

Provincial Vehicle Tax (PVT)

Exemptions: Frequently Asked Questions

What types of exemptions are available?

- Family Gift
- Inheritance
- Setting up Residence
- Trades

I am gifting a vehicle to my nephew, will he have to pay tax?

Yes, your nephew will have to pay PVT, as the relationship does not meet the definition of immediate family under *Harmonized Sales Tax Act*.

PVT will be calculated on the fair value of the vehicle, which in this case is the vehicle's average wholesale price, determined using the approved trade publications.

For more information please see [Bulletin PVTB-104](#); Family Gift Exemption.

My sister gave me a car and I took over the remaining payments on her loan, do I need to pay tax?

Yes, you will pay PVT on the car when you assume your sister's remaining payments and take possession of it because consideration is involved. The PVT will be payable on the greater of the outstanding loan amount or its average wholesale value, determined using the approved trade publications.

For more information please see [Bulletin PVTB-104](#); Family Gift Exemption.

I am moving to New Brunswick, do I need to pay tax when I register my vehicle here?

If you purchased the vehicle privately, you will not pay PVT on your vehicle provided:

- you are a new resident to New Brunswick or a returning resident who has resided outside of New Brunswick for at least 183 consecutive days;
- the vehicle is currently registered in your name in the other jurisdiction and all taxes have been paid in that jurisdiction; and,
- you have owned the vehicle for more than 30 days before setting up residence.

Note: A New Brunswick resident who, for work or for pleasure, stays out-of-province for 183 or more consecutive days without formally changing his or her status as a New Brunswick resident cannot be considered to be setting up residence when he or she returns to New Brunswick and is not entitled to the PVT exemption associated with setting up residence in the Province. For more information, please refer to [Bulletin PVTB-105](#); Setting Up Residence Exemption .

I have been traveling back and forth to Alberta for work, maintaining a residence in New Brunswick. I recently purchased a vehicle from a dealership in Alberta where I paid the 5% Federal Goods and Services Tax (GST). Will I be exempt from paying any additional tax when I register the vehicle in New Brunswick?

No, you will pay tax when returning to New Brunswick and registering the vehicle. You will be required to pay the 10% provincial component of HST on the purchase amount indicated on your bill of sale from the dealership.

I traded my boat for a car do I need to pay tax?

Yes, you will pay tax on this transaction. Trades are restricted to vehicles required to be registered under the *Motor Vehicle Act* and the *Off-Road Vehicle Act*. While a person may trade a boat on the purchase of a car, the transaction will not qualify to be exempt from paying tax. In this case, the car will be subject to 15% PVT and the boat will be subject to 15% Tangible Personal Property Tax. For more information, please refer to [Bulletin PVTB-106](#); Trades.

Who can I contact if I have questions or concerns about Provincial Vehicle Tax exemptions?

Please contact the Revenue Administration Division of Finance and Treasury Board at 1-800-669-7070 or via email at wwwfin@gnb.ca . You may also write to the Department at P.O. Box 3000, Fredericton, NB E3B 5G5.