- Internet services (the business must pay tax to the Internet provider for the service).

C. TAXABLE SERVICES AND CHARGES

The following types of services and charges are subject to tax:

- Prepared food, snacks, beverages and confectionery items sold in a form for immediate consumption (see Information Bulletin [PST-2, Grocery, Convenience and Drug Stores](#));
- Sales of food and beverages through a vending machine;
- Room service (see Information Bulletin [PST-33, Restaurants, Caterers and Other Businesses Selling Prepared Food and Beverages](#));
- Laundry and dry cleaning services charged to guests. The business may purchase these services for resale exempt from tax by quoting their vendor's license number to their supplier;
- In-house movie services charged to guests. The business may purchase the service exempt from tax by quoting their vendor's licence number to their service provider;
- Charges to guests for the rental of movies on DVD. Businesses may purchase their DVD inventory exempt from tax by quoting their vendor's licence number to their supplier; and,
- Additional fees for pets.

Note: Alcoholic beverages are not subject to PST but are subject to Liquor Consumption Tax (LCT) at a rate of 10 per cent on the total price paid by your customer, excluding GST. For further information, please refer to Information Bulletin [LCT-1, Liquor Consumption Tax](#).

D. ACCOMMODATION SERVICES PROVIDED IN MINING, LUMBER, CONSTRUCTION AND SIMILAR CAMPS

a) Accommodation Services

Businesses providing accommodation services in mining, lumber, construction and similar camps are required to collect PST on the meals and accommodation portion of the services they provide. Where accommodation and meals are included with services such as transportation, a reasonable allocation for the portion related to the accommodation and meals must be segregated on the invoice and tax collected accordingly. These charges are often billed on a per person basis.

If the accommodation is provided for a continuous period of 30 days or more, PST does not apply to the accommodation portion. This includes situations where the customer is charged for the required 30-day period or more and the accommodation is occupied by different individuals or left vacant for a portion of that time. It is not required that the full 30 days be billed on the same invoice; however, if any portion of the 30-day period is not billed or is refunded, the 30-day exemption does not apply.

The accommodation service provider is required to pay PST on all taxable equipment and supplies used to provide their services.

b) Camp Rentals

Businesses renting out trailers, portable units, camp equipment and generators, etc. are required to collect PST on the rental charges. This includes charges for equipment transportation, setup and removal fees, etc. The business may purchase their rental inventory exempt from tax by quoting their vendor's licence number to their supplier. Charges for camp personnel labour and basic groceries are not subject to tax. However, catering services and prepared meals are subject to PST.

For further reference, please see Information Bulletin [PST-72, Information for Rental Businesses](#).

E. SALES OF USED BUSINESS ASSETS

Businesses are required to collect tax on the sale of used assets, such as taxable vehicles and equipment. When used assets are being sold as part of the closure of a business, the purchaser is required to self-assess and report the tax.

When individuals purchase used goods for personal use, other than vehicles, tax applies to the selling price of the goods less a deduction of \$300 per item. If a trade-in is involved, the purchaser is entitled to a deduction of \$300 or the value of the trade-in, whichever is greater. If the goods are for commercial use, the \$300 deduction does not apply. For further information please see Information Bulletin [PST-58, Information on the Taxation of Used Goods](#).

F. GOODS AND SERVICES FOR YOUR OWN USE

Businesses are required to pay tax on purchases of new and used equipment, supplies and taxable services purchased for use in their business operations. Tax is payable as follows:

- When purchased from a licensed supplier, the tax must be paid to the supplier at the time of purchase.
- When purchased from a supplier who did not collect the tax, or when taken from an exempt resale inventory, the tax must be self-assessed and remitted with the regular tax return. This includes goods taken for personal or business use.
- When purchased from an unlicensed supplier located outside Saskatchewan, the tax must be self-assessed and remitted with the regular tax return on the laid down cost, which includes currency exchange, transportation charges, customs and excise duties, and importation charges; but not the GST.

G. TAX TIPS LINE

When a business or individual does not comply with provincial tax legislation, businesses face unfair competition and a burden is placed on all taxpayers who do comply. It causes significant loss in the revenue available to fund services such as health, education and other important government programs.

Tax Tips Line provides an anonymous, fully confidential way for the public to report businesses or individuals who are participating in tax fraud. If you suspect that a business or individual is being dishonest with their provincial taxes or is misrepresenting their activities to reduce their taxes, you can report them using Tax Tips Line.

Please visit our website at sets.saskatchewan.ca to find out more regarding types of tax fraud and the information to report, if possible.

Tax Tips Line is specifically and solely for information related to provincial tax compliance. Any unrelated inquiries or information will not be addressed by the Tax Tips Line, and should be directed to the appropriate organization.

How to Report:

- 1) Toll-free 1-833-334-8477
- 2) Write: Ministry of Finance
Revenue Division
PO Box 200
REGINA SK S4P 2Z6
- 3) [Online Form Submission](#)

H. **SASKATCHEWAN eTAX SERVICES (SETS)**

Finance has made it possible to report and remit tax electronically through a secure, fast, easy and convenient online self-service portal. Several services are currently available to businesses through SETS:

- Register for secure, self-managed access to all your tax accounts.
- Apply for a new tax account.
- File and pay returns and amend previously filed returns.
- Make payments on account, including post-dated payments.
- View account balance and statement information.
- Authorize employees or accountants to file on your behalf.
- Receive notifications by email when a tax return should be filed. This replaces the paper forms usually sent in the mail.
- Submit a service request to update the mailing address or add a new business location.
- Submit a service request to receive tax information, interpretations or rulings related to your specific business activities.
- View and download up-to-date tax information promptly.
- Subscribe to receive email notifications when new and revised tax publications are available.

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

Internet: Tax bulletins, forms and information are available at www.sets.saskatchewan.ca/taxinfo.

To receive automatic email notifications when this or any other bulletin is revised, go to www.sets.saskatchewan.ca/subscribe.

To provide feedback or suggest changes to this bulletin, please complete a [Bulletin Survey](#).

Government website: Saskatchewan.ca