
PST-46 Issued: December 1995

Revised: March 22, 2017

THE PROVINCIAL SALES TAX ACT

INFORMATION FOR SERVICE ENTERPRISES

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. General Information
- B. Registration Requirements
- C. Non-Taxable Services
- D. Goods and Services for Own Use
- E. Incidental Retail Sales
- F. Consulting Services
- G. Training Services
- H. Transportation Services
- I. Taxable Services
- J. Sales of Used Business Assets
- K. Saskatchewan Electronic Tax Service (SETS)

A. GENERAL INFORMATION

For the purposes of this bulletin, service enterprises are businesses that are providing non-taxable services as outlined in Section C. For rental businesses and businesses providing equipment with an operator or service component, please see Information Bulletin [PST-72, *Information for Rental Businesses*](#). For oilfield services, please see Information Bulletin [PST-13, *Petroleum Drilling & Well Servicing Contractors*](#).

B. REGISTRATION REQUIREMENTS

Service enterprises are required to be registered with a PST number. A registered consumer number is issued to businesses that do not provide taxable services or make retail sales but purchase taxable goods and services for business use. This number cannot be used to purchase goods or services without paying the PST.

C. NON-TAXABLE SERVICES

Certain services are subject to PST. *The Provincial Sales Tax Act* and *The Provincial Sales Tax Regulations* list and define the services that are subject to tax. The list of taxable services is provided in Section I of this bulletin. Services that are not within this list of taxable services are non-taxable.

Examples of businesses providing non-taxable services include the following:

- Banks
- Car washes
- Daycare centers
- Disposal services
- DJ services
- Fitness/wellness centers
- Healthcare services
- Limousine services
- Spas/beauty salons
- Tanning salons
- Tattooing services
- Taxidermists
- Towing and boosting services
- Travel agencies

D. GOODS AND SERVICES FOR OWN USE

Service enterprises are required to pay tax on purchases of equipment, supplies and taxable services used in their business and in providing their services. If they are purchased from a licensed supplier, the tax must be paid to the supplier. If they are purchased from an unlicensed supplier, such as one located outside Saskatchewan, the tax must be submitted with your return on the laid down cost, which includes currency exchange, transportation charges, customs and excise duties and importation charges, but not the GST.

E. INCIDENTAL RETAIL SALES

Service enterprises that make incidental retail sales of goods from their tax-paid inventory must collect the tax from the customer. The tax that was paid to the supplier on the items that are sold may be deducted from the tax collected from the customer, and the difference reported on the return form.

F. CONSULTING SERVICES

General consulting and advisory services are not subject to tax provided they are not included in the sale of taxable goods and services.

The following are examples of non-taxable consulting services:

- Management consulting
- Development of marketing strategies or business plans
- Special events co-ordination
- Communication plans

The following are examples of taxable consulting services:

- Computer consulting related to the delivery of taxable computer services¹
- Legal consulting services²
- Consulting services included in the sale of taxable goods or services. Taxable services are outlined in Section I.

G. TRAINING SERVICES

Training services that are not a mandatory part of the sale of taxable goods or services are not subject to PST. This includes training services such as safety training and first aid training. Tax must be paid on any equipment and supplies used to provide the services.

When training services are mandatory and form part of the consideration paid to acquire taxable goods or services, PST applies.

H. TRANSPORTATION SERVICES

Businesses such as common carriers or couriers hauling goods on behalf of others are not required to collect PST on their services. The purchaser or consumer of these services is required to self-assess the tax where applicable. The transportation company is required to pay tax on all equipment and supplies used in providing their services as outlined in Section D of this bulletin. Note that vehicles registered inter-jurisdictionally are subject to the Prorated Vehicle Tax.³

Freight or delivery charges that are invoiced to a customer for the shipment of a taxable commodity are subject to PST if the supply point originates outside Saskatchewan. If the supply point originates in Saskatchewan, the freight or delivery charges are not taxable providing the charges are invoiced separately or segregated from the taxable goods on the invoice.

¹Information Bulletin [PST-7, Information for Suppliers of Computer Hardware, Software and Computer Services](#)

²Information Bulletin [PST-64, Information for Lawyers](#)

³Information Bulletin [PST-50, Information for Inter-Jurisdictional Carriers](#)

I. TAXABLE SERVICES

Individuals or businesses engaged in the following activities are providing taxable services and must be licensed as vendors to collect tax on these services. Please refer to the bulletins available [here](#) on the Internet for information regarding the application of PST to these services:

- Accounting and bookkeeping services (PST-62)
- Advertising services (PST-67)
- Architectural services (PST-65)
- Commercial building cleaning services (PST-61)
- Computer programs and services (PST-7)
- Credit reporting or collection services (PST-55)
- Dry cleaning or laundry services (PST-53)
- Employment placement services (PST-66)
- Engineering services (PST-65)
- Extended warranty and maintenance contracts for new and used goods (PST-6)
- Legal services (PST-64)
- Lodging in hotels, motels, hostels, apartment houses, lodging houses, cabins, cottages, vacation farms, outfitter camps, and other similar accommodation for a period of less than 30 consecutive days (PST-31 & PST-47)
- Real estate services (PST-24)
- Repair or installation services related to tangible personal property (PST-57)
- Security and investigation services (PST-54)
- Telecommunication services, such as telephone services, cable/satellite services, television services, alarm system services, pager services, facsimile services, electronic messaging services and Internet services (PST-8)
- Telephone answering services (PST-8)
- Veterinary services (PST-26)
- Services to real property (Effective April 1, 2017) (PST-12)

J. 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 sold as part of the closure of a business, the purchaser is required to self-assess and report the tax.⁴

⁴ Information Bulletin [PST-58, Information on the Taxation of Used Goods](#)

K. SASKATCHEWAN ELECTRONIC TAX SERVICE (SETS)

The Ministry of Finance has made it possible to report and remit tax electronically through the use of a standard Internet connection. SETS offers a secure, fast, easy and convenient alternative to filing returns in paper format. Several E-File services are currently available through SETS.

Businesses may use SETS to file and pay returns for PST and other provincial taxes.

SETS allows businesses to:

- file and pay returns or make payments on account;
- file a return and post-date the payment to the due date;
- view account balance and statement information;
- authorize your accountant to file on your behalf; and,
- subscribe to an email notification service that allows the option to be notified by email that a tax return should be filed. This replaces the paper forms normally received in the mail.

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

Fax: 306-787-9644

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.

Government website: Saskatchewan.ca.