

PST, GST & HST

PST = Provincial Sales Tax

GST = Goods and Services
Tax

HST = Harmonized Sales Tax
Combined taxes in some
provinces: ~~BC~~, ONT, NS, NFL, NB
services

Province/ Terr	HST/GST	PST
BC	12% HST	n/a
AB	5% GST	n/a
SK	5% GST	5%
MB	5% GST	8%
ON	13% HST	n/a
QC	5% GST	<u>9.5%</u>
NL	<u>13% HST</u>	n/a
NS	15% HST	n/a
NB	13% HST	n/a
PE	5% GST	10%
NWT	5% GST	n/a
NU	<u>5% GST</u>	n/a
YT	5% GST	n/a

GST

Examples of Goods and services taxed at 5%

- **sales and leases of cars**
- gasoline, car repairs
- pop, candy, potato chips
- clothing and footwear
- home appliances, furniture, hotels, haircuts

Not subject to GST

- basic groceries:
(milk and dairy products, bread, fruits, veggies)
- tea, coffee, jams, meats, fish, poultry, fruit juices
- pies and cakes
- prescription drugs, medical devices such as eyeglasses, contacts
- most health, medical and dental services
- daycare
- education services (University tuition)
- music lessons
- banking services

Eg Find the PST and GST on an mp3 player selling for \$59.95

$$\text{PST} = 8\% \text{ of } \$59.95$$

$$59.95 \times .08 = \$4.80$$

$$\text{GST} = 0.05 \times \$59.95$$

$$59.95 \times .05 = \$3.00$$

Eg Nike shoes cost \$119.98

Find the total cost after GST & PST
is added on.

$$\begin{array}{r} \text{PST} - 119.98 \times .08 = + 9.60 \\ \text{GST} - 119.98 \times .05 = + 6.00 \end{array}$$

$$\begin{array}{r} 119.98 \\ \hline 135.58 \end{array}$$