



# Provincial Sales Tax (PST) Bulletin

Bulletin PST 308

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## PST on Vehicles Provincial Sales Tax Act

Latest Revision: The revision bar ( | ) identifies changes to the previous version of this bulletin dated September 2023. For a summary of the changes, see Latest Revision at the end of this document.

This bulletin explains how PST applies to vehicles purchased in B.C., vehicles acquired outside B.C. that are brought into B.C., and vehicles acquired as a gift.

Effective October 1, 2022, the way we determine the value of a motor vehicle for the purpose of calculating PST due has changed for motor vehicles purchased at a private sale in B.C., purchased at a private sale in Canada and imported into B.C., or imported into B.C. from outside of Canada. For more information, see [Notice 2022-005](#), PST on Motor Vehicles Purchased at Private Sales or Imported from Outside Canada.

For information on sales and leases of vehicles by motor vehicle dealers and leasing companies, see [Bulletin PST 116](#), Motor Vehicle Dealers and Leasing Companies.

This bulletin does not provide information on how tax applies to multijurisdictional vehicles registered under the International Registration Plan (IRP). For information on multijurisdictional vehicles, see [Bulletin PST 135](#), Multijurisdictional Vehicles.

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## **Overview**

### **PST on Vehicles**

You must pay PST on vehicles you purchase, lease or receive as a gift in B.C., and vehicles you purchase, lease or receive as a gift outside B.C. and bring into B.C., unless a specific exemption applies. You must pay PST, regardless of whether the vehicle is for personal or business use, even if you are registered for PST. The rate of PST you must pay varies (see PST Rates below).

### **Definitions**

In this bulletin:

- An **applicable tax** means any of the following:
  - PST,
  - social service tax (SST) - the former B.C. provincial sales tax that was in effect before July 1, 2010,
  - tax on designated property (TDP) - the former 12% B.C. tax on private sales of vehicles, boats or aircraft that was in effect from July 1, 2010 to March 31, 2013,
  - the provincial portion of the harmonized sales tax (HST) for any HST-participating province (Ontario, PEI, Nova Scotia, New Brunswick, Newfoundland and Labrador, and B.C. from July 1, 2010 to March 31, 2013).
- The **appraised value** means the appraised retail value of a motor vehicle. Appraisals must be obtained from a motor vehicle dealer or a person whose business it is to appraise motor vehicles. Appraisers must complete a Motor Vehicle Appraisal Form ([FIN 320](#)) and provide it to their customer. Appraisals may be obtained by the purchaser or seller of the motor vehicle.
- The **average wholesale value** means the average wholesale value of a motor vehicle obtained from the Canadian Black Book valuation guide.

- A **B.C. resident** is a person who resides, ordinarily resides or carries on business in B.C., or a person who enters B.C. with the intention of residing or carrying on business in B.C.
- The **fair market value** of a vehicle is generally the retail price the vehicle would normally sell for in the open market.
- A **motor vehicle** is a vehicle, not run on rails, that is designed to be self-propelled or propelled by electric power obtained from overhead trolley wires, but does not include mobile equipment, a motor assisted cycle or a regulated motorized personal mobility device.
- A **passenger vehicle** is a motor vehicle designed primarily as a means of transport for individuals, including trucks and vans that are  $\frac{3}{4}$ -ton or less. Trucks and vans larger than  $\frac{3}{4}$ -ton, camperized vans, motor homes, buses, ambulances, hearses and motorcycles with engines of 250 cc or less are not passenger vehicles. For more information on what is a passenger vehicle, see [Bulletin PST 116](#), Motor Vehicle Dealers and Leasing Companies.
- A **private sale** is a sale in Canada where the seller is not a GST registrant, or the seller is a GST registrant but the sale is not a taxable supply under the Excise Tax Act (Canada).
- **Purchase price** is the total price you pay to purchase a vehicle before a deduction for a trade-in or down payment.
- A **zero-emission vehicle (ZEV)** is a motor vehicle that is propelled by electricity or hydrogen from an external source and emits no greenhouse gases at least some of the time while the motor vehicle is being operated. This includes fully electric vehicles, vehicles that run exclusively on hydrogen, and plug-in hybrids. It does not include hybrids that are not plugged in.

