

The Retail Sales Tax Act

FORM R.T6

Application for Refund - Real Property Contracts Subject to 2013 Transitional Rate Change Rules (Residential Properties)

Use this form to apply for a refund of (the incremental) RST paid at the rate of 8% in connection with fixed price real property contracts executed prior to April 17, 2013. A claim should be made upon completion of an eligible contract. (Refunds may be claimed for multiple completed homes on a single application).

The following documentation must be supplied for each completed contract to support the claim (see explanatory notes on page 2 for more information):

1. A copy of the contract with the home buyer, executed prior to April 17, 2013 (extracts providing the contract date, buyer's name, purchase price, and legal/civic address are sufficient).
2. A copy of the possession certificate provided to the home buyer.
3. A job cost summary for each contract.
4. A summary of tax paid at 8% on direct materials for each contract up to June 30, 2014, along with supporting invoices.
5. A summary of tax paid at 8% on mechanical and electrical sub-contract work up to June 30, 2014, along with supporting invoices.
6. Invoices for all real property supply and install sub-contract work performed after July 31, 2013 and up to June 30, 2014, along with the corresponding sub-contract/purchase order documents showing an effective date after April 16, 2013.
7. A summary of the job cost components for which a claim is being made for multiple contracts per section A, B & C below.

Note: For refund claims for more than 5 contracts, applicants may opt not to provide supporting invoices per point 4, 5, and 6 above. These applicants should summarize the purchase invoices on Schedule A to this form and retain the supporting invoices. The Taxation Division will contact these applicants to arrange for a review of selected documents.

Forward completed applications to Manitoba Finance, Taxation Division, 101 Norquay Building, 401 York Avenue, Winnipeg, Manitoba, R3C 0P8. Telephone (204) 945-6444, Manitoba Toll Free 1-800-782-0318, Web site www.gov.mb.ca/finance/taxation. E-mail: mbtaxrefunds@gov.mb.ca

Claims are to be filed with our office by June 30, 2015. Amounts under \$10 are not refundable

SECTION A: Direct Material Purchases:	
1) Total RST paid at 8% on direct construction materials used in the residential property (from Schedule A)	\$
2) Refundable amount (Line 1 Amount x 1/8) =	\$
SECTION B: Mechanical & Electrical Sub-Contracts	
3) Total RST paid at 8% to mechanical and electrical subcontractors re: residential property (from Schedule A)	\$
4) Refundable amount (Line 3 Amount x 1/8) =	\$
SECTION C: Real Property Sub-contracts (See note 5 on page 2 for more information):	
5) Total RST paid at 8% based on contract amounts charged by real property sub-contractors - <u>for work done after July 31, 2013</u> - (from Schedule A)	\$
6) Refundable amount (Line 5 Amount x 1/8) =	\$
Application is hereby made for a refund of RST in the amount of: (Total of lines 2 + 4 + 6)	
	\$

Certification: I Certify That the Statements on This Form Are True and Correct.

Date _____

REFUND CHEQUE SHOULD BE FORWARDED TO:

Signature _____

Name (please type or print)

Mailing Address

City or Town

Postal Code

E-mail

Phone Number

FOR DEPARTMENT USE

Claim No. _____

Checked _____

Audited _____

It is an offence to make a false statement in any form, application, record or return.

(07/13)

Notes

1. The 7% retail sales tax rate remains in place for goods and services purchased for incorporation into real property under contracts executed prior to April 17, 2013, for all contract work relating to the original contract completed by June 30, 2014. The 8% rate will apply after that date.
2. Goods and services must be incorporated into real property to qualify for the 7% rate. This includes direct materials used to construct real property and related mechanical and electrical (M&E) systems, as well as the services to install the M&E systems.
3. Machinery, equipment, tools and other goods and services purchased by contractors for their own use to perform a real property or M&E installation (i.e. not incorporated into a building project) are not subject to the grandfathered 7% rate. This includes equipment rentals, whether re-billed directly to the customer or not.
4. **Change Orders:** goods and services acquired to fulfil change orders made after April 16, 2013 are not covered under the grandfathered rate, and are taxable based on the general transition rules for goods and services – see Notice 13-05 – *Retail Sales Tax Rate Change – Transitional Rules* for further information.
5. For sub-contracted supply and install real property work, the refundable incremental tax will be calculated based on 55% of the total contract amount charged by Manitoba-based subcontractors, excluding GST. This represents the typical material component of real property contracts on which the contractor must pay RST. The formula in Schedule A to this form takes the 55% material component and reduces it by a factor of 8/108 to get the total tax paid on the materials, which is embedded in the real property contract price.
6. Invoices for real property installation services only will not have a refundable component.

