

Part: **Public Money and Property**
 Section: **General Revenue Fund and Revolving Funds**
 Subsection: **Payments from the GRF**
 Policy: **Taxes on Goods and Services**

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Taxes on Goods and Services

Objective

The objective is to specify requirements for the payment and collection of taxes on the purchase and sale of goods and services by the Government of Saskatchewan.

Authority

The Financial Administration Act, 1993, section 28

Background

The Government of Saskatchewan pays Provincial Sales Tax (PST) on both in-province and out-of-province purchases of taxable goods and services. PST is collected on the sale of taxable goods and services.

For the purpose of the Goods and Services Tax (GST) and the Harmonized Sales Tax (HST), the Government of Saskatchewan is registered as an entity that consists of ministries and certain Crown corporations, boards, commissions and agencies. For the list of entities as specified in the [Canada-Saskatchewan Reciprocal Taxation Agreement](#), contact the Taxation and Intergovernmental Affairs Branch, Ministry of Finance.

GST/HST is not paid on purchases of goods and/or services for the Crown.

GST/HST must be paid for the following:

- purchases made by employees in the course of employment related travel, including transportation, meals, accommodation, taxi services, and incidental travel expenses (this includes credit card purchases made with a credit card issued in the name of the employee (i.e., Travel Card));
- professional fees paid on behalf of employees; and
- purchases through petty cash.

GST is collected by organizations in the entity on supplies of taxable goods and/or services provided to persons outside the entity.

Provincial Comptroller Directives

- .01 PST is paid to suppliers registered to collect the tax.
- .02 For purchases of goods and services from a supplier that does not collect PST (usually a supplier located outside of Saskatchewan), PST is paid and recorded in revenue. Refer to the [Accounting Manual, Appendix H Central System Processing](#) for related procedures.

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- .03 PST is collected on the sale of taxable goods and services. Refer to the [Accounting Manual, Appendix H Central System Processing](#) for related procedures.
- .04 Where invoices for goods/services include an incorrect charge for GST/HST, the supplier is notified through the [Notification Letter – Non-payment of GST/HST](#) that the Government of Saskatchewan does not pay GST/HST. This notification should be provided at the time the payment is made.
- .05 Where GST taxable goods/services are provided to persons outside the entity, GST is to be collected. Refer to the [Accounting Manual, Appendix H Central System Processing](#) for related procedures.
- .06 For processing refunds of PST and GST collected, refer to the [Accounting Manual, Appendix H Central System Processing](#).

References

[3100 Payments from the GRF](#)

[3101 GRF Payment Responsibilities](#)

[3110 Petty Cash and Cash Register Floats](#)

[Accounting Manual, Appendix H Central System Processing](#)

Websites

PST Information: Ministry of Finance, Saskatchewan

<https://www.saskatchewan.ca/business/taxes-licensing-and-reporting/provincial-taxes-policies-and-bulletins/provincial-sales-tax>

GST/HST Information: Canada Revenue Agency

<https://www.canada.ca/en/revenue-agency/services/forms-publications/publications/18-2/provincial-governments.html#toc4>