

# OMG! a PST GUIDE for Photographers & Videographers in BC

Info from The Rulings and Interpretations Team/ Ministry of Finance

PST applies to sales and leases of tangible personal property (TPP), software, related services, legal services, telecommunication services, and accommodation.

The Ministry of Finance has issued a new bulletin with general information on photographers, photofinishers and videographers that may provide an answer to your question:

Bulletin PST 126 – Photographers, Photofinishers and Videographers;  
[http://www.sbr.gov.bc.ca/documents\\_library/bulletins/pst\\_126.pdf](http://www.sbr.gov.bc.ca/documents_library/bulletins/pst_126.pdf)

You may also find information relevant to photographers and videographers in the following Bulletins:

- Bulletin PST 107 – Telecommunication Services: [http://www.sbr.gov.bc.ca/documents\\_library/bulletins/pst\\_105.pdf](http://www.sbr.gov.bc.ca/documents_library/bulletins/pst_105.pdf)
- Bulletin PST 105 – Software: [http://www.sbr.gov.bc.ca/documents\\_library/bulletins/pst\\_107.pdf](http://www.sbr.gov.bc.ca/documents_library/bulletins/pst_107.pdf)
- Bulletin PST 302 – Delivery Charges: [http://www.sbr.gov.bc.ca/documents\\_library/bulletins/pst\\_302.pdf](http://www.sbr.gov.bc.ca/documents_library/bulletins/pst_302.pdf)
- Bulletin PST 200 – PST Exemptions and Documentation Requirements: [http://www.sbr.gov.bc.ca/documents\\_library/bulletins/pst\\_200.pdf](http://www.sbr.gov.bc.ca/documents_library/bulletins/pst_200.pdf)

## F.A.Q.

### PHOTOGRAPHERS

### VIDEOGRAPHERS

#### Are photographs that are provided in an electronic format subject to PST?

If you offer photography services and provide your customer with the right to download, view or access the digital photos over the internet, including by e-mail, FTP, download or other means, and there is not a mandatory requirement for your customer to purchase tangible photos, you are not required to charge PST.

#### Are photographs provided both electronically and in a tangible format subject to PST?

The application of PST depends on the type of contract you have with your customer and whether the tangible photos are optional or not.

##### Tangible Goods are Optional

If your customer has the option of whether to purchase or lease tangible goods, PST applies only to the charge for the tangible goods you sell and not to the charge for the photography services. This is because the photography services do not form part of the purchase price or lease price of the tangible goods as your customer is under no obligation to purchase or lease the goods.

- **Example 1** – You take photos in a studio for a sitting fee of \$25 and provide your customer with the option to purchase printed photos. In this case, you charge PST on the total charge for any printed photos you sell. You do not charge PST on the sitting fee.
- **Example 2** – You take school photos of students at no charge and provide an order sheet to parents with the option to order printed photos. In this case, you charge PST on the total charge for any printed photos you sell.
- **Example 3** – You enter into a contract with your customer to take photos at their wedding and edit some or all of the digital photos. As part of the contract, you provide your customer with the right to download, view or access the digital photos over the Internet, including by email, FTP, download or other means. You also provide your customer with the option of receiving the digital photos on a storage medium (e.g. USB drive, memory card, CD or DVD) for an additional charge. In this case, you charge PST on the additional charge for the storage medium you sell. You do not charge PST on the photography services or the right to download, view or access digital photos because these are not tangible goods.

##### Tangible Goods are Not Optional

If the charge for the photography services includes tangible goods that are not optional, PST applies to the entire charge, including sitting fees, professional fees, service fees and travel expenses. This is because the photography services form part of the total amount your customer must pay to purchase or lease the tangible goods.

For example, you take photos in a studio for a sitting fee of \$50. As part of the contract, you provide your customer with 5 prints. Because the prints are not optional, you charge PST on the entire charge.

The rules provided above apply whether you sell or lease any of the following tangible goods as a result of your photography services:

- Printed photos, photo albums, portraits or other goods, including sales or leases of these items with digital photos
- Digital photos on a storage medium (e.g. USB drive, memory card, CD or DVD)

For more information, please see pages 1 to 3 of Bulletin PST 126 – Photographers, Photofinishers and Videographers

#### If my customer provides me with their own storage device and I transfer the photos to their device, are the photos subject to PST?