A **vehicle** includes trailers and off-road vehicles, such as snowmobiles, all-terrain vehicles (ATV's) and dirt bikes. Accessories, such as truck campers that slide-on or mount onto pickup trucks are not vehicles.

## **PST Rates**

PST rates apply as set out in the tables below. The PST rate depends on:

- whether the vehicle is a passenger vehicle,
- whether the vehicle is a zero-emission vehicle (ZEV) and when it was acquired,
- the value of the vehicle, and
- how the vehicle was acquired.

Rates are not affected by whether a vehicle is acquired in B.C. or outside B.C. but within Canada.

**Note:** In certain circumstances, for modified business vehicles and modified motor vehicles, which rate applies is based on the purchase or lease price of the vehicle less the portion of that purchase or lease price that can be reasonably attributed to certain modifications. For more information, see [Bulletin PST 116](#), Motor Vehicle Dealers and Leasing Companies.

**Table 1: PST Rates for Vehicles  
(For zero-emission vehicles acquired after February 22, 2022, see Table 2 below)**

Purchase Price (for gifts, Fair Market Value)	Vehicles that are:		Vehicles that are:	
	Passenger Vehicles	Non- Passenger Vehicles	Passenger Vehicles	Non- Passenger Vehicles
Less than \$55,000	12%	12%	7%	7%
\$55,000— \$55,999.99			8%	
\$56,000— \$56,999.99			9%	
\$57,000— \$124,999.99			10%	
\$125,000— \$149,999.99			15%	
\$150,000 and over	20%	20%		

**Table 2: PST Rates for Zero-Emission Vehicles (ZEVs)  
Acquired After February 22, 2022**

Purchase Price (for gifts, Fair Market Value)	ZEVs that are:		ZEVs that are:	
	Passenger Vehicles	Non-Passenger Vehicles	Passenger Vehicles	Non- Passenger Vehicles
	<ul style="list-style-type: none"> <li>• Purchased at a Private Sale</li> <li>• Received as a Taxable Gift</li> </ul>		<ul style="list-style-type: none"> <li>• Purchased from a GST Registrant</li> <li>• Received as a Taxable Gift from a GST Registrant</li> <li>• Imported into Canada</li> <li>• Leased</li> </ul>	
Less than \$75,000	12%	12%	7%	7%
\$75,000— \$75,999.99	12%	12%	8%	7%
\$76,000— \$76,999.99	12%	12%	9%	7%
\$77,000— \$124,999.99	12%	12%	10%	7%
\$125,000.00— \$149,999.99	15%	12%	15%	7%
\$150,000 and over	20%	12%	20%	7%

**Note:** Effective February 23, 2022, qualifying used ZEVs are exempt from PST. See Exemptions below for more information.

The new PST rates for ZEVs apply to purchases of ZEVs where the sale and delivery take place on or after February 23, 2022. However, the new rates do not apply if the sale takes place before February 23, 2022, even if delivery is on or after February 23, 2022. The new rates are in effect until February 22, 2027, after which they will return to the old rates.

**Example 1:**

You pre-ordered a ZEV before the new ZEV rates came into effect. The ZEV may qualify for the new rates as explained above.

If the bill of sale is on or after February 23, 2022, PST applies at the new rates.

If the bill of sale was before February 23, 2022, PST applies at the old rates, even if delivery of the ZEV takes place on or after February 23, 2022.

**Example 2:**

You pre-ordered a ZEV and made a refundable deposit for the ZEV on or before February 23, 2022.

If you take delivery of the ZEV on or after February 23, 2022, and the bill of sale is on or after February 23, 2022, PST applies at the new rates.

**Note:** For leased ZEVs, the new rates apply to the first lease payment due after February 22, 2022.

**CleanBC Go Electric Program Rebates and the Incentives for Zero-emission Vehicles Program (iZEVs)**

Under the [CleanBC Go Electric Program](#), purchasers and lessees of qualifying new battery electric, fuel cell electric and plug in hybrid electric vehicles receive rebates from the Government of B.C. at the time of sale or lease.

Under the [iZEV Program](#), purchasers and lessees of [eligible zero-emission vehicles](#) receive rebates from the Government of Canada at the time of sale or lease.

For more information about how these rebates are applied when you purchase or lease your ZEV, see [Bulletin PST 116](#), Motor Vehicle Dealers and Leasing Companies.

