



## INSTRUCTIONS FOR COMPLETING THE DECLARATION OF AGREEMENT TO PAY PST

under the Provincial Sales Tax Act

### GENERAL INFORMATION

As a real property contractor, you may use a fully completed copy of this form as qualifying evidence that your customer agrees to pay provincial sales tax (PST) on goods you acquire to fulfil a contract to supply and affix, or install, those goods so they become part of real property.

For more information, see [Bulletin 501](#), Real Property Contractors, visit our website at [gov.bc.ca/pst](http://gov.bc.ca/pst) or call us toll free at 1-877-388-4440.

### INSTRUCTIONS FOR CUSTOMERS AND CONTRACTORS

#### Part A – Customer Information and Declaration

Your customer completes this part. The customer must be a person with whom you entered into the real property contract.

#### Part B – Contractor Information and Declaration

You, the contractor, complete this part. As the contractor, you are responsible for paying provincial sales tax (PST) on goods you supply under a contract that requires you to affix or install affixed machinery or an improvement to real property. If the machinery or improvement is situated in B.C., you may claim an exemption from paying PST on goods that become part of the machinery or improvement if you and your customer agree that your customer is responsible for paying PST on the goods.

There must be evidence of that agreement, such as a fully completed copy of this form. See [Bulletin 501](#), Real Property Contractors, for other evidence that can qualify.

If you use this form as evidence, keep it in your records to prove you qualify for the exemption and to show why you collected PST from the customer. Claim the exemption using your PST number or, if you have not yet received your PST number, a fully completed Certificate of Exemption Contractor ([FIN 491](#)). Your exemption from PST is restricted to the goods identified in Part B of this form.

**Note:** if you claim the exemption, you must be registered for PST before supplying the goods to be affixed, or installed into real property and you must remit all PST you collect from your customer.



## DECLARATION OF AGREEMENT TO PAY PST

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### GENERAL INSTRUCTIONS

Complete this form in full and keep it for your records.

See [Page 1](#) for instructions.

For more information on using this form see [Bulletin 501](#),  
Real Property Contractors, or call us toll free at 1-877-388-4440.

**Freedom of Information and Protection of Privacy Act (FOIPPA)**  
The personal information on this form is collected for the purpose of administering the Provincial Sales Tax Act under the authority of section 26(a) of the FOIPPA. Questions about the collection, use or disclosure of this information can be directed to the Director, Policy, Rulings and Services, PO Box 9442 Stn Prov Govt, Victoria BC V8W 9V7 (telephone: toll free at 1-877-388-4440).

### PART A – CUSTOMER INFORMATION AND DECLARATION

FULL LEGAL NAME OF CORPORATION, ASSOCIATION, PARTNERS, INDIAN BAND OR INDIVIDUAL

MAILING ADDRESS (include unit or house number, street or PO box, city, province/state/territory and country)

POSTAL / ZIP CODE

I declare that I have entered into the real property contract described in Part B with the contractor named in Part B and that the contractor and I have agreed that I am liable for PST imposed under section 80, 80.3 or 80.6 of the Provincial Sales Tax Act in relation to the tangible personal property described in Part B.

By signing this form, I certify that the information in Part A is correct. I acknowledge that if I make a false statement to avoid paying tax, the Provincial Sales Tax Act charges a fine of up to \$10,000 and/or imprisonment up to 2 years, in addition to a penalty of 25% of the tax due and an assessment for the tax that should have been paid.

SIGNATURE OF CUSTOMER

FULL LEGAL NAME OF INDIVIDUAL SIGNING FORM

DATE SIGNED  
YYYY / MM / DD

X

### PART B – CONTRACTOR INFORMATION AND DECLARATION

FULL LEGAL NAME OF CONTRACTOR

MAILING ADDRESS (include unit or house number, street or PO box, city, province/state/territory and country)

POSTAL / ZIP CODE

Description of the real property contract and description and price of all items of tangible personal property (goods) being supplied and installed (if you require more space, attach an additional sheet).

I declare that I have entered into the real property contract described in Part B with the customer named in Part A and that the customer and I have agreed that the customer will pay PST imposed under section 80, 80.3 or 80.6 of the Provincial Sales Tax Act in relation to the tangible personal property described in Part B.

By signing this form, I certify that the information in Part B is correct. I acknowledge that if I make a false statement to avoid paying tax, the Provincial Sales Tax Act charges a fine of up to \$10,000 and/or imprisonment up to 2 years, in addition to a penalty of 25% of the tax due and an assessment for the tax that should have been paid.

SIGNATURE OF CONTRACTOR

FULL LEGAL NAME OF INDIVIDUAL SIGNING FORM

DATE SIGNED  
YYYY / MM / DD

X