

THE RETAIL SALES TAX ACT

CLOTHING, FOOTWEAR AND ACCESSORIES

This bulletin explains how retail sales tax (RST) applies to clothing, footwear and accessories, including children's clothing and footwear.

SECTION 1 – GENERAL INFORMATION

- RST is a **7** per cent tax applied to the retail sale or rental of most goods and certain services in Manitoba. The tax is calculated on the selling price, before the Goods and Services Tax (GST) is applied.
- RST is generally payable on the purchase of clothing, footwear and accessories, except for the exemptions discussed below.

SECTION 2 – CHILDREN'S CLOTHING, FOOTWEAR AND ACCESSORIES

General Information

- Children's clothing, footwear and accessories priced over \$150 are subject to RST. Clothing, footwear or accessories ordinarily sold as a set must be regarded as a single item. For example, a suit consisting of a jacket and pants (or skirt) is taxable if the selling price of the suit is greater than \$150.

Tax Exemption Based on Size

- Children's clothing, footwear and accessories within the size ranges shown in the attached Schedule A are exempted from RST if the selling price is \$150 or less. The seller is not required to obtain any certification from the customer when allowing the tax exemption in these size ranges.

Tax Exemption Based on Age

- An RST exemption is also available for clothing, footwear and accessories larger than the sizes shown in Schedule A if the selling price is \$150 or less and the clothing, footwear or accessory is bought for a person 14 years of age or under. To allow this exemption, the seller is required to obtain a written certification from the customer, attesting that the purchase is for a child 14 years of age or under. The certification must include the following information:
 - Date
 - Description of items purchased
 - Invoice number
 - Price
 - Purchaser's name
 - Purchaser's address

Note: Revisions to the previous Bulletin (November 2013) have been identified by shading ().

- Purchaser's phone number
- Purchaser's signature and certification
- The certification must state the following: "I certify the clothing, footwear or accessory exempted on this sale is being purchased for a child 14 years of age or under, and the information provided is true and correct."
- The above information must be recorded on the sales invoice (written, stamped or cash register generated) or as a separate declaration.
- **Note:** The information collected for the certification is personal information, which must be treated as confidential and be protected and stored accordingly. Log or petition style forms where certifications are recorded for multiple customers on a single form may not meet current federal privacy standards. A separate certification form for each customer should be considered, such that personal information is not disclosed to other customers.

Privacy practices for vendors in Manitoba are governed by the federal *Personal Information Protection and Electronic Documents Act*. Vendors should refer to that Act or the Office of the Privacy Commissioner of Canada for more information on privacy requirements.

- If a fully completed and signed certification is not obtained, the sale is taxable. The seller is responsible for the RST owing, if tax is not collected and the completed certification is not retained.
- All sales invoices and information collected must be kept for tax audit purposes. See Bulletin No. 016, *Record Keeping Retention Requirements* for additional information.

Catalogue or Internet Sales

- Vendors who sell children's clothing, footwear or accessories by mail order must obtain the required information and certification from the purchaser on the order form to support the RST exemption on items purchased for children 14 years of age or under that do not fall within the exempt size ranges. Vendors that sell via the internet or over the phone must have the required information documented on the order form to support the exemption. Vendors must collect the tax on sales where the information/ certification requirements are not met.

Examples of Tax Exempt Items

- The following clothing, footwear and accessory items can be purchased tax exempt, when they are in the children's size ranges listed in Schedule A, or are purchased for children 14 years of age or under.
 - bathing suits and bathing suit cover-ups
 - belts, neck ties, bowties and suspenders
 - blazers and vests
 - bodysuits and unitards
 - caps (such as baseball caps), hats, bonnets, berets, toques, ear muffs and balaclavas
 - clothing worn for religious purposes, such as prayer shawls, skull caps and christening gowns
 - club uniforms, such as Brownies, Girl Guides, Boy Scouts and Cubs, but not badges, crests or pins

