

Information Bulletin

PST-10

Issued: September 1990

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THE PROVINCIAL SALES TAX ACT

READY-MIX CONCRETE

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. [Calculation of Tax](#)
- B. [Sale of Used Business Assets](#)
- C. [Saskatchewan eTax Services \(Sets\)](#)

A. CALCULATION OF TAX

The maximum allowable delivery charge (local market area) for ready-mix concrete is \$26.50 per cubic metre (\$20.25 per cubic yard).

Please review the following rules to ensure the tax is applied properly:

- (1) The amount of the delivery charge (including local market area delivery) and the selling price of the ready-mix concrete must be shown separately on the invoice to the purchaser. (**Note:** Any vendor not complying with this requirement must collect the tax on the total amount shown on the invoice).
- (2) PST must be calculated on the selling price of the ready-mix concrete including charges for additives and winter heating, but excluding the GST and charges for waiting time shown separately on the customer's sales invoice.
- (3) The vendor must specify in his or her normal dealings with the public that the F.O.B. plant price quotation does not include delivery charges and that delivery charges will be extra.
- (4) The normal plant price of concrete cannot be reduced to offset the delivery charge, except where a volume discount is allowed.
- (5) The invoice cannot state more than one charge for delivery of ready-mix concrete. Delivery must be shown as (a) or (b) below, but **not** both.
 - (a) \$26.50 per cubic metre (\$20.25 per cubic yard); or,
 - (b) a cartage charge based on a mileage rate per cubic metre or cubic yard.

- (6) Ready-mix concrete operators who act as their own contractor are required to collect PST on the total charge to the customer for the supply and installation of ready-mix concrete. For further information please see Information Bulletin, [PST-12, Services to Real Property](#).

B. 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](#).

C. 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 (sets.saskatchewan.ca):

- 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 saskatchewan.ca/business-taxes.

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

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Government website: Saskatchewan.ca