

TAX-EXEMPT MOTOR VEHICLE SALES OR LEASES TO FIRST NATIONS PURCHASERS

 under the *Social Service Tax Act*
Instructions:

- This verification form may be completed by a motor vehicle vendor to substantiate non-collection of social service tax on sales or leases of motor vehicles to First Nations purchasers. Note that documents must also be attached, as indicated below.
- Vendors who do not use this form must retain other documentation to substantiate non-collection of taxes. For information on what documentation must be retained, see **Consumer Taxation Branch Bulletin 042**.
- For more information contact the Consumer Taxation Branch in Vancouver, 604 660-4524, Outside of Vancouver, 1 877 388-4440, or visit our Internet site: www.rev.gov.bc.ca/ctb.

Freedom of Information and Protection of Privacy Act (FIPPA) – The personal information requested is collected under the authority of and used for the purpose of administering the *Social Service Tax Act*. Questions about how the *Freedom of Information and Protection of Privacy Act* applies to this personal information can be directed to the Tax Analyst (250 356-7342), Consumer Taxation Branch, PO Box 9442 Stn Prov Govt, Victoria BC V8W 9V4.

Part 1 – Vehicle Identification

TYPE OF VEHICLE	MODEL YEAR	NAME AND MODEL OF VEHICLE	VEHICLE IDENTIFICATION (SERIAL) NUMBER

Part 2 – Vendor Identification

 NAME OF VENDOR

 ADDRESS

 LOCATION AT WHICH SALE TOOK PLACE OR LEASE ENTERED INTO – *If different than above address*

Part 3 – Purchase Made by an Individual

Vendor – Ensure that the photograph on the purchaser’s Certificate of Indian Status Card is that of the purchaser, record the following information, and obtain the purchaser’s signature in the space provided:

 BAND NAME AND NUMBER OR REGISTRATION NUMBER – *As indicated on purchaser’s Certificate of Indian Status Card*

NAME OF PURCHASER

PURCHASER’S SIGNATURE

X

Part 4 – Lease Made by an Individual

Vendor – Lessees must provide proof of residency on reserve land by presenting either their driver’s license which shows their current address, or a letter from their band certifying that the lessee resides on reserve land (retain a copy of this letter for your records). Ensure that the photograph on the lessee’s Certificate of Indian Status Card is that of the lessee, record the following information, and obtain the lessee’s signature in the space provided:

 BAND NAME AND NUMBER OR REGISTRATION NUMBER – *As indicated on lessee’s Certificate of Indian Status Card*

 LESSEE’S ADDRESS

 LESSEE’S DRIVER’S LICENSE NUMBER
Or attach a copy of band letter certifying that lessee resides on reserve land

LESSEE’S SIGNATURE

X

Part 5 – Purchase or Lease Made on Behalf of an Indian Band

Vendor – Attach written authorization from the Indian Band authorizing the purchaser or lessee to act on its behalf, record the following information and obtain the purchaser’s or lessee’s signature in the space provided:

 NAME OF PURCHASER OR LESSEE

 BAND NAME AND NUMBER

NAME OF THE BAND OFFICIAL WHO SIGNED THE AUTHORIZATION LETTER

PURCHASER’S OR LESSEE’S SIGNATURE

X

Part 6 – Vendor’s Certification

To be signed by a vendor not located on reserve land in the case of a sale to an Indian or Indian Band

By signing below, I certify that the motor vehicle purchased by the above-noted purchaser was delivered to reserve land as a condition of sale, and that the F.O.B. point was at a reserve land location.

VENDOR’S SIGNATURE

 VENDOR NAME – *Please print*

DATE SIGNED

YYYY MM DD

X

EXEMPTION INFORMATION

This form may be used to substantiate non-collection of social service tax on sales or leases of motor vehicles to a qualifying First Nation purchaser. For more information, refer to Consumer Taxation Branch Bulletins [042, *Motor Vehicle Dealers*](#), and [046, *Exemptions for Indians and Indian Bands*](#), visit our Internet site: www.rev.gov.bc.ca/ctb or contact the Consumer Taxation Branch.

To qualify for exemption, all of the following conditions must be met.

- The purchaser or lessee must be either an Indian or an Indian band and the motor vehicle purchased or leased must be for the personal use of the individual or for the use of the band. If the purchase is made by two persons only one of whom qualifies for the exemption, tax is payable on one-half the purchase price of the vehicle.
- Indian purchasers or lessees must be in possession of a *Certificate of Indian Status* card issued by Indian and Northern Affairs Canada. Persons purchasing or leasing on behalf of an Indian band must have written authorization from the band to act for it, showing the band name and number, and signed by the appropriate band official.
- **Sales:** The motor vehicle purchased must be located on reserve land at the time the sale takes place, or title to the goods must only pass to the purchaser once the goods have been delivered to a reserve location. For title to pass on reserve land, the goods must be delivered to the Indian purchaser by the seller, or by a common carrier under contract with the seller, and the seller must retain ownership and responsibility for the goods until they are delivered to the purchaser on reserve land.
- **Leases:** To qualify for exemption, the Indian lessee must reside on reserve land.
- **Delivery to Reserve Land:** To qualify as delivered to reserve land, the goods must be taken to the reserve location by the seller or by a common carrier under contract with the seller, off-loaded, and left for the Indian purchaser at the reserve location. At this point, the Indian purchaser accepts receipt of the goods and the transaction with the seller and common carrier is completed. The commercial reality of the transaction must be that the delivery is to the reserve, not to another location through the reserve.

NOTE: If the dealership is located on designated land, the seller must be in possession of a letter from the Consumer Taxation Branch authorizing exempt sales from that location. Retailers located on designated land may obtain such authorization by contacting their local Consumer Taxation Branch office. Dealers uncertain whether they are located on designated land may contact their nearest Consumer Taxation Branch office for confirmation. Phone numbers are in the blue pages of local telephone books.

- A copy of this form and the documents specified on this form must be retained by the seller to substantiate the non-collection of tax on the sale or lease.