

Information Bulletin

PST-55

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THE PROVINCIAL SALES TAX ACT

CREDIT REPORTING, CREDIT RATING AND COLLECTION AGENCIES

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. [Taxable Credit and Collection Fees](#)
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- C. [Sales of Used Business Assets](#)
- D. [Goods and Services for Your Own Use](#)
- E. [Tax Tips Line](#)
- F. [Saskatchewan eTax Services \(SETS\)](#)

A. TAXABLE CREDIT AND COLLECTION FEES

Credit reporting and account collection services are subject to PST if that service:

- relates to a physical location, transaction, activity or contemplated transaction or activity in Saskatchewan; and,
- is provided to a person who resides, ordinarily resides, or carries on business in Saskatchewan at the time the service is provided.

Taxable credit and collection services include:

- credit checks, credit rating reports and skip tracing;
- seizures of real property and/or tangible personal property (excluding court ordered seizures); and,
- fees charged to Saskatchewan residents for collecting unpaid accounts, and on fees charged to businesses with branch offices in Saskatchewan for collecting unpaid accounts. This includes contingency fee arrangements.
- **Effective April 1, 2022**, credit rating agency services to provide and distribute credit ratings. This includes services provided by a credit rating agency regulated by National Instrument 25-101 as adopted pursuant to *The Securities Commission (Adoption of National Instruments) Regulations*.

B. EXEMPT CREDIT AND COLLECTION FEES

- Fees for serving legal documents.
- Fees for court ordered seizures.
- Fees for the services of a Commissioner for Oaths or Notary Public.
- Fees for writing/replacing NSF cheques.
- Fees charged to non-resident businesses for collecting accounts from non-residents of Saskatchewan.
- Charges billed to clients for disbursements such as travel, sustenance, accommodation, and towing are not subject to tax when clearly segregated on the invoice as a separate charge from the seizure fee.
- Segregated charges billed to clients for cleaning, storage, advertising, and sales fees are not subject to tax as these services do not directly relate to the seizure.

C. SALES OF USED BUSINESS ASSETS

Businesses are required to collect tax on the sale of used assets, such as 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 reference please see Information Bulletin [PST-58, Used Goods](#).

D. 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 from inventory 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. 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 saskatchewan.ca/business/taxes-licensing-and-reporting/provincial-taxes-policies-and-bulletins/tax-tips-line 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](#)

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 (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.

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

Government website: Saskatchewan.ca