



Provincial Sales Tax (PST) Notice

Notice 2016-002

Issued: May 2016

Notice to Operators of Driving Ranges

Provincial Sales Tax Act

This notice clarifies how PST applies to golf balls used at driving ranges (range balls).

Operators of driving ranges were previously instructed to charge and collect PST from their customers on buckets of range balls. However, recent ministerial appeals concluded that PST **does not apply** to buckets of range balls.

As a result, the following are not subject to PST:

- charges to customers for buckets of range balls that include the right to use a driving range
- membership fees for the right to use a driving range (e.g. monthly or annual range passes) that include a limited or unlimited amount of range balls

This application of tax is effective April 1, 2013. This means that:

- customers who paid PST on range balls may be eligible for a refund, and
- operators of driving ranges must pay PST on their purchases of range balls.

Refunds for Customers

Customers who paid PST on buckets of range balls in the circumstances described above may be eligible for a refund of the PST they paid either directly from you (the operator) or from us.

Refund from the Operator

If you are registered for PST, you may refund or credit your customers directly for any amounts of PST they paid within 180 days of the date they paid the PST. After 180 days, your customer may claim a refund from us (see below).

If you refund or credit your customer within 180 days of the date they paid PST, you may claim the refund by making an adjustment on your PST return (i.e. deducting the amount of your refund from the amount of tax owing). You must make the adjustment in the reporting period in which you provided the refund or credit. If you do not make an adjustment on your return for that reporting period, you may apply directly to us for a refund within 4 years of the date you refunded or credited the PST to your customer.

For information on making adjustments on your PST return, see our online guide for [Completing the Provincial Sales Tax Return](#). For information on applying for a refund, see [Bulletin PST 400](#), PST Refunds.

Refund from Us

Customers are eligible for a refund from us if:

- they have proof they paid PST (e.g. bills, invoices or receipts),

- the amount of the refund is at least \$10 in PST, and
- they apply for the refund within 4 years of the date they paid the PST.

For example, Rory has 25 receipts showing he paid PST on \$8 buckets of range balls over the past 3 years. In total, he paid \$14 in PST. Rory may apply for a refund of the PST he paid within 4 years of the date he paid PST.

To apply for a refund from us, your customer must complete an *Application for Refund – General* ([FIN 355](#)) and provide the supporting documentation listed in the instructions to the form.

For more information on how to apply for a PST refund, see [Bulletin PST 400](#), *PST Refunds*.

Operators of Driving Ranges – PST on Range Balls

As an operator of a driving range, you must pay PST on your purchases of range balls. If you have not paid PST on past purchases, you must self-assess (pay directly to us) the PST due. If you are registered for PST, you must self-assess the PST due on Step 3 of your PST return. If you are not registered, you must self-assess the PST due using a *Casual Remittance Return* ([FIN 405](#)).

PST must be paid on the total purchase price of the range balls. If you purchase range balls outside BC and bring, send or receive them in BC, the total purchase price includes charges for transportation, customs, excise and any other costs, except the goods and services tax (GST).

If you have questions about how this notice applies to your business, please email us at CTBTaxQuestions@gov.bc.ca

Further Information

Online: gov.bc.ca/pst

Toll free in Canada: 1 877 388-4440

Email: CTBTaxQuestions@gov.bc.ca

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The information in this notice is for your convenience and guidance and is not a replacement for the legislation.