## **Vehicles Purchased in B.C.**

### **Vehicles Purchased at a Private Sale**

Effective October 1, 2022, if you purchase a vehicle at a private sale in B.C., you generally must pay PST at the applicable rate on the greater of the average wholesale value or the purchase price of the vehicle, unless a specific exemption applies (see Exemptions below).

If you believe the actual value of the vehicle is less than the average wholesale value, you may provide a completed Motor Vehicle Appraisal Form ([FIN 320](#)). If the appraised value on the FIN 320 and the purchase price are both less than the average wholesale value, PST due is calculated on the greater of the appraised value and the purchase price of the vehicle. For more information, see [Notice 2022-005](#), PST on Motor Vehicles Purchased at Private Sales or Imported from Outside Canada.

**Note:** For the purposes of calculating PST, if the seller accepts goods as payment, such as a trade-in, the value of the trade-in may reduce the purchase price of the vehicle. For more information, see Trade-Ins below.

For information on how to pay the PST due on private sales of vehicles, see Paying PST below.

### **Vehicles Purchased from GST Registrants**

If you purchase a vehicle from a GST registrant (e.g. a dealership) in B.C., see [Bulletin PST 116](#), Motor Vehicle Dealers and Leasing Companies.

## **Vehicles Acquired Outside of B.C. and Brought Into B.C.**

If you are a B.C. resident and you purchase a vehicle from a GST registrant (e.g. a dealership or other registered motor vehicle dealer) outside B.C. and then bring or send it into B.C., or receive delivery of it in B.C., you must pay PST on the depreciated purchase price of the vehicle (see Depreciated Purchase Price below), unless a specific exemption applies.

Effective October 1, 2022, if you acquire a vehicle at a private sale in Canada, or import it from outside of Canada, and then bring or send it into B.C., or receive delivery of it in B.C., you must pay PST on the greater of the depreciated value of the vehicle (see Calculating Depreciated Value below) and the average wholesale

value of the vehicle. For more information, see [Notice 2022-005](#), PST on Motor Vehicles Purchased at Private Sales or Imported from Outside of Canada.

If you received a vehicle as a gift, see Vehicles Received as a Gift below.

## Non-Residents

### Registered Vehicles

If you are not a B.C. resident and you bring or send a vehicle into B.C. or receive delivery of a vehicle in B.C., you must pay PST on the depreciated purchase price of the vehicle if you register it for use in B.C., unless a specific exemption applies.

### Vehicles That are Not Registered

If you do not register the vehicle, you may still be required to pay PST if you are a non-resident individual who:

- owns real property in B.C., or
- leases (as lessee) real property in B.C. if the term of the lease, including the cumulative total of all options and rights to extend or renew that lease, is at least five years.

In this case, you must pay PST on the depreciated purchase price of the vehicle (except travel trailers) you bring or send into B.C., or receive delivery of in B.C., even if you do not register the vehicle in B.C.

This requirement only applies if the vehicles are to be used **primarily** in B.C. and primarily for your own use, or for the use of another person at your expense, during the year following the entry of the vehicle.

You must self-assess the PST due at the earliest of the following:

- When you register the vehicle with the Insurance Corporation of British Columbia (ICBC) (ICBC will collect the PST at the time of registration)
- If you have a PST number, on your next PST return
- If you do not have a PST number, on or before the last day of the month following the month in which you brought, sent or received the vehicle in B.C. by using a Casual Remittance Return ([FIN 405](#))

### Depreciated Purchase Price

When vehicles are acquired outside B.C. but within Canada and brought into B.C. (except gifts), PST is calculated on the depreciated purchase price of the vehicle as of the date of entry. However, the PST rate that applies is based on the original



purchase price of the vehicle. For the applicable rate for passenger and non-passenger vehicles, see PST Rates above.

**Example:**

You purchased a passenger vehicle from a GST registrant in Alberta for \$60,000 and, at the time you brought the vehicle into B.C., the depreciated purchase price of the vehicle was \$40,000. The PST rate is based on the \$60,000 original purchase price of the vehicle; therefore, you must pay 10% PST on \$40,000.

The **depreciated purchase price** of a vehicle is the greater of:

- the depreciated value (see Calculating Depreciated Value below), and
- 50% of the purchase price.