- coats, jackets, ponchos, ski jackets, snowsuits, and snowmobile suits.
- dresses, skirts and skorts
- gloves, mittens and scarves, neckwarmers
- judo and karate clothing
- pants, jeans, slacks, slims, coveralls, overalls and combinations
- professional sports team jerseys for everyday wear such as NHL, NBA or CFL jerseys
- pyjamas, housecoats and slippers
- raincoats, rain pants, rainwear and rubber boots
- running shoes, dress shoes, sandals, sneakers, boots and winter boots
- school uniforms
- shawls
- shorts, gym shorts, sweat suits and track suits
- socks, pantyhose, nylons, stockings, tights, leotards and leg warmers
- sports uniforms, including team jackets, track suits, socks, pants, shirts or team jerseys for hockey, football and other sports (but not when they contain protective padding)
- suits and formal wear, such as tuxedos, including rentals
- sweaters and cardigans
- T-shirts, sport shirts, dress shirts and blouses
- underwear, undershirts, brassieres and girdles.

Examples of Taxable Items

- The following clothing, footwear and accessories are subject to tax:
 - aprons and smocks.
 - badges, crests and pins for club uniforms
 - hair accessories, such as barrettes, ribbons, bows, elastics and headbands
 - handkerchiefs
 - jewellery, watches, cuff links, belt buckles and pins
 - name tags
 - purses, handbags, backpacks, fanny packs and wallets
 - shoe insoles and lifts, shoelaces, overshoes and shoehorns
 - transfers for shirts when sold separately from the shirt
 - umbrellas.
- Garments and articles specifically designed and used for sports and recreational activities are taxable, including the following:
 - archery guards and supports
 - athletic protective gear such as protective pads for shoulders, shins, knees and elbows
 - bathing caps, ear plugs, nose clips, goggles and swim fins
 - bowling shoes
 - eye protectors
 - footwear designed for dancing, such as ballet slippers and jazz and tap shoes
 - gloves for baseball, golf, curling, bowling, boxing, hockey and other sports
 - ice skates, roller skates, in-line skates and similar footwear with wheels
 - life vests and life jackets

- mouth guards and athletic supports
- party, Halloween and dance costumes, including rentals
- safety helmets for sport, recreation and transportation, such as helmets for baseball, hockey, football, skating, motorcycles and snowmobiles (excluding helmets suitable for cycling)
- scuba diving suits and wet suits
- skis, ski boots and snowshoes
- sport shoes, including those with cleats, such as baseball, football, golf, soccer and track shoes
- sport vests or pinnies (used to identify a team), and school safety vests
- sweat bands for heads and wrists
- weight lifting straps and belts.

Baby Items

- Effective July 1, 2013, RST does not apply on certain baby supplies, generally being items designed for use with a child under 24 months of age. See Bulletin No. 055, *Baby Supplies* for additional information.

SECTION 3 – OTHER CLOTHING, FOOTWEAR AND ACCESSORIES**Eyewear and Related Accessories**

- Non-prescription eyeglasses, sunglasses (including clip-on sunglasses sold separately from prescription eyewear) and contact lenses are taxable.
- Generally, prescription eyewear can be purchased tax exempt.
- See Bulletin No. 034, *Optometrists and Opticians*, for additional information.

Medical Clothing and Footwear

- Examples of tax exempt items are:
 - anti-embolism stockings
 - compensating brassieres for patients following mastectomy
 - orthopaedic footwear, inserts and surgical stockings purchased with a prescription from a medical practitioner,
 - Back-open or side-open adaptive clothing designed for provision of care reasons.
- See Bulletin No. 002, *Drugs, Medical Equipment and Supplies for Human Use*, for additional information.

