

Information Notice

NOTICE
The Retail Sales Tax Act
June 2010

IMPORTANT RETAIL SALES TAX TIPS

The following information is provided to help businesses comply with their retail sales tax (RST) collection and payment requirements.

Do

- Apply RST on the sale of taxable goods or services. You are collecting RST on behalf of the provincial government and are responsible for the proper application of sales tax.
- Calculate and remit the RST payable on taxable goods or services purchased for your own use (not for resale) where RST was not charged by your supplier. This includes taxable purchases from suppliers located outside of Manitoba that did not collect RST. A business must report the RST payable on taxable purchases on line 3 of their sales tax return.
- File and pay your sales tax return by the due date (20th of the month), even if you have not received your tax return in the mail (or received an email reminder for businesses that file and pay online). For replacement tax returns contact the numbers on page 2 of this Notice or visit our website at manitoba.ca/finance/taxation. Late payments are subject to penalty, interest and loss of commission.
- File your sales tax return even if you have no sales tax to report. Failure to file your sales tax return could result in an estimated tax assessment being applied to your account.
- Maintain records to support the application and payment of RST, including documentation supporting any RST exempt sales.
- Apply for a Bulk Sale Clearance Certificate if you sell your business. You are required to notify the Taxation Division if you discontinue your business, change your business name or address or change your business structure (for example if you incorporate your business or add a partner).
- Visit our website or contact the Taxation Division if you have questions about the application of RST. Our contact information is on page 2 of this Notice.

Don't

- Sell taxable goods or services unless you are registered as a vendor with the Taxation Division.
- Use your RST number to purchase taxable goods or services for your own use exempt from tax. Misuse of the RST number is subject to penalties and/or fines.
- Confuse your RST number with your account number. Your RST number is a 7-digit number you receive when you register as a vendor. You provide your RST number to your suppliers to purchase goods or services for resale exempt from RST. Your account

number is the 15-digit number found on your sales tax return and other correspondence from the Taxation Division. You cannot use your account number to purchase goods for resale exempt from RST.

- Confuse RST with GST. RST is a provincial tax collected by the Manitoba Taxation Division while the GST is a federal tax collected by the Canada Revenue Agency. The tax application, tax returns and tax return due dates are different for RST and GST (for information on GST call 1-800-959-5525).

Information Services

The Taxation Division has many publications with information on the application of RST. The following publications are helpful for all new businesses.

- Pamphlet – Do I Need to Register?
- Notice – Registration Requirement Eliminated for Small Businesses
- Bulletin No. 004 – Information for Vendors
- Bulletin No. 014 – Goods and Services Purchased From Out-of-Province Suppliers
- Bulletin No. 016 – Record Keeping and Retention Requirements
- Bulletin No. 030 – Summary of Taxable and Exempt Goods and Services

Visit manitoba.ca/finance/taxation for a complete list of publications or contact the Taxation Division from 8:00 a.m. to 4:30 p.m. Monday to Friday.

Free tax information workshops are provided through the Canada/Manitoba Business Service Centre. To register call (204) 984-2272 or toll free at 1-800-457-8466. You may also register on line at canadabusiness.ca/manitoba.

New Vendor Calls

To help new businesses understand their sales tax collection and payment responsibilities, new vendors can request a New Vendor Call. A Taxation Division representative will meet with the business to provide information and answer questions regarding the application of sales tax. See Information Notice - New Vendor Calls for further information.

TAXcess is Manitoba's online service to file, pay and view your Manitoba business tax accounts. To register for online service visit our website at manitoba.ca/TAXcess.

Contact Information

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

Westman Regional Office

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