

# Information Bulletin

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PST-52

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## **THE PROVINCIAL SALES TAX ACT**

### **FUNERAL HOMES AND FUNERAL HOME SUPPLIERS**

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 bar (|) in the left margin.*

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

- A. Funeral Services
- B. Catering Services
- C. Sales of Monuments and Other Items
- D. Funeral Home Suppliers
- E. Sales of Used Business Assets
- F. Tax Tips Line
- G. Saskatchewan eTax Services (SETS)

#### **A. FUNERAL SERVICES**

Funeral homes must pay tax on the purchase of equipment and supplies used in their business and in providing their funeral services. This includes caskets, urns, burial vaults, embalming supplies, flowers and guest books, and any other items supplied to a client as part of the service. The funeral services are not subject to tax. The PST paid on equipment and supplies used in the provision of funeral services should not be shown as a separate line item on the client's invoice.

If the equipment and supplies are purchased from a licensed supplier, the tax must be paid to the supplier. If the equipment and supplies are purchased from an unlicensed supplier, such as one located outside Saskatchewan, the tax must be self-assessed on the laid-down cost, which includes currency exchange, transportation charges, customs and excise duties, and importation charges, but not the GST.

Grave digging services, and perpetual care or routine maintenance of a gravesite are exempt from PST. However, PST applies to the sale, engraving, installation and repair of monuments, memorials, grave covers, and grave markers.

**B. CATERING SERVICES**

Caterers and other businesses selling prepared food and beverages are required to be licensed to collect the PST on the sale of these items. Funeral homes that hire a third-party to provide the catering services are required to pay the PST and include the tax paid on the catering service in the total charge to their client.

When catering services are provided by an unlicensed community or church group, the funeral home must self-assess the PST on the amount paid to the group.

Funeral homes that prepare and provide food and beverages in-house as part of a funeral service are required to self-assess the PST on the amount invoiced to the customer. If the amount is embedded in a funeral service package and not shown separately, the PST must still be self-assessed on the value to the customer. Any PST paid on taxable items purchased such as carbonated beverages, snack foods, or prepared food platters, may be subtracted from this amount self-assessed.

In all instances, the PST paid or self-assessed should be included in the total price, and not shown as a separate line item on the client's invoice.

For further information regarding the application of PST to prepared food and beverages, please see [Information Bulletin PST-33, Restaurants, Caterers and Other Businesses Selling Prepared Food and Beverages](#).

**C. SALES OF MONUMENTS AND OTHER ITEMS**

Funeral homes that sell monuments, memorials, grave covers, and grave markers are required to collect and remit the tax on the total selling price of these items, and on any charges for engraving and installation. The funeral home may purchase these items and engraving and installation services exempt of tax by quoting their PST Vendors Licence number to their supplier.

Where a funeral home acts as an agent on behalf of a monument dealer, the funeral home must collect the tax on the selling price of the monument and submit it to the monument supplier. The monument supplier will submit the tax collected to the Revenue Division.

**D. FUNERAL HOME SUPPLIERS**

Suppliers must collect tax from funeral homes on the sale of goods used in the provision of funeral services. This includes items such as caskets, urns, burial vaults, embalming supplies, flowers and guest books.

**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, Used Goods](#).

#### **F. 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 [www.sets.saskatchewan.ca](http://www.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](#)

#### **G. 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](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).

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