**Note:** Effective October 1, 2022, if you acquire a vehicle at a private sale outside B.C. but within Canada, or import it from outside of Canada, you must pay PST on the greater of the depreciated value (see Calculating Depreciated Value below) and the average wholesale value of the vehicle when you register the vehicle at ICBC. For more information, see [Notice 2022-005](#), PST on Motor Vehicles Purchased at Private Sales or Imported from Outside of Canada

## Calculating Depreciated Value

The **depreciated value** is determined as follows:

$$\text{Depreciated value} = \text{Purchase price} - [\text{purchase price} \times \text{depreciation rate}]$$

The depreciation rate for a vehicle is the total of the following:

- 30% for each full year (12 consecutive months; **not** calendar year) since you acquired the vehicle, plus
- 2.5% per 30-day period for partial years.

## Calculating the Depreciation Rate

To calculate the depreciation rate, follow these steps.

1. Calculate the number of whole years between the date you acquired the vehicle and the date you brought the vehicle into B.C.
2. After calculating #1 above, calculate the number of days remaining in the partial year (if any) between the date you acquired the vehicle and the date you brought the vehicle into B.C. Both the first and last days should be counted.

3. Divide the number of days calculated under #2 by 30 and round to the nearest whole number (0.5 and above is rounded up to 1). This is the number of 30-day periods.
4. Calculate the depreciation rate by multiplying the applicable depreciation rates above by the number of years and 30-day periods.

**Example:**

You purchased a vehicle for \$50,000 at a private sale in Alberta on August 12, 2021, and brought it into B.C. for business use on October 1, 2022. The depreciation rate is 35%, calculated as follows:

1. August 12, 2021 to August 11, 2022 is one whole year
2. August 12, 2022 to October 1, 2022 is 51 days
3. The number of 30-day periods is  $51 \div 30 = 1.7$  rounded up to 2
4. The depreciation rate is  $[(1 \times 30\%) + (2 \times 2.5\%)] = \mathbf{35\%}$

In the above example, the **depreciated value** of the vehicle is \$32,500:

$$\$50,000 - \{\$50,000 \times 35\% \} = \$32,500$$

**Note:** This vehicle was acquired at a private sale and brought into B.C. on or after October 1, 2022, so when it is registered at ICBC, PST is calculated on the greater of this depreciated value and the average wholesale value of the vehicle.

## **Vehicles Received as a Gift**

If you receive a vehicle as a gift you must pay PST on the fair market value of the vehicle, unless a specific exemption applies. If you receive a vehicle as a gift outside B.C. and bring or send the vehicle into the province, the PST is calculated based on the fair market value as of the date the vehicle enters B.C.

The PST rate depends on the type of vehicle and whether the gift is received from a GST registrant in Canada as a taxable supply, or as an exempt supply from a charity, or the gift is received from outside Canada.

**Note:** A gift of a vehicle does not include a vehicle you receive because of a loan takeover or a vehicle you receive in exchange for other forms of consideration. These are considered a purchase of a vehicle (see Paying PST below).

## Leased Vehicles

If you lease a vehicle in B.C., or you lease a motor vehicle outside B.C. for a period of longer than 28 days and register that vehicle for use in B.C., PST applies. For more information, see [Bulletin PST 116](#), Motor Vehicle Dealers and Leasing Companies.

### **Leased Vehicles Brought or Sent Into B.C. Temporarily**

If you lease a vehicle outside B.C. and are either a B.C. resident or a business, you must self-assess (pay directly to us) PST if you bring or send that vehicle into B.C. for use during a rental period. The amount of PST you must self-assess for that rental period is based on the following formula:

$$\text{PST Payable} = \text{Applicable PST Rate} \times \text{Lease Price} \times (\text{B.C. Hours} / \text{Total Hours})$$

**B.C. Hours** is the total number of hours the vehicle is in B.C. during the rental period, and **Total Hours** is the total number of hours in the rental period.

**Note:** Any amounts not attributable to a rental period under the lease (e.g. a down payment) must be attributed equally across all rental periods under the lease and included in the **Lease Price** for the purpose of calculating the PST payable under the above formula.

