



## **2021 BC PST REBATE ON SELECT MACHINERY AND EQUIPMENT**

The provincial government has announced a PST rebate on select machinery and equipment. The rebate is a temporary provincial sales tax (PST) program to help corporations to recover from the financial impacts of COVID-19.

Corporations can apply to receive an amount equal to the PST they paid between September 17, 2020 and September 30, 2021 on qualifying machinery and equipment.

Qualifying machinery and equipment are defined as any asset purchased within the period above that qualifies to be capitalized for accounting purposes (i.e. a depreciable asset) under classes 8, 10, 12, 16, 38, 43, 43.1, 43.2, 46, 50, 53, 54 and 55 (including zero-emission vehicles).

### **The goods must be:**

- Purchased by a Corporation;
- Obtained substantially (greater than 90%) for the purpose of gaining or producing income; and
- Purchased or leased in B.C., brought into or received in B.C., brought into B.C. for temporary use, received from a related company, or received as a taxable gift.

PST paid on leases (both capital or operating) of qualifying machinery and equipment also qualify.

**Goods purchased by individuals are not eligible.**

### **What goods do not qualify?**

- Boats and vehicles (including trailers), other than zero-emission vehicles;
- Consumables, disposable items, real property;
- Goods purchased to be installed as an improvement to real property (other than affixed machinery);
- Goods purchased for resale by a small seller; and
- Exclusive products purchased by independent sales contractors.

PST invoiced before the deadline but paid after September 30, 2021 does not qualify for the rebate.

How to apply:

Fill out the [B.C. PST Rebate on Select Machinery and Equipment Purchase Schedule \(Excel, 20.7KB\)](#). You will need all receipts and invoices with proof of payment of PST. You are not required to submit your receipts and invoices; you should retain them in case you are audited.

You may need to provide your incorporation documents (if asked for). You will submit your banking information (i.e. void cheque) to get your rebate directly deposited.

You can apply by

- Mail;
- Through your e-TaxBC logon; or
- Online without a logon.

There are two application periods:

- 1- You can submit a single application between April 1, 2021, and September 30, 2021
- 2- You can submit a second application between October 1, 2021, and March 31, 2022

If you didn't submit an application during the first application period, you can submit up to 2 applications in the second application period.

Deadline: You have until March 31, 2022, to apply.

Our firm can assist you with determining which assets qualify and the application process. Please contact us if you think you are eligible for the PST rebate.