

Information Bulletin

PST-27

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THE PROVINCIAL SALES TAX ACT

BOARDS OF EDUCATION

This bulletin has been prepared to help you apply and collect the Provincial Sales Tax (PST). It is provided as a general guide and should not be considered 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. Taxable School Supplies and Equipment
- B. Exempt School Supplies and Equipment
- C. Real Property Services
- D. Goods and Services Purchased for Own Use
- E. Sale of Used Assets
- F. Saskatchewan eTax Services (SETS)

A. TAXABLE SCHOOL SUPPLIES AND EQUIPMENT

Boards of education are required to pay Provincial Sales Tax (PST) on the purchase, lease, or rental of taxable goods and services. PST applies to most goods and certain services, and there are no PST exemptions specific to school boards.

Below are common taxable items purchased, leased or rented by boards of education:

- Art equipment, tools and supplies
- Athletic and sporting equipment
- Audio-video equipment, tools and supplies
- Audio and video content such as music and podcasts on CD, DVD, or any electronic or digital format, **other than audio books effective April 1, 2022** (see Section B below and [Information Bulletin PST-9](#) for details regarding the PST exemption on reading materials)
- Academic and Athletic Achievement Awards
- Books and printed materials **other than** exempt reading material (see Section B below and [Information Bulletin PST-9](#) for details regarding the PST exemption on reading materials)
- Building and landscaping materials, equipment, tools and supplies
- Cafeteria equipment (fixed and portable), tools and supplies

TAXABLE SCHOOL SUPPLIES AND EQUIPMENT (CONTINUED)

- Cleaning and maintenance equipment, tools and supplies
- Caretaker/janitorial services, window cleaning, and carpet cleaning (contracted) – in-house services are exempt (see [Information Bulletin PST-61](#) for detailed information)
- Classroom and office furniture, equipment and supplies
Computer hardware, software and supplies, including:
 - Fees for the right to access, use or download computer software.
 - Fees for the right to access, download, or stream pre-recorded music and video, including those used as teaching and learning tools.
- Note:** PST exempt goods or services, such as exempt books, tuition or course fees, or personal counselling services, do not become taxable when they are offered through an electronic distribution platform or an online marketplace.
- Computer services, including software and maintenance contracts (see [Information Bulletin PST-7](#) for detailed information)
- Drugs and medicines (non-prescription), first-aid equipment and supplies, medical devices
- Educational aids (audio, visual and hands-on)
- Educational toys
- Extended warranty contracts (see [Information Bulletin PST-6](#) for detailed information)
- Library equipment and supplies **other than** exempt reading material (see Section B below and [Information Bulletin PST-9](#) for details regarding the PST exemption on reading materials)
- Practical and applied arts (i.e. home economics, industrial arts) equipment, tools and supplies
- Mathematical equipment, tools, and supplies
- Scientific equipment, tools, and supplies **other than live entomological and laboratory specimens**
- Musical instruments
- School clothing and footwear (adult and children)
- Snack foods and beverages, **but not** basic groceries (see [Information Bulletin PST-2](#) and Appendix for detailed information)
- Student assessment and monitoring equipment, tools and supplies
- Telecommunication services (see [Information Bulletin PST-8](#) for detailed information)
- Vehicles, automotive parts and repairs – cars, trucks, vans, and school buses

B. EXEMPT SCHOOL SUPPLIES AND EQUIPMENT

The following supplies and equipment are exempt from PST:

- Atlases **but not** maps and charts
- Basic groceries (see [Information Bulletin PST-2](#) and Appendix for further information)

EXEMPT SCHOOL SUPPLIES AND EQUIPMENT (CONTINUED)

- Book binding materials
- Books - curriculum, dictionaries, encyclopedia, library, literary papers (unbound), printed and bound, school yearbooks, sheet music, workbooks (printed to accompany a text/program), colouring, cook, paste **but not** tests (see [Information Bulletin PST-9](#) for further information)
 - The exemption on reading materials includes digital or similar electronic equivalents that contain no advertising and are published solely for educational, technical, cultural or literary purposes. This includes:
 - books that are printed and bound with permanent bindings;
 - unbound literary and technical papers;
 - digital equivalents formatted for viewing on an electronic device;
 - loose-leaf sheets or pages that are printed and punched for insertion in a ring or post binder; and,
 - **effective April 1, 2022**, audio recordings of exempt reading materials.
- **NOTE:** The exemption **does not apply** to computer software or electronic devices used to view or listen to exempt reading materials, or to taxable audio content such as music and podcasts.
- Entomological and laboratory specimens (live)
- Equipment such as environmental controls, communication aids and vocational aids that are specially designed for handicapped persons and purchased by a school
- Event programs
- Fertilizer **but not** peat moss or vermiculite
- Magazines, newspapers and periodicals, including digital or similar equivalent equivalents, and **effective April 1, 2022**, audio recordings of exempt reading materials (see books above for further details)
- Oxygen and acetylene gases
- Religious publications including holy scriptures and testaments, prayer books, psalm and hymn books, children's scripture and lessons, books bound and unbound, pamphlets, booklets, leaflets, sermons
- Rentals of film, slides, slide films, film strips from the National Film Board **but not** when purchased outright or the rental of other video materials
- Topsoil, potting soil and other special mixtures of soil
- Weed control chemicals and herbicides
- Wheelchair motorizing kits

C. REAL PROPERTY SERVICES

Please see Information Bulletin [PST-12, Services to Real Property](#).

D. GOODS AND SERVICES PURCHASED FOR OWN USE

School boards are required to pay tax on the purchase of all taxable services, goods and supplies purchased for their own use.

Services provided by an employee in the course of employment are not subject to tax. For example, school boards are not required to pay tax on the wages of an employee for janitorial services. A person is considered to be an employee when the employer makes regular deductions from wages as required by federal Income Tax regulations.

Charges for taxable services performed under contract by a self-employed person are subject to tax. Contract services that are completed outside the terms of employment are subject to tax. Self-employed contractors are not considered to be employees and must register as vendors and collect tax on the services they provide.

When taxable goods and services are purchased or leased by boards of education, 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.

E. SALE OF USED ASSETS

School boards are required to collect tax on the sale of used assets, such as vehicles and equipment.

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 reference please see Information Bulletin [PST-58, Used Goods](#).

F. 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.

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