



INSTRUCTIONS FOR COMPLETING THE DESIGNATION AGREEMENT OR CANCELLATION

under the *Provincial Sales Tax Act*

GENERAL INFORMATION

Use this form if you are in a principal and agent relationship and want to jointly designate one of the parties to collect and remit provincial sales tax (PST), and municipal and regional district tax (MRDT), if applicable, on sales and leases made under this designation agreement. Designating a collector in a principal and agent relationship is optional.

Note: When a designation agreement applies to accommodation, it applies to both PST and MRDT.

Once the parties have made a designation, the designated party must:

- Within 90 days of the first sale or lease made under the designation agreement:
 - Send us a completed *Designation Agreement or Cancellation (FIN 406)*
 - Register to collect PST (if not already registered). If the designated party is already registered, we recommend they register for a separate PST account for sales and leases made under this agreement.

Note: The designation will be void if, within 90 days, we do not receive a copy of the agreement or the designated party does not register to collect PST.

- Charge, collect, report and remit PST on sales and leases made under the designation agreement on their *Provincial Sales Tax Return (FIN 400)*.
- Charge, collect, report and remit MRDT on sales of short-term accommodation made under the designation agreement on their *Municipal and Regional District Tax Return (FIN 401)*.

The non-designated party does not need to register to collect PST for sales and leases made under this designation agreement and must **not** charge and collect PST on these sales and leases. However, they must continue to charge, collect, report and remit PST and MRDT (if applicable) on any sales and leases they make outside of the designation agreement, if applicable.

For more information, see [Bulletin PST 001, Registering to Collect PST](#).

LIABILITY

Both parties to the designation agreement are liable for any assessments, penalties or interest imposed for failing to charge, collect or remit the PST due.

For information on penalties and interest, see [Bulletin CTB 005, Penalties and Interest](#).

AUCTION

This form cannot be used in cases where an auctioneer is acting as an agent when selling or leasing goods, selling software or providing services by auction.

IDENTIFICATION (ID) REQUIREMENTS

Include your BC Driver's Licence number, unless you:

- are already registered to collect PST,
- have a business number, or
- are the designated party

If none of these apply and you do not hold a valid BC Driver's Licence, provide a photocopy of a government-issued ID.

CANCELLING A DESIGNATION

Parties may cancel an agreement by completing the *Designation Agreement or Cancellation (FIN 406)*.

If only one party completes this cancellation, we will notify both parties before the cancellation is effective. In this situation, cancellations are at the discretion of the director.

Both parties remain liable for any outstanding amounts not remitted at the time of cancellation.

SENDING IN YOUR DESIGNATION AGREEMENT OR CANCELLATION

Send the completed and signed form in **one** of the following ways:

Email: REVREGCL@Victoria1.gov.bc.ca

Fax: 250-356-2195

Mail:

Ministry of Finance
Consumer Taxation Programs Branch
PO Box 9435 Stn Prov Govt
Victoria BC V8W 9V4

Courier:

Ministry of Finance
Consumer Taxation Programs Branch
Registration and Closure Section
1802 Douglas St
Victoria BC V8T 4K6

Keep a copy of this form for your records.



DESIGNATION AGREEMENT OR CANCELLATION

under the Provincial Sales Tax Act

INSTRUCTIONS

- Use this form if you are in a principal and agent relationship and want to jointly designate one of the parties to collect and remit provincial sales tax (PST). For more information, see the instructions on Page 1 or select ? to go to the detailed instructions. To make a designation, complete Parts A, B, C and E. To cancel a designation, complete Parts A, B, D and E.

GENERAL INQUIRIES

Toll-free: 1-877-388-4440 Email: CTBTaxQuestions@gov.bc.ca

Freedom of Information and Protection of Privacy Act (FOIPPA) The personal information on this form is collected for the purpose of administering the Provincial Sales Tax Act under the authority of section 26(a) of the FOIPPA. Questions about the collection or use of this information can be directed to the Director, Policy, Rulings and Services, PO Box 9442 Stn Prov Govt, Victoria BC V8W 9V4 (telephone: toll-free at 1-877-388-4440).

PART A - PRINCIPAL INFORMATION

Form section for Part A with fields: FULL LEGAL NAME OF INDIVIDUAL OR CORPORATION, BUSINESS NUMBER, PST NUMBER, BC DRIVER'S LICENCE NUMBER.

PART B - AGENT INFORMATION

Form section for Part B with fields: FULL LEGAL NAME OF INDIVIDUAL OR CORPORATION, BUSINESS NUMBER, PST NUMBER, BC DRIVER'S LICENCE NUMBER.

PART C - DESIGNATION

Describe the nature of the goods, software, accommodation and/or services that are covered by the agreement (if more space is needed, attach a separate sheet).

Indicate the designated party. Check (✓) one:

Form with checkboxes for PRINCIPAL (named in Part A) and AGENT (named in Part B).

Indicate the duration of the designation. Check (✓) one:

Form with checkboxes for ONGOING and SPECIFIC DATE RANGE, and fields for EFFECTIVE DATE, START DATE, and END DATE.

PART D - CANCELLATION OF DESIGNATION

Form with checkbox for CANCEL and field for EFFECTIVE DATE.

PART E - CERTIFICATION OF DESIGNATION OR CANCELLATION

PRINCIPAL - Check (✓) one:

Form with checkboxes for I certify that I have entered into an agreement with the agent named in Part B and I wish to cancel an existing designation.

Form section for Principal signature with fields: SIGNATURE, FULL NAME, TITLE, TELEPHONE NUMBER, DATE SIGNED.

AGENT - Check (✓) one:

Form with checkboxes for I certify that I have entered into an agreement with the principal named in Part A and I wish to cancel an existing designation.

Form section for Agent signature with fields: SIGNATURE, FULL NAME, TITLE, TELEPHONE NUMBER, DATE SIGNED.