



REGIONAL DISTRICT OF BULKLEY-NECHAKO

AGRICULTURE COMMITTEE AGENDA

FILE COPY

THURSDAY, MARCH 24, 2016

PAGE NO.

ACTION

AGENDA – MARCH 24, 2016

Approve

Supplementary Agenda

Receive

MINUTES

2-5

**Agriculture Committee Meeting Minutes
- February 25, 2016**

Receive

CORRESPONDENCE

6-9

**Agricultural Land Commission – Executive
Committee Reconsideration of Application
-Response to RDBN February 3, 2016 Letter**

Receive

10-11

**Community Futures Fraser Fort George
RE: Support for Beyond the Market
Proposal for Provincial Community-Based
Extension Services Program**

Receive

12-29

Water Sustainability Act – Update

Receive

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**Waterline Resources Inc. – BC Water
Sustainability Act Now in Force – Water
Supply Well Licensing is Now Required**

Receive

31-50

Farmers – Provincial Sales Tax Act

Receive

VERBAL REPORT

**Chair Parker – UPDATE RE: Wood-Ash
Market Utilization Conference Call
– March 18, 2016**

SUPPLEMENTARY AGENDA

NEW BUSINESS

ADJOURNMENT



MINUTES

Agriculture Committee
Meeting Minutes
-February 11, 2016

Moved by Director Petersen
Seconded by Director Lindstrom

AG.2016-2-2

"That the minutes of the Agriculture Committee meeting of February 11, 2016 be received."

(All/Directors/Majority)

CARRIED UNANIMOUSLY

SUPPLEMENTARY AGENDA

RDBN AGRICULTURAL PLAN

Jason Llewellyn, Director of Planning provided a PowerPoint Presentation.

Plan Development Process

- Preliminary Referrals;
- Working Group (4 directors; cattleman, dairyman, poultry associations; farmers market associations; food producers associations);
- Regional Workshops;
- Referrals on the Draft Plan;
- Formal Board Review and Acceptance.

Agriculture Plan Organization

- Background;
- Discussion of Issues;
- The Action Plan.

Background

- Section is intended to be a resource for users;
- Introduction:
 - Overview of process and associated studies and reports;
- Farming Info and Statistics;
- Governance Structure:
 - Zoning Bylaw Regulations changed or in draft bylaw;
 - Notable regulations.

Section 2: Land Issues

- Leasing Agricultural Land;
- Range Land Access and Management;
- Water Issues;
- Invasive Species (pipelines);
- Environmental Protection;
- Sterilization of Land for Carbon Offsets;
- Lot Size and Non Farming Land Use;
- Subdivision and Non-Farm Use Approvals;
- Agricultural Land Use Inventory;
- Sterilization of Land for Carbon Offsets:
 - Issue arose again in 2015 - process put on hold by RB (Reckitt Benckiser);
 - no ALC or Provincial Govt. action taken;
- Lot Size and Subdivision in the ALR:
 - What is in the best interest of agriculture long term?
 - Issue associated with ALR Reconsiderations;
 - Options for innovative solutions but require ALR buy in;

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RDBN AGRICULTURAL PLAN (CONT'D)

- Agricultural Land Use Inventory:
 - Completed in 2014 for Area A and F - Most value is in the next inventory;
- Hay Processing / Export Not an Issue in 2012.

Regulation Based Issues

- Farm Classification and Taxes;
- Animal slaughter and Processing Regulations;
- Employee Housing;
- Disease and Waste Management;
- ICBC Farm Vehicle Use Restrictions;

Development and Resource Issues:

- Succession and Recruitment;
- 4H Clubs;
- Research and Training:
 - District Agriologist added in Smithers (not Vanderhoof);
 - UNBC Prof. Researching Planning for Agriculture in Northern BC;
- Beef Production;
- Poultry and Rabbit Production;
- Other Meat Production;
- Dairy Farming;
- Fruit and Vegetable Farming;
- Bedding Plant Production;
- Agritourism and Agroforestry;
- Infrastructure and Utility Issues;
- Alternative Energy;
- Funding and Grant Opportunities.

Farming Economics and Creating a Market

- Expanding Local Markets;
- Marketing and distribution;
- Local Food Initiatives.

Discussion took place in regard to the implementation of the *Water Use Act* and the regulations that have yet to be completed. Chair Parker noted that a workshop is being held in Smithers in March, 2016. Directors Fisher and Repen are planning to attend.

