



INFORMATION NOTICE – RST 24-01

REGISTRATION REQUIREMENT ELIMINATED FOR SMALL BUSINESS

THE RETAIL SALES TAX ACT

Issued: April 2024

Small businesses, with annual taxable sales under \$30,000, are not required to register and collect Manitoba retail sales tax (RST). Registered businesses under the \$30,000 threshold may cancel their RST number.

Businesses projecting that their annual taxable sales will be under the threshold can choose not to register and collect RST. These businesses will be required to:

- pay Manitoba RST on all taxable goods and services purchased for their own use;
- pay Manitoba RST on all taxable goods and services purchased for resale, including goods and services purchased to produce other goods for sale;
- keep records of their sales; and
- sales invoices must indicate that RST is included in the price. RST must not be itemized on the invoice.

Please Note: Businesses that use out of province suppliers that do not collect Manitoba RST and businesses that sell tobacco or liquor products are not eligible for the registration exception. Out of province businesses that have not paid Manitoba RST on all of their taxable goods and services that are purchased for resale in Manitoba are also not eligible for the registration exception. Businesses that are not eligible for the registration exception must register to collect and remit the tax.

Businesses under the threshold will be required to register and collect RST after their sales exceed the \$30,000 annual threshold. Businesses will be provided one month to register and implement a system to collect and remit RST on their sales - if a business with a December year end exceeds the threshold in October, they will have to register and begin collecting RST on December 1.

Businesses under the threshold that choose to cancel their RST registration must self-assess RST on any existing inventory, purchased tax exempt for resale while registered, prior to their RST number being cancelled.

Business customers are not required to self-assess RST on purchases of goods from unregistered Manitoba-based sellers, where the purchase invoice indicates that RST is included in the sale price. Business customers are required to self-assess RST on purchases of taxable services from any unregistered seller, as RST is not included in the selling price.

FURTHER INFORMATION:

This bulletin is intended to serve as a guideline and is not all-inclusive. For the specific wording of the law, please refer to The Retail Sales Tax Act and Regulation. Further information may be obtained from:

Manitoba Finance
101 - 401 York Avenue
Winnipeg, Manitoba R3C 0P8
Telephone: 204-945-5603
Manitoba Toll-Free: 1-800-782-0318
Fax: 204-945-0896
E-mail: MBTax@gov.mb.ca
Web Site: <https://www.manitoba.ca/finance/taxation/>

ONLINE SERVICES:

Our Web site [here](#) provides tax forms and publications about taxes administered by Manitoba Finance, and a link to Manitoba's laws and regulations. Forms and publications can also be obtained by contacting Manitoba Finance.

TAXcess, our online service, taxcess.gov.mb.ca provides a simple, secure way to apply for, and to file, pay and view your Manitoba tax accounts.