

**RTG: 168**  
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### **For Historical Reference Only**

Effective April 1, 2013, the Province of Prince Edward Island adopted the harmonized sales tax (HST). HST replaces the former provincial revenue sales tax (PST). The information provided on the PST is presented for historical reference only. Please refer to the [Canada Revenue Agency](#) for assistance with the application of the HST.

## **REVENUE TAX EXEMPTION FOR THE PROVINCE OF PRINCE EDWARD ISLAND**

### **Introduction**

Effective April 1, 2006, certain Provincial Government of Prince Edward Island entities became exempt from the payment of revenue tax (PST) on the purchase of goods and services. The purpose of this guide is to provide vendors with information regarding the application of PST on sales made to the Provincial Government, and to provide a list of exempt entities.

### **Application**

#### **Exempt Government Entities**

The exemption applies to those departments or divisions of the public service set out in Schedule A to the *Financial Administration Act*, and Tourism PEI (excluding Golf Links Prince Edward Island Inc.). The names of the departments set out in Schedule A may change from time to time. As of May 22, 2008, the exempt government entities are:

Department of Agriculture  
Department of Community, Cultural Affairs and Labour  
Department of Education and Early Childhood Development  
Department of Environment, Energy and Forestry  
Department of Fisheries, Aquaculture and Rural Development  
Department of Health  
Department of Innovation and Advanced Learning  
Department of Social Services and Seniors  
Department of the Provincial Treasury  
Department of Tourism  
Department of Transportation and Public Works  
Executive Council

Legislative Assembly  
Office of the Attorney General  
Office of the Auditor General  
Public Service Commission  
Tourism PEI (excluding Golf Links PEI)  
Health PEI

## Process

- A vendor may make a sale to the Provincial Government exempt of PST when the invoice is issued in the name of one of the above exempt entities and/or the purchaser presents a purchasing card, credit card, local purchase order (LPO), purchase order (PO), work order (WO) or credit/service authorization (CSA) that is in the name of the Province of Prince Edward Island on behalf of one of the above entities.
- Purchasing cards and credit cards must be in one of the following names:
  - Province of PEI
  - Tourism PEI
  - PEI Legislature
  - PEI Health Deptand may also have an employee's name on the card in addition to one of the above names.
- Local purchase orders (LPO's) and purchase orders (PO's) must have one of the following names preprinted on the LPO or PO form:
  - Province of Prince Edward Island
  - Provincial Treasury, Procurement Services, Office of the Comptroller
  - Tourism PEI
  - Materials Management East, Queen Elizabeth Hospital
  - Materials Management West, Prince County Hospital
- Credit/service authorizations (CSA's) will be in the name of:
  - PEI Health and Community Services or
  - Department of Social Services and Seniors
- Purchases made by Provincial Government employees in their personal name are subject to PST, even if the employee will be reimbursed by an exempt Provincial Government entity.
- As with all exempt sales, the vendor must retain sufficient evidence to substantiate the non-collection of PST for each tax exempt sale to the Provincial Government.
- The information to be recorded on, or attached to, the vendor's copy of the sales invoice includes the following, where applicable:
  - the name of the purchaser (department name, employee name)
  - the purchasing card or credit card number
  - a copy of the local purchase order (LPO), purchase order (PO), work order (WO) or credit/service authorization (CSA)

- Where the vendor issues only a cash register receipt for a sale paid by purchasing card or credit card, the vendor must employ some method (such as a specific exemption code or a credit card reference to the customer name) to reference the exempt sale to the exempt Provincial Government entity purchaser.
- This new PST exemption for Provincial Government entities applies only to those entities listed on the first page of this guide.

### **Further Information**

For copies of the *Revenue Tax Act* and Regulations and any inquiries regarding this Revenue Tax Guide, please contact:

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