REPORT

Agricultural Land Commission Moved by Director Miller
-Executive Committee Seconded by Director Lindstrom
Reconsideration Decision
Summary-Peace River Regional
District

AG.2016-2-3

"That the Agriculture Committee receive the February, 2016 report titled "Agricultural Land Commission Executive Committee Reconsideration Summary."

(All/Directors/Majority)

CARRIED UNANIMOUSLY

Concerns were brought forward in regard to the ALC Executive Committee overturning decisions made by the North Panel.

CORRESPONDENCE

ALC Chair Visit to Your Region

Moved by Director Miller
Seconded by Director Greenaway

AG.2016-2-4

"That the Agriculture Committee receive the correspondence from Frank Leonard, Chair, Agricultural Land Commission titled "ALC Chair Visit to Your Region."

(All/Directors/Majority)

CARRIED UNANIMOUSLY

Chair Parker has contacted Frank Leonard, Chair, ALC, to arrange a meeting date. Discussion took place regarding the challenges of meeting during the summer months and the potential for meeting in May.

NEW BUSINESS

Strategic Emergency Management Framework for Agriculture

Moved by Director MacDougall
Seconded by Director Greenaway

AG.2016-2-5

"That the Agriculture Committee receive the Protective Services Manager's February 25, 2016 memo titled "Strategic Emergency Management Framework for Agriculture."

(All/Directors/Majority)

CARRIED UNANIMOUSLY

Fraser Basin Council – Wood Ash Utilization Roundtable Discussion in Prince George

Director Greenaway mentioned that he had received information from the Fraser Basin Council that they would be facilitating a roundtable meeting in Prince George in regard to the utilization of wood ash. Chair Parker and Director Lindstrom will be participating via teleconference.

ADJOURNMENT

Moved by Director Benedict
Seconded by Director Lindstrom

AG.2016-2-6

"That the meeting be adjourned at 3:03 p.m."

(All/Directors/Majority)

CARRIED UNANIMOUSLY

Mark Parker, Chair

Wendy Wainwright, Executive Assistant



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Agricultural Land Commission
133 – 4940 Canada Way
Burnaby, British Columbia V5G 4K6
Tel: 604 680-7000
Fax: 604 680-7033
www.alc.gov.bc.ca

February 25, 2016

Regional District of Bulkley-Nechako
37, 3rd Avenue
PO Box 620
Burns Lake, BC V0J 1E0

Attention: Bill Miller, Chair

Dear Mr. Miller:

Re: Executive Committee Reconsideration of Applications

This will acknowledge that your February 3, 2016 letter was received by the Agricultural Land Commission (the "Commission") on February 15, 2016. The letter was addressed to the Commission's Executive Committee and expressed concern about the Chair exercising his discretion to direct a decision of the North Panel to the Executive Committee for reconsideration. Your correspondence was placed before the Executive Committee on February 24, 2016.

Section 33.1 of the *Agricultural Land Commission Act* provides in part the following:

Reconsideration of decisions of panel

33.1(1) The chair of the commission may, in writing, direct the executive committee to reconsider a decision made by a panel established under section 11(1) respecting an application or other matter allocated to the panel by the chair of the commission, including a panel's reconsideration of a decision under section 33 (1), if

- (a) the chair considers that the decision
 - (i) may not fulfill the purposes of the commission as set out in section 6, or
 - (ii) does not adequately take into consideration the considerations set out in section 4.3, if applicable, and
- (b) the chair makes the direction to the executive committee within 60 days of the decision being made.

The Executive Committee believes the Chair has acted judiciously in his review of panel decisions as well as in exercising his discretion using s. 33.1. The Executive Committee also views the Chair's oversight of panel decisions as a necessary safeguard to ensure agricultural considerations are at the forefront when applications are being considered.

RECEIVED
MAR 07 2016
REGIONAL DISTRICT OF
BULKLEY-NECHAKO

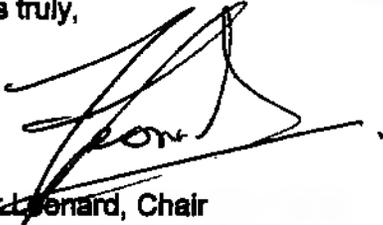
February 25, 2016
Re: Regional District of Bulkley-Nechako

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The Executive Committee is also pleased that plans are being finalized for the Chair to meet with the Regional Board, staff and advisory bodies this summer.

