

**NON-RESIDENT CONTRACTOR
RETAIL SALES TAX REMITTANCE SCHEDULE
(Pursuant to section 14 of The Tax Administration
and Miscellaneous Taxes Act)**

Manitoba Finance
Taxation Division
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File Number

CONTRACTOR	PROJECT
Name	Name
Address	Location
Province or State	Name of Contractor or Principal

Instructions: See page 3.

CONTRACT VALUE: \$

TOTAL RETAIL SALES TAX (RST) PAYABLE

SECTION A: Real Property Contract:	
1) Total laid down cost of taxable materials purchased or brought into Manitoba net of GST (includes the value of any RST paid)	\$
2) Total cost of RST paid materials included in line 1 above net of GST	\$
3) Net value of taxable materials on which Manitoba RST is due - (line 1 minus line 2)	\$
SECTION B: Value of Machinery and Equipment	
4) Taxable value of equipment brought into Manitoba - carried forward from line 11, column (H) on page 2	\$
5) Taxable value of leased/rented machinery and equipment brought into Manitoba - carried forward from line 12, column (H) on page 2	\$
6) Value of crating, handling, transportation, uninstalling, installing, disassembling, assembling, or other costs related to above equipment	\$
SECTION C: Other Than Real Property Contract:	
7) Taxable selling price of tangible personal property contracts, includes labour & material	\$
8) Total taxable value of labour, materials and equipment – SUM OF LINES 3 to 7	\$
9) Total RST payable – 7% of the total on line 8	\$
10) Remittance – Make cheque payable to Minister of Finance and return with form to above address	\$

CERTIFICATION: TO THE BEST OF MY KNOWLEDGE AND BELIEF THE STATEMENTS ON THIS RETURN ARE CERTIFIED TO BE CORRECT.

NAME _____ TITLE _____
SIGNATURE _____ DATE _____
PHONE _____ E-MAIL _____

11) Owned Machinery and Equipment Brought into Manitoba for Temporary Use – refer to Bulletin No. 005 Information for Contractors

(A)	(B)	(C)	(D)		(E)	(F)	(G)	(H)
Date of purchasing the machinery	Type of machine (other than IRP registered vehicles) *	Serial Number	Date Equipment Brought		Total number of days in Manitoba per Column D	Taxable Value as determined per instructions-Item 6 on Page 3	Daily taxable value 1/1095 th of Column (F)	Total Taxable value Column (E) x (G)
			IN	OUT				
							Line (11) –Taxable value	
							[Please enter in the box on page 1, line 4]	

12) Leased/Rented Machinery and Equipment Brought into Manitoba

(A)	(B)	(C)	(D)	(E)		(F)	(G)	(H)
Date lease/rental commenced	Name and address of company from whom leased/rented	Type of machine	Serial Number	Date Equipment Brought		Total number of days in Manitoba per Column E	Average daily lease/rental charge	Total taxable value is Column (F) x (G)
				IN	OUT			
							Line (12) –Taxable value	
							[Please enter in the box on page 1, line 5]	

For Branch Use Only		Auditor	
Final Tax liability as estimated/assessed	\$	Date	
Payment received cash/application from deposit	\$	Manager	
Assessed for unpaid balance	\$	Date	

INSTRUCTIONS FOR RETAIL SALES TAX:

1. Complete all questions on this form and enter 'NIL' where applicable.
2. Report only one contract on this form and the related projects.
3. Include in line 1 the total laid down cost of all taxable material which was brought into or received in the province by the contractor for own consumption or use, or the consumption or use of others at the contractor's expense.
4. If any machinery or equipment, owned or leased by the contractor and brought into Manitoba, is used for more than one contract in progress, contact this office for instructions on reporting.
5. Make the Cheque payable to **THE MINISTER OF FINANCE** and return with this schedule to the address as noted.
6. **DETERMINATION OF TAXABLE VALUE OF MACHINERY and EQUIPMENT:**

Non-resident contractors who have purchased equipment (**other than a multijurisdictional vehicle(s) registered under IRP**) outside the province at least 30 days prior to bringing it into Manitoba for a temporary period only may, instead of paying RST at 7% of the taxable value, pay RST for each day the property is temporarily used or available for use in Manitoba. The temporary use tax is calculated at 7% of 1/1095th of the taxable value of the equipment while it is in Manitoba. No tax is payable on the temporary use of equipment in Manitoba unless it is in Manitoba for a total of six or more days in a calendar year. Contractors who subsequently wish to opt out of the monthly tax payments must contact the Taxation Division for the calculation of the final tax due.

For this purpose, taxable value (column F, line 11) must be established for owned machinery and equipment each time the equipment enters Manitoba and is calculated as either:

- (a) The price paid for the equipment when it is purchased, less .5% of that purchase price for each month the purchaser has owned the equipment (minimum taxable value 20% of (purchase price), or
- (b) New replacement cost of similar equipment (in Canadian dollars), less 1% of that replacement cost for each month the purchaser has owned the equipment (minimum taxable value, 20% of new replacement cost).

