



CERTIFICATE OF EXEMPTION FARMER

under the Provincial Sales Tax Act, Motor Fuel Tax Act and Carbon Tax Act

Responsibilities for Sellers/Lessors and Purchasers:

Sellers and Lessors – this certificate allows you to collect the information and declaration required under the Provincial Sales Tax Act, Motor Fuel Tax Act or Carbon Tax Act in order to provide a tax exemption to your customer.

If you do not receive a completed and signed certificate or the required information and declaration before the sale or lease, you must charge and collect provincial sales tax (PST), motor fuel tax or carbon tax as applicable. Failure to do so may result in an assessment, penalty and interest.

The seller/lessor must keep the completed certificate to show why they did not collect tax.

Purchasers – you are responsible for ensuring that you meet all the requirements for an exemption under the Provincial Sales Tax Act, Motor Fuel Tax Act or Carbon Tax Act. If you complete the certificate but you do not qualify for the exemption, you are responsible for paying the tax as applicable.

General Instructions:

- If you are a farmer with farm land, complete Part A and Part C.
- Other farmers complete Part B and Part C on [Page 2](#).
- Additional sales or leases of the exempt items as indicated on this certificate that are acquired by the same purchaser or lessee may be made without collecting tax based on this certificate, providing all the information on this certificate remains correct. If the information is no longer valid, the purchaser or lessee must complete a new certificate or pay tax as applicable on any future sales or leases.
- For more information, visit our website at gov.bc.ca/pst or gov.bc.ca/fuelandcarbontax or call us toll free at **1-877-388-4440**.

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, Motor Fuel Tax Act and Carbon 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 – FARMERS WITH FARM LAND

Farmers who own/lease or operate a farm on land classified as a farm under the Assessment Act may purchase certain items exempt of tax. As an alternative to this certificate, farmers may provide their valid B.C. Farm Identity Card to their supplier.

Property Tax Folio Number: _____

1. Coloured Fuel:

I am claiming an exemption under the Motor Fuel Tax Act and Carbon Tax Act for:

- Coloured Fuel** – I operate a farm on land classified as a farm and am purchasing coloured fuel for an authorized use in authorized machinery or in an authorized motor vehicle. Refer to [Bulletin MFT-CT 003](#), Coloured Fuels and Other Substances, for a detailed explanation of authorized uses.

2. Propane:

I am claiming an exemption under the Motor Fuel Tax Act for:

- Propane for Machinery or Motor Vehicles** – I operate a farm on land classified as a farm and am purchasing propane for an authorized use in authorized machinery or in an authorized motor vehicle.
- Propane for Farm Purposes Only** – I own, lease or operate land classified as a farm and am purchasing propane for use solely for a farm purpose, other than in machinery or a motor vehicle (e.g. heating).
- Propane for Both Farm and Residential Use** – I own, lease or operate land classified as a farm and am purchasing propane for use only for a farm purpose and residential use in a residential dwelling.

Refer to [Bulletin MFT 014](#), Propane Exemptions, for a detailed explanation of authorized exempt uses of propane.

3. Goods and Related Services:

I am claiming an exemption under the Provincial Sales Tax Act for:

- Goods, Parts and Related Services** – I own or lease land classified as a farm and am purchasing or leasing specifically listed goods for use solely for a farm purpose, or purchasing parts for specifically listed goods that are for use solely for a farm purpose or purchasing related services to specifically listed goods that are for use solely for a farm purpose. Refer to [Bulletin PST 101](#), Farmers, for a detailed list of goods that can be purchased exempt of PST.

Complete the Certification in PART C on [Page 2](#).

PART B – OTHER FARMERS

Farmers who do **not** own/lease or operate a farm on land classified as a farm under the Assessment Act may be eligible for certain tax exemptions as a qualifying farmer if they meet one of the three categories below. Refer to [Bulletin PST 101, Farmers](#), for more information on qualifying farmers.

I meet one of the following three categories of a qualifying farmer:

1. I own or lease land and use less than 0.8 hectares of that land for one or more of the following qualifying activities and earned at least \$2,500 in gross income from those activities in the previous calendar year:
 - Bee keeping
 - Hog, poultry or rabbit farming
 - Growing mushrooms
 - Fur farming
 - Producing eggs
2. **First Nations Farmers** – I am a First Nation individual as defined under the Provincial Sales Tax Act who is using First Nation land as defined under the Provincial Sales Tax Act for a qualifying agricultural use under the Assessment Act, and earned in the previous calendar year, at least \$2,500 in gross income from the qualifying use of the land.
3. **Out-of-Province Farmers** – I use land outside of B.C. for a qualifying agricultural use under the Assessment Act, and in the previous calendar year (check (✓) one):
 - if the area of land is less than 0.8 hectares, earned at least \$10,000 in gross income from the qualifying use of the land
 - if the area of the land is 0.8 hectares or more but not more than 4 hectares, earned at least \$2,500 in gross income from the qualifying use of the land
 - if the area of the land is more than 4 hectares, earned gross income from the qualifying agricultural use of the land that is at least the total of \$2,500 plus 5% of the assessed value of the area of land in excess of 4 hectares, for the purpose of property taxation, in the jurisdiction in which the land is located

And I am claiming an exemption for:

- Goods, Parts and Related Services** – I am purchasing or leasing **specifically listed goods** for use solely for a farm purpose, or purchasing parts for specifically listed goods that are for use solely for a farm purpose or purchasing related services to specifically listed goods that are for use solely for a farm purpose. Refer to [Bulletin PST 101, Farmers](#), for a detailed list of goods that can be purchased exempt of PST.
- Propane for Both Farm and Residential Use** – I am purchasing propane for use only for a farm purpose and residential use in a residential dwelling (out-of-province farmers cannot claim this exemption).
- Propane for Farm Purposes Only** – I am purchasing propane for use solely for a farm purpose. The propane cannot be for use in a motor vehicle or machinery.

Refer to [Bulletin MFT 014, Propane Exemptions](#), for a detailed explanation of authorized exempt uses of propane.

Note: Farmers described above in Part B may only claim an exemption for the items above. For example, you cannot purchase coloured fuel tax exempt.

PART C – CERTIFICATION

By signing this form, I certify that the above information is correct. If the exempt items are used for any purpose other than the reason identified above, I will remit the tax due under the Provincial Sales Tax Act, Motor Fuel Tax Act or Carbon Tax Act, as applicable.

I acknowledge that if I make a false statement to avoid paying tax, the Provincial Sales Tax Act, Motor Fuel Tax Act and Carbon Tax Act charges a fine of up to \$10,000 and/or imprisonment up to two years, in addition to a penalty of 25% of the tax due and an assessment for the tax that should have been paid.

FULL LEGAL NAME

TELEPHONE NUMBER

FARM ADDRESS (include street or PO box, city, province and postal code)

SIGNATURE

DATE SIGNED
YYYY / MM / DD

X