PROVINCIAL AGRICULTURAL LAND COMMISSION

Yours truly,



Frank Leonard, Chair

cc: Honourable John Rustad
Honourable Norm Letnick



37, 3RD AVE, PO BOX 820
BURNS LAKE, BC
VOJ 1E0

REGIONAL DISTRICT
OF BULKLEY & NECHAKO
"A WORLD OF OPPORTUNITIES WITHIN OUR REGION"

February 3rd, 2016

Agricultural Land Commission
Executive Committee
133-4940 Canada Way
Burnaby, BC
V5G 4K6

RECEIVED
PROV. AGRICULTURAL
LAND COMMISSION FEB 15 2016

Re: Executive Committee Reconsideration of Applications

Bill 24 provided the ALC Panels with the ability to balance economic, cultural and social values; and regional and community planning objectives with the key mandate of the ALC to protect agricultural lands. The ability of the North Panel to make practical decisions that reflect local values and objectives that are in support of local farmers, and the local community, is positive.

It is unfortunate that the ALC Chair brought about the reconsideration and overturning of the North Panel's decision regarding ALC File 53873. All of the local stakeholders believed the application was in the best interest of agriculture. The North Panel's decision was reasonable, and it considered local values and objectives. This decision should have been respected.

The Regional District Board is concerned that the heavy handed use of the ALC Chair's ability to control the decision making process may threaten to erode the autonomy of the North Panel and their ability to appropriately balance the values and objectives of local communities with the mandate of the ALC. This may also open the door to the potential for political influence into the ALC's decision making process.



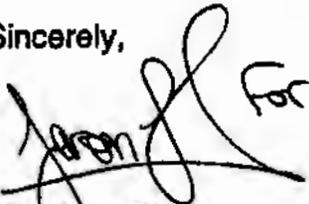
MUNICIPALITIES:
SMITHERS FORT ST. JAMES
VANDERHOOF FRASER LAKE
HOUSTON TELKWA
BURNS LAKE GRANBLE

ELECTORAL AREAS:
A - SMITHERS RURAL E - FRANCOIS/OUTSA LAKE RURAL
B - BURNS LAKE RURAL F - VANDERHOOF RURAL
C - FORT ST. JAMES RURAL G - HOUSTON RURAL
D - FRASER LAKE RURAL

INQUIRIES@RDBN.BC.CA
WWW.RDBN.BC.CA
PH: 250-692-3195
FX: 250-692-3305
TF: 600-320-3339

The RDBN Board asks that the ALC Chair use his reconsideration powers with discretion. The RDBN Board also asks that the Executive Committee use their ability to overturn a legitimately made Panel decision with discretion.

Sincerely,



Bill Miller, Chair
Regional District of Bulkley-Nechako

CC Honourable John Rustad
PO Box 421
183 Frist Street
Vanderhoof, BC. V0J 3A0

Honourable Norm Letnick
Minister of Agriculture
PO Box 9043, Str. Prov. Govt.
Victoria, BC V8W 9E2

March 10, 2016

Bill Miller
Regional District Bulkley Nechako
Box 820
Burns Lake, BC, V0J 1E0

RECEIVED

MAR 14 2016
REGIONAL DISTRICT OF
BULKLEY NECHAKO

Dear Mr. Miller,

Re: Support for Beyond the Market Proposal for Provincial Community-Based Extension Services Program

We would like to take this opportunity to thank you for the letter of support you provided to us on October 2015 for our Province-Wide Community-Based Extension Services Program. We have worked very hard over the past six months to encourage forward momentum by the Provincial Government to implement this valuable initiative.

A timeline of our activities to date includes:

- August 2015: Presentation of the proposed program to the BC Minister of Agriculture, the office of the Minister of Jobs, Tourism and Skills Training, and the office MLA Mike Morris, member of the Select Standing Committee on Finance and Government Services
- September 2015: Presentation of the proposed program to the Standing Opposition Committee for Agriculture
- October 2015: Submission of the proposed program to the Provincial Select Standing Committee on Finance and Government Services
- October 2015: Submission of 23 letters of support for the proposed program to Minister of Agriculture, the Minister of Jobs, Tourism and Skills Training, and the office MLA Mike Morris
- December 2015: Submission of request for formal response to the proposed program to BC Minister of Agriculture, the BC Minister of Jobs, Tourism and Skills Training, and the office MLA Mike Morris
- January 2015: Requests submitted for meetings with the office MLA Mike Morris, Shirley Bond, John Rustad, and Doug Donaldson

To date, no formal responses to these submissions or requests have been received. The proposed program was not included in the 2016 Provincial Budget.