#### **Example:**

You have a 36-month lease in Alberta for a vehicle. At the start of the lease, you made an \$1,800 down payment, and your monthly lease payment is \$500. During a rental period of 30 days (720 total hours), you bring the vehicle into B.C. for 360 hours for use in your business.

For the purposes of the PST, the **Lease Price** for a rental period for the vehicle is  $\$500 + (1,800 / 36) = \$550$

You self-assess PST as follows:

$$7\% \times \$550 \times (360 / 720) = \$19.25 \text{ in PST payable}$$

If you have a PST number, you must self-assess the PST due on your next return.

If you do not have a PST number, you must self-assess the PST due using a Casual Remittance Return ([FIN 405](#)) on or before the last day of the month following the month in which the rental period ends. For example, if the rental period ends in June, you must file the return and pay the PST no later than July 31.

## Trade-Ins

If you purchase a vehicle from a GST registrant (e.g. a dealership) in B.C. and the seller accepts goods as a trade-in as part of the consideration, see [Bulletin PST 116](#), Motor Vehicle Dealers and Leasing Companies.

### **Purchases in B.C.**

If you purchase a vehicle in B.C. and the seller accepts goods as a trade-in as part of the consideration, for the purpose of calculating the PST, the value of the trade-in may reduce the taxable purchase price of the vehicle. The reduction applies if you paid (or were exempt from) PST, TDP, SST or the B.C. portion of the HST.

**Note:** If the good traded in is a vehicle currently registered in B.C., you may assume that tax has been paid on the vehicle. For other goods, you must provide proof that tax has been paid, such as an invoice or bill of sale.

#### **Example:**

A person offers to sell you a vehicle at a private sale for \$10,000 (the fair market value of the vehicle). The seller agrees to accept your old vehicle as a trade-in for \$6,000 as partial consideration, along with \$4,000 in cash. Your trade-in vehicle is currently registered in B.C. The PST payable is \$480 ( $\$10,000 - \$6,000 = \$4,000$  taxable purchase price x 12%).

### **Purchases Outside B.C.**

If you purchase a motor vehicle outside B.C but within Canada, the trade-in reduction described in the above section **only** applies if the item traded in is a motor vehicle. The vehicle traded in must have had tax paid on it or been exempt from tax, as explained above.

### **Leases**

For the purposes of calculating the PST, a trade-in does not reduce the PST payable on the lease price of a leased vehicle. For more information, see [Bulletin PST 116](#), Motor Vehicle Dealers and Leasing Companies.

## Paying PST

If you acquire a vehicle from a person who is registered to collect PST, the person must charge any PST payable on the vehicle.

In all other cases, or if the seller does not charge PST as required, you must pay PST as set out below.

## **Purchases and Gifts in B.C.**

You must pay PST at the earliest of the following:

- When you register the vehicle with ICBC (ICBC will collect the PST at the time of registration)
- If you have a PST number, on your next PST return
- If you do not have a PST number, on or before the last day of the month following the month in which you purchased or received the vehicle by using a Casual Remittance Return ([FIN 405](#))

## **Vehicles Brought, Sent or Delivered into B.C.**

If you are required to pay PST on a vehicle brought, sent or delivered into B.C., you must pay PST at the earliest of the following:

- When you register the vehicle with ICBC (ICBC will collect the PST at the time of registration)
- If you have a PST number, on your next PST return
- If you do not have a PST number, on or before the last day of the month following the month in which you brought, or sent the vehicle in B.C. by using a Casual Remittance Return ([FIN 405](#))

## **Documentation and Payment of PST**

If you pay PST to us before registration, when you register the vehicle you will need to provide evidence that the PST was paid. Otherwise, ICBC must collect the PST from you.

At the time of registration, you will be required to document the purchase price you paid for the vehicle (or the fair market value of the vehicle in the case of leases and gifts) on the vehicle transfer form. The purchase price is the total consideration accepted by the seller for the vehicle.

We regularly review information on the transfer of vehicles to determine that PST was paid correctly. If we decide the documented purchase price or the documented fair market value of a vehicle does not accurately reflect the fair market value of the vehicle, we may contact you or the seller to request information to support the documented purchase price or value. If you are unable to support the purchase price or fair market value claimed, you may be assessed additional PST on the vehicle.

