

# Information Notice

**NOTICE**  
**Retail Sales Tax Act**  
**Issued June 2010**

## TANNING SERVICES

The 2010 Budget announced that effective July 1, 2010, retail sales tax (RST) will apply to tanning services.

Businesses providing a tanning service using an ultraviolet light emitting device (tanning beds, booths or other tanning devices) will be required to collect RST applied at 7% on the sale price of the tanning service. RST applies whether the service is sold as tanning minutes, drop-in fees, packages consisting of minutes, minute sharing, memberships, points, special offers or other arrangements. RST also applies to all sales of tanning lotions and supplies.

Tanning services sold on or after July 1, 2010 will be subject to RST. Pre-paid tanning service packages invoiced and paid before July 1, 2010 will not be subject to RST, regardless of the redemption period and when the actual tanning services are provided.

Tanning services provided without an ultraviolet light emitting device, such as air-brush tanning or spray-on tanning services, will not be subject to RST. When sold in a package with taxable tanning services (or any other taxable goods or services), the taxable and exempt components of the sale should be clearly stated on the sales invoice with the fair value of each charged separately. RST will then apply to the taxable components only.

For example, on a sale invoiced as follows, RST will apply only to the selling price of the taxable tanning service:

|                           |                 |
|---------------------------|-----------------|
| Tanning booth services    | \$100.00        |
| Spray-on tanning services | <u>100.00</u>   |
| Total before tax          | 200.00          |
| GST – 5%                  | 10.00           |
| RST – 7%                  | <u>7.00</u>     |
| Total                     | <u>\$217.00</u> |

Combined sales of both taxable and exempt goods and services, where the taxable and exempt charges are not separately stated, are subject to RST on the total sale price.

For example, on a sale invoiced as follows that allows for both the use of a tanning booth and spray-on tanning services, RST will apply to the total charge:

|                        |                 |
|------------------------|-----------------|
| Tanning salon services | \$200.00        |
| GST – 5%               | 10.00           |
| RST – 7%               | <u>14.00</u>    |
| Total                  | <u>\$224.00</u> |

Businesses providing taxable tanning services are required to register, collect and remit RST. Applications for registration can be made online at [Manitoba.ca/TAXcess](http://Manitoba.ca/TAXcess). Applications forms are also available from the Taxation Division web site or offices listed below.

Further information may be obtained from:

**Winnipeg Office**

Manitoba Finance  
Taxation Division  
101 – 401 York Avenue  
Winnipeg, Manitoba R3C 0P8  
Telephone (204) 945-5603  
Manitoba Toll Free 1-800-782-0318  
Fax (204) 948-2087  
E-mail: [MBTax@gov.mb.ca](mailto:MBTax@gov.mb.ca)

**Westman Regional Office**

Manitoba Finance  
Taxation Division  
314, 340 – 9<sup>th</sup> Street  
Brandon Manitoba R7A 6C2  
Fax (204) 726-6763

**ONLINE SERVICES**

Our Web site at [manitoba.ca/finance/taxation](http://manitoba.ca/finance/taxation) provides tax forms and publications about taxes administered by Taxation Division, and a link to Manitoba's laws and regulations. Forms and publications can also be obtained by contacting the Taxation Division.

Our online service at [manitoba.ca/TAXcess](http://manitoba.ca/TAXcess) provides a simple, secure way to apply for, and to file, pay and view your Taxation Division tax accounts.