

Information Bulletin

PST-67

Issued: June 2000

Revised: April 2022

THE PROVINCIAL SALES TAX ACT

ADVERTISING SERVICES

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.

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A. TAXABLE SALES

- Charges for agency fees, project or account management fees, design fees, production supervision, creative development, and camera-ready assembly in the preparation and printing of advertising products (business cards, advertising brochures).
- Charges for the preparation of advertising in the media, such as newspapers, magazines, periodicals, television, radio, billboards and internet.
- Charges for copy writing and scripts used in advertisements.
- Charges for creating logos, negatives, design, layout and other preprint materials.
- Advertising inserts, including inserts incorporated into newspapers.
- Sales of the following advertising items (tax applies to the total charge to the customer):
 - photographs
 - business cards
 - audio visual packages
 - pamphlets
 - advertising inserts
 - advertising brochures
 - multimedia presentations
 - other advertising material
 - any of these items in electronic or digital format (whether supplied on a digital storage device or by email)

- Charges for the preparation and maintenance of advertising content on commercial web pages and social media platforms.
- Charges for audio visual advertising products, including charges for recording and mixing.

B. EXEMPT SALES

Businesses are not required to collect tax on the following:

- Charges for the placement of advertising in the media, such as newspapers, magazines, periodicals, television, radio, billboards and the Internet.
- Sales of exempt reading materials, such as books which contain no advertising, magazines and periodicals, including digital or similar equivalents and **effective April 1, 2022, audio books** (exempt sales include history books, newsletters, prize books and programs – see Information Bulletin [PST-9, Books, Magazines, Periodicals, Newspapers and Other Reading Materials](#) for more information regarding exempt reading materials).
- Goods and services sold to other vendors for resale (the purchaser's vendor's license number must be retained for possible audit verification of exempt sales).
- Goods sold to residents and non-residents when the goods are shipped or delivered out of province by the vendor, or shipped by common carrier (evidence of shipment must be retained). For goods delivered electronically to a non-resident for use or consumption solely outside the province, the customer's location and billing address must be outside Saskatchewan to be exempt from PST.
- Services supplied remotely to a non-resident for use or consumption solely outside the province (the customer's location and billing address must be outside Saskatchewan).
- Goods sold to federal government departments or agencies. (**Note:** Sales to federal government crown corporations and provincial government ministries, agencies and crown corporations are taxable).
- Sales to a Status Indian, Indian band or a band empowered entity, providing the advertising materials are delivered to a reserve by the retailer, and the Certificate of Indian Status identification card number issued under the *Indian Act* (Canada) or the band number is recorded on the invoice. The complete 10-digit card number must be recorded. If the federal identification card number is only 3 to 5 digits, record the number and the name of the band on the sales invoice. Proof of delivery to a reserve must be retained.

Note: Where exempt and taxable goods and services are provided to a client, the exempt goods and services must be shown separately, or the entire charge is taxable.

C. PURCHASES OF MATERIALS

(a) Taxable

Businesses are required to pay the tax on goods and services purchased for their own use, whether they are taken from stock or purchased from a supplier who did not charge the tax. Goods and services in this category include equipment and repairs to equipment,

computer hardware and software, computer services, office supplies, accounting services, legal services, photographs, and any other taxable goods and services purchased for their own use.

(b) **Exempt**

Businesses are not required to pay the tax on purchases of the following items:

- All materials that are attached to or that become incorporated into the end product which is sold to a customer, such as paper and ink.
- Purchases of logos, negatives, design, layout and other preprint materials, provided the preprint materials are being purchased to create taxable or exempt products.
- Direct agents, such as preprint materials. Direct agents are those materials consumed or used by a manufacturer or processor in the transformation or manufacture of a product by contact or temporary incorporation into the raw materials being manufactured or processed. See [PST-39, Direct Agents](#) for further information on direct agents.
- Photo engraving, lithography and photographic materials, including make-up sheets, negatives and plates used to create taxable or exempt products are also considered direct agents.

A vendor's license number must be provided to your suppliers in order to purchase these items exempt from PST.

Businesses that also do commercial printing should refer to Information Bulletin [PST-20, Printers and Desktop Publishers](#).

D. SALES OF USED BUSINESS ASSETS

Businesses are required to collect the 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](#).

E. 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 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.

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 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](#)

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 (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