## **Exemptions**

If you are claiming an exemption, you may be required to provide information or documentation to support your claim. If you do not provide the required information or documentation, ICBC must collect PST from you. Specific information required to prove the exemption is identified in each of the sections below. We may request additional documentation that supports your claim.

If you are unable to provide documentation to show PST was paid or that you are entitled to an exemption, you may be eligible to apply to us for a refund of the PST if you provide the documentation to us.

## **New Residents**

If you are a new resident to B.C. and you bring a vehicle into B.C. solely for non-business use, the vehicle is exempt from PST if:

- you owned the vehicle for at least 30 days before you became a resident of B.C., and
- the vehicle arrives in B.C. within one year of you becoming a resident of the province.

If you became a resident of B.C. on or after March 11, 2019, the one-year deadline is extended to on or before the earlier of:

- January 1, 2023, or
- one year following the end of the most recent quarantine order made under the Quarantine Act (Canada).

## **Documentation**

To claim the exemption, you must provide your previous registration from another jurisdiction or bill of sale to show you owned the vehicle for at least 30 days. You may be asked to provide documentation proving the date you became a resident of B.C. (e.g. B.C. medical services plan enrolment).

For more information, see [Bulletin PST 306](#), Goods Brought Into B.C. by New Residents.

## Gifts to Related Individuals

If you receive a vehicle as a gift, you are exempt from paying PST on the vehicle if the person who gave you the vehicle (the donor) is a related individual to you and the donor:

- paid an applicable tax or another province's sales tax on the purchase of the motor vehicle and has not received and is not eligible for a refund, credit (including input tax credits) or rebate (not including the [B.C. PST rebate on select machinery and equipment](#) for select ZEVs purchased between September 17, 2020 and March 31, 2022) of that tax,
- was exempt from PST, TDP or SST that would have otherwise been payable, or
- received the vehicle as a gift in B.C. prior to April 1, 2013.

**Note:** Only one gift of a specific vehicle between related individuals is eligible for exemption in a 12-month period. PST will apply to any future gifts of that vehicle within 12 months. The only exception is if a gift vehicle is gifted back from the recipient to the donor.

A related individual is:

- a person's spouse (legally married or living for a continuous period of at least 2 years with another person in a marriage-like relationship), child, grandchild, great grandchild, parent, grandparent, great grandparent, or sibling,
- the spouse of a person's child, grandchild or great grandchild, or
- the child, parent, grandparent or great grandparent of a person's spouse.

## Documentation

To claim the exemption, you and the donor of the vehicle must complete the Gift of a Vehicle form ([FIN 319](#)) and, in the case of vehicles brought into B.C. from outside the province, provide proof that tax was paid on the vehicle. If the donor was exempt from PST, TDP or SST, they must provide specific information on the gift form.

## Gifts to Registered Charities

If you are a registered charity and you have received a vehicle as a gift, you are exempt from paying PST on the vehicle if the person who gave you the vehicle (the donor):

- paid an applicable tax or another province's sales tax on the vehicle and has not received and is not eligible for a refund, credit (including input tax credits) or

rebate (not including the [B.C. PST rebate on select machinery and equipment](#) for select ZEVs purchased between September 17, 2020 and March 31, 2022) of that tax,

- was exempt from PST, TDP or SST that would have otherwise been payable, or
- received the vehicle as a gift in B.C. prior to April 1, 2013.

A registered charity has the same meaning as under the Income Tax Act (Canada).

## Documentation

To claim the exemption, you must provide:

- evidence the donor owns the vehicle (such as a copy of the current registration),
- evidence the donor paid tax on the vehicle,
- a completed Transfer/Tax form (APV9T) available from ICBC and signed by both parties, and
- a Gift of a Vehicle form ([FIN 319](#)) completed by both parties.

**Note:** The person signing any forms on behalf of a charity must have signing authority.

We must approve this documentation before your ICBC Autoplan broker can process the exemption. Your ICBC Autoplan broker can facilitate this for you. If the donor was exempt from tax, they must provide specific information on the Gift of a Vehicle form.