Safety Clothing, Footwear and Accessories

- Safety clothing, footwear and accessories that are worn to prevent bodily injury are subject to tax. Examples of taxable items are:
 - body armour.
 - disposable type masks for dust, mist or vapour (including medical masks), gas masks including replacement canisters and breathing tubes and respirators
 - hair nets
 - hard hats, helmets and neck protectors
 - hearing protectors including ear plugs and ear muff type protectors
 - protective clothing that is specially designed to resist heat, flame, chemicals, acids, abrasives and sharp objects such as aprons, pants, shirts, coats and suits
 - protective gloves, mitts, finger guards, welder's gloves and surgical gloves
 - safety belts and safety harnesses
 - safety glasses, safety goggles, welder's helmets and attachments and face shields
 - safety toe boots or shoes, toe caps and instep protectors.

Uniforms

- All purchases of uniforms are taxable, except for club, school and sports uniforms in the children's size ranges listed in Schedule A or purchased for children 14 years of age or under.
- Examples of taxable uniforms are:
 - medical uniforms
 - uniforms for coaches of sports teams, such as hockey
 - uniforms required for work, such as waiters and delivery persons.

Used Clothing and Footwear

- Used clothing or footwear valued at \$100 or less is exempt from tax.

SECTION 4 – SERVICES TO CLOTHING, FOOTWEAR AND ACCESSORIES**Tax Exempt Services**

- The following services are exempt from tax:
 - all-inclusive charges for diaper service, including diaper rental and laundry service
 - repair of footwear.

Taxable Services

- The following services are subject to tax:
 - alterations to clothing
 - laundering, including dry cleaning of clothing (see Bulletin No. 017, *Launderers and Dry Cleaners*, for additional information)
 - rental of clothing and footwear, including tuxedos and costumes, except for formal wear in the children's size ranges listed in Schedule A or purchased for children 14 years of age or under
 - repairs to clothing
 - services of a seamstress or dress maker to make or assemble a garment
 - shoe shining or polishing.

FURTHER INFORMATION

This bulletin is intended to serve as a guideline and is not all-inclusive. For the specific wording of the law, please refer to *The Retail Sales Tax Act and Regulation*. Further information may be obtained from:

Winnipeg Office

Manitoba Finance
Taxation Division
101 - 401 York Avenue
Winnipeg, Manitoba R3C 0P8
Telephone (204) 945-5603
Manitoba Toll-Free 1-800-782-0318
Fax (204) 948-2087
E-mail: MBTax@gov.mb.ca
Web Site: www.gov.mb.ca/finance/taxation

Westman Regional Office

Manitoba Finance
Taxation Division
314, 340 - 9th Street
Brandon, Manitoba R7A 6C2
Telephone (204) 726-6153
Manitoba Toll-Free 1-800-275-9290
Fax (204) 726-6763

SCHEDULE A
TAX-EXEMPT SIZE RANGES FOR CHILDREN'S CLOTHING AND FOOTWEAR

Item of Clothing or Footwear	Girls' Exempt Sizes	Boys' Exempt Sizes
Children's dresses, suits, coats, blouses, sweaters, undershirts, pyjamas, combinations, snow-suits, overalls, dress shirts, sport shirts and such other children's garments as fit the upper half of or the whole body.	Up to and including girls' "Canada Standard Size" 16 or those garments designated for girls and sized small, medium, large or extra large.	Up to and including boys' "Canada Standard Size" 20 or those garments designated for boys and sized small, medium, large or extra large.
Children's trousers, slacks, jeans, slims, undershorts, briefs, outer shorts and other children's garments that fit at or below the waist.	Up to and including girls' "Canada Standard Size" 16.	Up to and including boys' "Canada Standard Size" 20.
Children's hose.	Up to and including girls' size 10.	Up to and including boys' size 10½.
Children's hats, caps and bonnets in styles designed for children.	Up to and including girls' size 22.	Up to and including boys' size 7⅞.
Children's gloves and mittens in styles designed for children.	Up to and including girls' size 7.	Up to and including boys' size 7.
Children's footwear.	Up to and including girls' size 6.	Up to and including boys' size 6.

Note: Where the sizes are stated in metric, the exemption applies to the metric equivalent of the size ranges listed above.