In the meantime, recognizing the immense value of the Beyond the Market program to our regional agriculture sector, local and regional funders have come together to provide support

Growing communities one idea at a time.

for the continuation of Beyond the Market program services in 2016/2017 within our traditional service region. We are very grateful and proud of our longstanding partnerships with the Regional Districts of Fraser Fort-George, Bulkley Nechako, Kitimat-Stikine, the District of Fort St. James, and the Omineca Beetle Action Coalition.

As we transition from one fiscal year to the next, the Beyond the Market program will say goodbye to its long-standing, coordinator Jillian Merrick and seek a new coordinator to lead the program through 2016/2017. While the program services will be limited to our traditional geographic area, we will continue to work with you to advocate for a Province-wide community-based extension service program.

In closing, we would like to express our sincerest appreciation for the continued partnership support on this initiative.

Yours in people, business and community,



Susan Stearns
General Manager

Water Sustainability Act Update

On February 29, 2016 the **Water Sustainability Act (WSA)** and a **first phase of regulations** came into force. The WSA repeals the former **Water Act** and its associated regulations.

The new WSA brings in groundwater regulations and licencing for all non-domestic use wells.

First Phase of Regulations

1. **Water Sustainability Regulation** – details the framework of the WSA in terms of licensing, diversion and use of water, changes in and about a stream, short-term diversion/use of water for well drilling, and use of deep groundwater.
2. **Fees, Rentals and Charges Tariff Regulation** – runs on a cost-recovery process. The rates along with a water rental estimator are available on the Ministry of Environment website.
3. **Groundwater Protection Regulation** – helps secure water for agriculture through groundwater licensing.
4. **Dam Safety Regulation** – supports increasing water supply through improved standards in dams and storage facilities.
5. **Water District Regulation** – divides the Province into 26 water districts to administer the watersheds within their boundaries.

Ground Water

The first three years of the Water Sustainability Act (WSA) are a transition period to bring approximately 20,000 existing non-domestic groundwater users into the current water licensing scheme. If you use groundwater for any non-domestic purpose, as of February 29, 2016 you are required to apply for a water licence to maintain your right to use groundwater. Water rental fees will be charged from this date forward even if no application is submitted. As an existing non-domestic groundwater user, you do not have to pay application fees if you apply for a licence within the first 12 months the WSA is in force (on or before March 1, 2017). By applying within the first three years the 'First in Time First in Right' system will be attached to the licence.

Water Rental Fees

Water licencing fees have changed. The minimum fee is going from \$25 to \$50. The quantity based fee is increasing from \$0.60 to \$0.85 per 1,000 cubic meters. For example a 100 acre foot licence will go from \$74 to \$105.

Recommendation

Start the application process for your wells as soon as possible. You will need well records, pump installation data, and any other information that could help date the well. Irrigation applications will also require information on field area and flow rate of water being withdrawn. Go to the Front Counter website at <http://www.frontcounterbc.gov.bc.ca/> and click on Start a Natural Resource Application.

For more information contact: Andrew Petersen, Regional Resource Specialist at 250 828-4514

Update on the Water Sustainability Act and Regulations

Linda Allison, BCCA Water Sub-Committee
March 2, 2016



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Water Sustainability Act (WSA) – A Brief History

- * The WSA was given Royal Assent in May, 2014.
- * It came into effect on February 29, 2016, along with the new Water Sustainability Regulation, the new Fees Regulation, the new Groundwater Protection Regulation, the new Dam Safety Regulation and the new Water District Regulation.
- * The purpose is to modernize B.C.'s water use, regulate groundwater use, and strengthen provincial management.

WSA, Continued

- * For the first time in BC, non-domestic groundwater use requires a water licence.
- * The fees for surface water and groundwater uses are the same.
- * The application fees for licences, and the annual fees for water rental are intended to cover the administrative costs, including the costs to register the estimated 20,000 new wells that will need licenses.

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Regulation Consultation

- * Completed:
 - * Annual Fees and Licence Application Fees
 - * Licensing Groundwater Use (especially to establish the first date of use)
 - * Strengthening Compliance
 - * Groundwater Protection Regulation
 - * New Dam Safety Regulation
- * Future Consultation – Stockwatering Regulation

Fees

- * The new fees for licences and rentals were announced in February, 2015.
- * The BCCA provided feedback during the consultation period and successfully lobbied to have on-farm storage fees minimized.
- * BCCA members typically hold multiple licences per ranch, for a variety of purposes including conservation, domestic, stockwatering, irrigation and storage.