## Prizes, Draws and Awards

You are exempt from paying PST on a vehicle if you won the vehicle in a lawful lottery (such as a B.C. Lottery Corporation lottery), contest, draw, game of chance or skill, or you received the vehicle as an award for an achievement in a field of endeavor, including an athletic or sporting event, and the person who provided the vehicle:

- paid an applicable tax or another province's sales tax on the motor vehicle and has not received and is not eligible for a refund, credit (including tax input credits) or rebate (not including the [B.C. PST rebate on select machinery and equipment](#) for select ZEVs purchased between September 17, 2020 and March 31, 2022) of that tax,
- was exempt from PST, TDP or SST that would have otherwise been payable, or
- received the vehicle as a gift in B.C. prior to April 1, 2013.



**Note:** The only consideration that can be provided by the winner to be entered into the draw is an entrance or admission fee, ticket fee or similar charge. The exemption does not apply if the person received the vehicle in a private arrangement, including a wager, between two or more persons.

## **Documentation**

To claim the exemption, you must provide:

- a letter from the sponsor of the draw, lottery or award indicating:
  - that you are the winner,
  - the prize you won,
  - the current registration for the vehicle, and
- evidence that the provider of the vehicle paid, or was exempt from, tax or received the vehicle as a gift prior to April 1, 2013.

We must approve this documentation before your ICBC Autoplan broker can process the exemption. Your ICBC Autoplan broker can facilitate this for you.

## **Inheritance**

You are exempt from paying PST on a vehicle if you receive the vehicle as part of the distribution of a deceased's estate.

## **Documentation**

Generally, to claim this exemption, you must provide a copy of the death certificate and will.

## **Transfers Due to Dissolution of Marriage or Relationship**

You are exempt from paying PST on the transfer of a vehicle from your spouse or former spouse if the transfer is done under:

- an agreement dividing property under Part 5 or 6 of the Family Law Act,
- a written separation agreement or marriage agreement, or
- a court order on the dissolution of a marriage or marriage-like relationship.

Generally, if the exemption does not apply, PST is due on 50% of the fair market value of the vehicle.

## **Documentation**

To claim this exemption, you must provide a copy of the relevant agreement or court order.

## **Transfers Between Related Corporations**

If a corporation transfers a vehicle to a related corporation, the corporation may qualify for an exemption from PST if certain conditions are met. If you are claiming this exemption, your claim requires approval by us. You must provide documentation to support your claim, either directly to us or through your ICBC Autoplan broker.

For more information, see [Bulletin PST 210](#), Related Party Asset Transfers.

## **Transfers to New Corporations**

If a corporation acquires a vehicle on or before the day the corporation starts to carry on business, the corporation may qualify for an exemption from PST on the acquisition if certain conditions are met. If you are claiming this exemption, your claim requires approval by us. You must provide documentation to support your claim, either directly to us or through your ICBC Autoplan broker.

For more information, see [Bulletin PST 210](#), Related Party Asset Transfers.

## **Vehicles Purchased for Use Outside B.C.**

If you purchase a vehicle in B.C. for use outside B.C., you are exempt from PST if all the following criteria are met:

- The vehicle is a type that is eligible for registration (i.e. it is not a vehicle that cannot be registered)
- The vehicle is purchased for use primarily outside B.C.
- The vehicle will not be used in B.C. for a business purpose
- The vehicle will not be registered in B.C.
- If you are purchasing the vehicle as an individual, you are not a resident of B.C.

You are also exempt from PST on the purchase of a vehicle if the vehicle is shipped by the seller for delivery to an address outside of B.C. To be eligible for the exemption, no use must be made of the vehicle by the purchaser while the vehicle is in B.C.

## Used Zero-Emission Vehicles (ZEVs)

Effective February 23, 2022, you are exempt from PST on the purchase or lease of qualifying used ZEVs. The exemption is in effect until February 22, 2027.

For purchases, a ZEV is “used” if it was previously purchased at a retail sale for any purpose other than for leasing the ZEV to another person.

For leases, a ZEV is “used” if it was previously leased by a person other than the current lessee or was previously purchased at a retail sale by a person other than the lessor.

Qualifying ZEVs include fully electric vehicles, plug-in hybrids and hydrogen-powered vehicles. Refer to our [list of zero-emission vehicles available in Canada](#). If your vehicle does not appear on this list, you must contact us to determine if your vehicle qualifies for the exemption from PST (see Documentation section below).

If you purchase a used ZEV privately or receive it as a taxable gift, the ZEV must have 6,000 km or more on the odometer to be eligible for the exemption.

