



**REGISTERING FOR THE SOCIAL SERVICE TAX**  
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Now that you've set up your company, are you required to register for the Social Service Tax (SST)? Generally, SST is applicable on the sale of tangible personal property, and certain services in respect of tangible personal property. Businesses that engage in the following activities must be registered with the Consumer Taxation Branch:

- 1) regularly make taxable sales of goods, or lease taxable goods as a lessor
- 2) provide legal services in British Columbia
- 3) sell taxable parking within the Greater Vancouver Regional Transit Service Area
- 4) provide taxable services whereby they would install, assemble, dismantle, repair, adjust, restore, recondition, refinish or maintain tangible personal property but does not include any service:
  - a) provided to install tangible personal property that will become real property on installation
  - b) provided by a person to that person's employer in the course of employment.
- 5) sell a telecommunications service.
- 6) sell propane
- 7) act as a liquidator, receiver, receiver-manager or trustee and dispose of assets in the course of your business.

So, what is tangible personal property? According to Section 1 of the SST Act, tangible personal property is defined as:

- 1) personal property that can be seen, weighed, measured, felt or touched, or that is in any other way perceptible to the senses, natural or manufactured gas;
- 2) software;
- 3) electricity; and
- 4) fixtures, other than prescribed fixtures

Examples of taxable sales and services include automotive parts & supplies, general merchandise such as cosmetics, clothing, office furniture, furniture repairs, computer software installation and maintenance. Effective February 20<sup>th</sup>, 2002 the general rate of 7.5 % applies to all taxes under the SSTA except for environmental levies and special passenger vehicle rental tax, and liquor which is taxed at 10 %. SST is imposed on the purchaser by having it payable on the purchase price of a taxable good or service. The transaction must be transferred at a sale in British Columbia for some other consideration.

There are certain goods and services that are specifically exempt from the SST under the Act. Furthermore, depending on the type of business that you are engaged in, you may be eligible for certain credits. If you are unsure as to whether you are required to register, please contact myself at (604) 323-9300 or the nearest Consumer Taxation Branch or visit their website at [www.rev.gov.bc.ca/ctb](http://www.rev.gov.bc.ca/ctb) ■

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