New Application Fees for Water Licences

Water Use Purpose	Surface Water Users Fee		New Groundwater Users 2016 Fee	Existing Non-Domestic Groundwater Users 2016 Fee* *
	2015	2016		
Conservation (storage of water)	\$150	\$250	\$250	Waived
Domestic	\$100/\$150	\$250	N/A	N/A
*Irrigation (<250,000 m³/year)	\$100	\$250	\$250	Waived
*Irrigation (250,000 m³/year - <1 million m³/year)	\$400	\$500	\$500	Waived
Stockwatering	\$150	\$250	\$250	Waived
Storage (stream) (<30,000 m³ stored)	\$150	\$250	N/A	N/A
Storage (aquifer) (<30,000 m³ stored)	N/A	N/A	\$250	Waived

*Private irrigation, as opposed to water conveyed by a local government for irrigation purposes.

**Or the first 12 months after the WSA comes into effect.

New Annual Rental Fees for Water Licences

Water Use Purpose	Fee Surface Water Users		2016 Fee Groundwater Users
	2015	2016	
Conservation (storage of water)	\$25	\$25	\$25
Domestic	\$25 or \$0.60/1,000 m ³	\$50 or \$2.25/1,000 m ³	N/A
*Irrigation	\$25 or \$0.60/1,000 m ³	\$50 or \$0.85/1,000 m ³	\$50 or \$0.85/1,000 m ³
Stockwatering	\$25 or \$0.60/1,000 m ³	\$50 or \$0.85/1,000 m ³	\$50 or \$0.85/1,000 m ³
Storage (stream)	\$25 or \$0.01/1,000 m ³	\$25 or \$0.02/1,000 m ³	N/A
Storage (aquifer)	N/A	N/A	\$25 or \$0.02/1,000 m ³

*Both private irrigation, as well as water conveyed by a local authority for irrigation purposes.

Water Purveyors

- * Some ranchers obtain their water from a water provider (e.g. a local authority such as a local government or an irrigation district).
- * The application fee for a new licence for a local authority that provides water for irrigation is increasing by \$100, from \$400 in 2015 to \$500 in 2016. The annual water rental fee is also increasing as noted in the table above.
- * Local authorities will likely pass on these increased costs to water users.

Licensing Groundwater Use

- * As per BCCA recommendations:
 - * Signed statements are one of the types of evidence that can be used to demonstrate the historical date of first use of groundwater sources.
 - * Other evidence to establish your priority date can include well reports, water quality tests, flow tests, pumping records, invoices related to the construction or testing of the well, or the installation of a well pump, a document issued by a local government (e.g. building permit, business licence) or other types of information that the decision maker may accept.

Transferring a Priority Date

- * Landowners are able to transfer the date of existing surface water rights to previously drilled wells, **IF** there is a direct hydraulic connection between the two.
- * The two application options are:
 - * A new application for a licence filed by an existing groundwater user within the 3 year transition period.
 - * A change of works amendment of the existing licence, under section 26(1)(d) of the WSA.

Unfortunately...

- * There is no option for wells to be licenced for their productive capacity, not just their existing use. The WSA requires licensing for the amount of water that can be beneficially used by up to a three year period from the date of application.



How to Apply for a Groundwater Licence?

- * The application process is online.
- * Go to:
<http://www.frontcounterbc.gov.bc.ca/guides/water/new-water-licence/overview/>

What You Need to Apply for a Groundwater Licence

- * A BCeID to complete and submit your application. Go to <http://www.frontcounterbc.gov.bc.ca/bceid/> to get an ID.
- * The official name of the aquifer or a location description, and the names of any streams known to be hydraulically connected to it.
- * The purpose and quantity to be diverted or stored for each purpose.
- * The periods during the year that the water will be used.
- * The area of land to be irrigated (for an irrig. licence).
- * The legal description and tenure of the land.

Groundwater Licence, Cont'd.

- * A detailed description of the proposed works, e.g. pumps, pipelines, irrigation system, reservoir.
- * Location of the well.
- * Details of the well, including well depth and well ID plate number or tag number if available.
- * A copy of any well reports.
- * A map or drawing showing well location, related works, and legal boundaries of the land.
- * A copy of a land lease, Crown land authorization, if applicable.

Are Dugouts Dams?

- * Dams that are less than 7.5 m in height and that are capable of impounding a maximum total storage volume of less than 10,000 m³ (8.1 acre feet) are exempt from the new Dam Safety Regulation.

