

Provincial Vehicle Tax – Seven Day Resale Refund

The purpose of this bulletin is to provide clarification pertaining to the refund of Provincial Vehicle Tax (PVT) assessed under the **Harmonized Sales Tax Act**, where a vehicle is acquired by way of private sale and the purchaser resells the vehicle within seven days of the original purchase.

The *Harmonized Sales Tax Act* imposes the tax at a rate of 15% on the fair value of a vehicle acquired in any transaction other than a purchase from a business registered to collect the Harmonized Sales Tax, where the fair value is the greatest of:

1. The purchase price detailed on a valid bill of sale;
2. The average wholesale value determined through the use of approved trade publications; and
3. The value established by the Provincial Tax Commissioner.

Note: Minimum fair values for the purpose of taxation are \$1,000 for motor vehicles, \$500 for motorcycles and \$500 for off-road vehicles.

The tax is collected by Service New Brunswick (SNB), on behalf of Finance and Treasury Board, when the vehicle is registered in the purchaser's name. As per subsection 21.1 (1) of the General Regulation under the *Harmonized Sales Tax Act*, a purchaser may apply for a refund of the PVT paid where a vehicle is purchased, and subsequently resold, and the new owner registers the vehicle and pays the tax within seven days of the original purchase date.

Application Process

Applications for a refund can be obtained:

- at any SNB service centre;
- online at www.snb.ca (click on "Forms by Department") or www.gnb.ca/finance (click on "Forms");
- by contacting SNB Teleservices at 1-888-762-8600 (no charge dial); or
- by contacting the Revenue Administration Division, Finance and Treasury Board at 1-800-669-7070 (in this case they are mailed out to customers).

Documentation Requirements

Please ensure that the following documentation is submitted with the appropriate refund application:

- copy of original bill of sale;
- copy of the SNB receipt showing payment of the PVT; and
- proof of resale, registration in the new owner's name and payment of taxes within seven calendar days of the original purchase.

Once the application has been received, the total processing time is between 2 to 4 weeks provided all required documentation is included with the application.

Additional Information

If this bulletin does not address your particular situation, or if you have further concerns regarding taxes, please refer to the [Act](#) and related regulations, visit our website at: www.gnb.ca/finance or contact:

Finance and Treasury Board
Revenue Administration Division
Marysville Place, P. O. Box 3000
Fredericton, NB E3B 5G5

Telephone: (800) 669-7070
E-mail: wwwfin@gnb.ca