If you offer photography services and provide your customer with the right to download, view or access the digital photos over the internet, including by e-mail, FTP, download or other means, and there is not a mandatory requirement for your customer to purchase tangible photos, you are not required to charge PST. If your customer provides you with their own storage device and you transfer electronic files onto their device, you are not required to charge PST.

#### Are photos that are sold to a client outside of British Columbia subject to PST?

If you provide photography services in British Columbia and transmit electronic files outside of British Columbia, or are responsible for shipping tangible photos outside of British Columbia, you are not required to charge PST.

#### Do photographers qualify for a production machinery and equipment (PM&E) exemption on photography or photofinishing equipment?

If you manufacture goods (e.g. printed photos, photo albums and photo books), you may qualify for the production machinery and equipment (PM&E) exemption as a manufacturer. If you qualify as a manufacturer, you may obtain certain PM&E you use to manufacture your goods exempt from PST. There are several criteria that need to be met in order to qualify for the PM&E exemption; for more information please see page 8 of Bulletin PST 126 – Photographers, Photofinishers and Videographers.

#### Are videos provided electronically subject to PST?

If you only provide your customer with the video (or the right to access the video) in an intangible format (e.g. over the Internet, including by email, FTP, download or other means), you do not charge PST on either the charge for the video or on your videography services, provided that all the following criteria are met:

- you are a photographer or videographer who produced the video for your customer under a contract with that customer, and
- your customer does not obtain the video, or copies of the video, in a tangible format.

However, if you provide your customer with the video (or the right to access the video) in an intangible format and the above criteria are not met, PST applies to the total charge your customer pays to receive the video. Videos produced for multiple customers may be considered a telecommunication service. For more information on telecommunication services, please see Bulletin PST 107 – Telecommunication Services.

#### Are videos provided on a disk or memory stick subject to PST?

If you produce video recordings for your customers (e.g. at weddings, corporate events or other events) and you provide the video to your customer in tangible format (e.g. USB drive, memory card, CD or DVD), you charge PST on the total charge your customer pays to receive the video, including your videography services.

#### If my customer provides me with their own storage device and I transfer the video to their device, are they subject to PST?

If you only provide your customer with the video (or the right to access the video) in an intangible format (e.g. over the Internet, including by email, FTP, download or other means), you do not charge PST on either the charge for the video or on your videography services, provided that all the following criteria are met:

- you are a photographer or videographer who produced the video for your customer under a contract with that customer, and
- your customer does not obtain the video, or copies of the video, in a tangible format.

If your customer provides you with their own storage device and you transfer the video files onto that device then you will be providing the videos in an intangible format. You do not charge PST if all of the other above criteria are also met. However, if you provide your customer with the video (or the right to access the video) in an intangible format and/or the above criteria are not met, PST applies to the total charge your customer pays to receive the video.

#### If I provide a video recording on a storage device and the customer returns the device to me at a later date, am I required to charge PST?

If you provide a video recording in a tangible format, even if that tangible device will be returned at a later date, you are required to charge PST.

#### Do videographers qualify for the production machinery and equipment (PM&E) exemption on qualifying videography equipment?

Videographers do not qualify for the PM&E exemption.

**If you have further questions, please contact the phone staff at 1-877-388-4440. Phone staff are available from 8:30 am to 4:30 pm, Monday to Friday.**

**To receive updates about the re-implementation of the PST, please visit the following web page and click the button to “Subscribe To Receive Updates” which is located near the top right of the page.**

**More information on British Columbia’s return to the PST, including information on transitional provisions, registration information and collecting and remitting the PST, can be found in a new series of PST Bulletins and Notices. Please also see the “Small Business Guide to PST” and our Forms Page**

This correspondence describes how the Ministry interprets the relevant tax provisions for information purposes only. This response may be impacted by variations in circumstance, subsequent changes to legislation or subsequent court decisions. The Ministry is not responsible for updating this response if there are any subsequent changes to the law. This response is provided as an aid to understanding the legislation and is not intended to replace the legislation.

-Rulings and Interpretations Team Ministry of Finance [www.gov.bc.ca/consumertaxes](http://www.gov.bc.ca/consumertaxes)

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