The exemption will be provided:

- by the motor vehicle dealer or leasing company at the time of sale or lease of a qualifying used ZEV, or
- by ICBC at the time of registration for a qualifying ZEV purchased privately in B.C. or imported into B.C.

### Documentation

If you purchase a used ZEV from a motor vehicle dealer, the motor vehicle dealer will process the exemption at the time of sale or lease.

If you purchase a used ZEV privately, you must present a completed Transfer/Tax form (APV9T) that includes the odometer reading on the vehicle to your ICBC Autoplan agent at the time of vehicle registration. Transfer/Tax forms (APV9T) are available from ICBC.

**Note:** You may be required to provide additional information about the vehicle to determine its eligibility for the exemption.

## Other Exemptions

Other exemptions may also apply to a vehicle if acquired by a specific person in specific situations, including vehicles acquired by:

- Members of the diplomatic or consular corps (see [Bulletin CTB 007](#), Exemption for Members of the Diplomatic and Consular Corps)
- First Nations individuals or bands (see [Bulletin PST 314](#), Exemptions for First Nations)
- The federal government

## Refunds

In addition to general refunds applicable to all goods, the following PST refunds are available specifically for the following vehicles (additional criteria and documentation requirements apply):

- Vehicles purchased from sellers who are not collectors, if the seller refunds you all or a portion of the purchase price
- Motor vehicles removed from B.C. by residents of other jurisdictions and by B.C. residents who relocate to other jurisdictions
- Vehicles where the required information to obtain an exemption was not provided at the time of registration
- Motor vehicles returned to collectors within one year (collectors are required to provide this refund to you directly)
- Motor vehicles returned to manufacturers
- Motor vehicles purchased privately or imported from outside Canada, and after paying PST on the average wholesale value of the vehicle, a completed Motor Vehicle Appraisal Form ([FIN 320](#)) is obtained. To qualify for this refund, we must receive the refund application and the FIN 320 within 30 days from the date the motor vehicle was registered. For more information, see [Notice 2022-005](#), PST on Motor Vehicles Purchased at Private Sales or Imported from Outside Canada.

To apply for a refund of PST on a motor vehicle, complete an Application for Refund of Provincial Sales Tax (PST) Paid on a Motor Vehicle ([FIN 355/MV](#)) and provide the supporting documentation listed in the instructions to the application. For most refunds, we must receive your refund claim within four years from the date you paid the PST. For example, if you paid PST on August 11, 2018, we must receive your refund claim by August 11, 2022.

For more information, see [Bulletin PST 400](#), PST Refunds.

## Need more info?

Online: [gov.bc.ca/pst](http://gov.bc.ca/pst)

Toll free: 1-877-388-4440

Email: [CTBTaxQuestions@gov.bc.ca](mailto:CTBTaxQuestions@gov.bc.ca)

[Subscribe](#) to receive email notifications when B.C. tax information is updated.

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

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### Latest Revision

September 2024

- As announced in Budget 2024, updated to reflect that:
    - You may be eligible for a refund of PST you paid to us on a vehicle you purchased from a seller who is not a collector, if the seller refunds you all or a portion of the purchase price
    - The previous requirement that a vehicle be returned to the seller (who is not a collector) within 30 days no longer applies
  - Clarified that we must receive a refund application with a completed Motor Vehicle Appraisal Form (FIN 320) within 30 days from the date the motor vehicle was registered, to be considered for a refund related to PST paid on the average wholesale value of a motor vehicle.
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References: Provincial Sales Tax Act, sections 1 “band”, “BC resident”, “fair market value”, “First Nation individual”, “modified business vehicle”, “modified motor vehicle”, “motor vehicle”, “multijurisdictional vehicle”, “original purchase price”, “passenger vehicle”, “registered charity”, “vehicle”, “vehicle registration legislation”, 5, 9, 10, 10.1, 12, 13, 24, 25, 28, 30, 31, 34, 36, 37, 49, 50, 51, 100, 145, 149, 150, 153, 153.1, 154, 157.1 and 192; Provincial Sales Tax Exemption and Refund Regulation, sections 1 18-24, 26, 50, 55, 123-126, 149, 151 and 152; Provincial Sales Tax Regulation, sections 5, 10, 15, 32, 33 and 79.