

Information Notice

NOTICE
The Retail Sales Tax Act
Issued August 2012

EXTRA-PROVINCIAL VENDORS OF TAXABLE INSURANCE CONTRACTS

The 2012 Manitoba Budget announced that effective July 15, 2012 retail sales tax (RST) will apply on certain insurance contracts. *Information Bulletin No. 061 – Insurance* (available at the web-site listed below) outlines the taxable and exempt coverage types.

All insurance companies and brokers that invoice for insurance contracts covering taxable risks in Manitoba are required to be registered with Manitoba Finance, Taxation Division to collect and remit RST - including those located outside Manitoba.

When an insurance contract covers risks related to more than one province (or other jurisdiction), the fair value of the risk that relates to Manitoba must be separately stated on the customer billing, with Manitoba RST applied. The fair value of the risk should be apportioned amongst jurisdictions on the basis that is the most reasonable in the circumstances, such as:

- the insured value of property in Manitoba as a percentage of the total value of the property insured in all jurisdictions;
- an allocation by revenue per jurisdiction for business interruption insurance;
- for goods in transit, the percentage of travel in Manitoba in comparison with the total amount travelled; (for trucking firms, the amount declared as their Manitoba prorate percentage for the *International Registration Plan* should be used).

To register, businesses are encouraged to use the Taxation Division's online service at manitoba.ca/TAXcess. Application forms are also available on the web-site and Taxation Division offices listed below.

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
Fax (204) 726-6763

ONLINE SERVICES

Our Web site at manitoba.ca/finance/taxation provides tax forms and publications about taxes administered by Taxation Division, and a link to Manitoba's laws and regulations. Forms and publications can also be obtained by contacting the Taxation Division.

Our online service at manitoba.ca/TAXcess provides a simple, secure way to apply for, and to file, pay and view your Taxation Division tax accounts.