Please note: The cost of crating, handling, transportation, uninstalling, installing, disassembling, assembling and other costs related to bringing the equipment into Manitoba is fully taxable at 7% (enter this value in the box on page 1, line 6).

Example for Section B (page 1):

Line 4

If the taxable value as determined under 6(a) or 6(b) above is \$100,000, then the daily value is \$91.32 (1/1095th of \$100,000). If the equipment was brought in on Sept 3rd and remained until December 10th the total time in the Province is 99 days. The total taxable value in Column (H) and in the box on line 4 is \$9,040.68 (\$91.32 x 99).

Line 5

The lease/rental agreement must have commenced prior to the equipment entering the Province. Based on the same entry and exit dates and an annual lease/rental of \$24,000 or a daily lease/rental of \$65.75, the total taxable value will be \$6,509.25 (\$65.75/day X 99).

Line 6

In addition, if the cost of transportation and other costs related to bringing in and installing the equipment in Manitoba were \$4,500.00 then this amount must be included in the box on line 6.

7. For additional information see the following Bulletins available from our web site or by contacting our office as noted above:

Retail Sales Tax:

- No. 005 - *Information for Contractors*
- No. 008 - *Installation, Repairs and Improvements to Real Property*
- No. 030 - *Summary of Taxable and Exempt Goods and Services*
- No. 031 - *Mechanical and Electrical Trades*

**NON-RESIDENT CONTRACTOR
HE LEVY TAX REMITTANCE SCHEDULE**
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File Number

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CONTRACTOR	PROJECT
Name	Name
Address	Location
Province or State	Name of Contractor or Principal

Instructions: See page 5.

TOTAL HE LEVY PAYABLE

1) Total salaries paid to resident and non-resident employees who worked in Manitoba for the calendar year	\$
2) Less notch amount if applicable, if not, go to line 5 (see instructions on calculating notch range)	\$
3) Net taxable salaries at the notch rate– if negative enter “NIL”	\$
4) HE Levy calculated at the notch rate of 4.3% of any balance on LINE 3.	\$
5) HE Levy calculated at the full rate of 2.15% of the amount on LINE 1.	\$
6) Remittance payable to The Minister of Finance per either LINE 4 or 5	\$

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NAME _____ TITLE _____
SIGNATURE _____ DATE _____
PHONE _____ E-MAIL _____

For Branch Use Only		Auditor	
Final Tax liability as estimated/assessed	\$	Date	
Payment received cash/application from deposit	\$	Manager	
Assessed for unpaid balance	\$	Date	

INSTRUCTIONS FOR HE LEVY:

1. Employers that have a permanent establishment (see below) in Manitoba and pay remuneration to employees who report for work at a permanent establishment of the employer are required to pay payroll tax in accordance with *The Health and Post-Secondary Education Tax Levy Act* (also known as the HE Levy). Non-resident contractors that maintain a permanent establishment in Manitoba for only part of a calendar year are required to prorate the amount of the exemption or notch provision (as the case may be) for that year. The prorated exemption/notch provision is proportional to the number of days the employer maintained a permanent establishment in Manitoba for that year. Please complete this form and return to the above address.

Permanent Establishment

A permanent establishment of an employer is generally any fixed place of business of the employer in Manitoba including a branch, a mine, an oil well, a farm, timberland, a factory, a workshop, a jobsite, a warehouse, an office, and an agency.

The use by an employer (or by an employee for or on behalf of an employer) of substantial machinery or equipment any time in a month in Manitoba constitutes a permanent establishment for the month.

Land or premises owned or leased by a corporation in Manitoba is a permanent establishment of the corporation.

For further information on permanent establishments, see Bulletin No. *HE 004 – Permanent Establishment*

2. Example of HE Levy due from a non-resident contractor in Manitoba for 100 days during a calendar year:

For a partial calendar year period, the calculation of the prorated exemption/notch amount is based on the annual range of \$2 million to \$4 million.

- $100/365 \text{ days} \times \$2,000,000 = \$547,945$. The notch range in this example would range from \$547,945 to \$1,095,890 ($\$547,945 \times 2$) and HE Levy is only payable if remuneration is in this prorated notch range or exceeds \$1,095,890.
 - no HE Levy is payable on remuneration that is less than the prorated exemption of \$547,945:
 - if remuneration paid is \$600,000 – the HE Levy payable is in the notch range i.e., $(\$600,000 - \$547,945 = \$52,055) \times 4.3\% = \$2,238$:
 - if the remuneration paid is \$1,100,000 – this exceeds the prorated notch range of \$1,095,890 and the HE Levy is payable on the total amount, i.e., $\$1,100,000 \times 2.15\% = \$23,650$
3. Report total remuneration paid on any and all contracts in Manitoba in the same calendar year.
 4. This report should only be made at the end of a calendar year or once the contractor has left the Province and will not return in the same calendar year.
 5. Make the cheque payable to **THE MINISTER OF FINANCE** and return with this schedule to address as noted.
 6. For additional information see the following Bulletins available from our web site or by contacting our office as noted above:
 - HE – 001 - *Information for Employers*
 - HE – 002 - *Remuneration*
 - HE – 004 – *Permanent Establishment*