Other Tools

- * **Water Rent Estimator:**

- * **Located at:**

- http://www.env.gov.bc.ca/wsd/water_rights/water_rental_rates/calculator/index.html

- * **Allows you to estimate your application fee(s) and rental fee(s).**

- * **FrontCounter BC staff are available to help with applications. Call 1-877-855-3222 or visit www.frontcounterbc.gov.bc.ca.**

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Thank you for your time!

- * Please contact Linda Allison with your feedback or concerns at allisoncreek@telus.net.



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Geraldine Craven

From: Darren David <ddavid@waterlineresources.com>
Sent: March-16-16 10:55 AM
To: inquiries
Subject: ***SPAM***BC Water Sustainability Act Now in Force - Water Supply Well Licensing Is Now Required

Good Morning,

The BC Water Sustainability Act is now in force as of Feb 29, 2016. This means that all agricultural, commercial, industrial and municipal groundwater supply wells will now have to be licensed under the new Act. New wells need to be licensed immediately and existing wells can be grandfathered in for the next 3 years, after which your priority over the water may be lost (first in time first in right). However, the province will waive the application fee if users apply within the first year (before March 1, 2017). This could mean significant savings depending on the number of wells that need to be licensed. Rental rates vary but are generally on the order of \$0.85 to \$2.25 per 1000 m³ of water diverted and will apply retroactively to Feb 29, 2016. You can find the new regulations at the following web address:

<https://engage.gov.bc.ca/watersustainabilityact/>

Waterline is offering a low cost licensing service if you would like a professional to gather the required information and submit a package to the province on your behalf. Please let me know if we can help you comply to the new requirements. Don't hesitate to call me if you have any questions about the Act and how it applies to your specific operation or circumstance.

Sincerely,

Darren J. David, M.Sc., P.Geol. (AB), P.Geol. (BC)
VP of BC Operations and Principal Hydrogeologist

Waterline
Resources Inc.

8-1009 Expo Blvd
Vancouver, BC
V9S 4M9

Office: 844-585-0800
Cell: 250-741-4851

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Thank you.  Please consider the environment before printing this e-mail.

Farmers

Provincial Sales Tax Act

Latest Revision: The revision bar (|) identifies changes to the previous version of this bulletin dated February 2016. For a summary of the changes, see Latest Revision at the end of this document.

This bulletin explains how the PST applies to farmers.

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Qualifying Farmers

You are a **qualifying farmer** if you are an owner or lessee of land classified as a farm under the *Assessment Act* of BC.

You may also be a qualifying farmer if you meet any of the following criteria:

- **Beekeepers, or Mushroom, Egg, Hog, Poultry, Rabbit or Fur Farmers**
 - You are an owner (as defined under the *Assessment Act*) or lessee of land who uses less than 0.8 hectares of that land for beekeeping, growing mushrooms, producing eggs, or for hog, poultry, rabbit or fur farming, and
 - You earned at least \$2,500 in gross income from those activities in the previous calendar year.

▪ **First Nations Farmers**

- You are a First Nations individual who uses First Nations land for a qualifying agricultural use (e.g. raising livestock), as defined under the *Assessment Act*, and
- You earned at least \$2,500 in gross income from the qualifying agricultural use of the land in the previous calendar year.

Please note: First Nations individuals are also exempt from PST on purchases of general goods (i.e. goods that are not specifically listed farm equipment) if the purchase takes place on First Nations land. For more information, see **Bulletin PST 314, Exemptions for First Nations**.

▪ **Out-of-Province Farmers**

- You use land located outside of BC for a qualifying agricultural use, as defined under the *Assessment Act*, and
 - if the area of the land is less than 0.8 hectares, you earned at least \$10,000 in gross income from the qualifying agricultural use of the land in the previous calendar year,
 - if the area of the land is 0.8 hectares or more but not more than 4 hectares, you earned at least \$2,500 in gross income from the qualifying agricultural use of the land in the previous calendar year, or
 - if the area of the land is more than 4 hectares, you earned gross income from the qualifying agricultural use of the land in the previous calendar year of 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 real property taxation, in the jurisdiction in which the land is located.
- Out-of-province farmers that meet the criteria outlined in the sections above—Beekeepers, or Mushroom, Egg, Hog, Poultry, Rabbit or Fur Farmers, or First Nations Farmers—are also qualifying farmers.

Aquaculturists

Qualifying aquaculturists are also qualifying farmers if they meet the criteria of a qualifying farmer as outlined above.

For information on who is a qualifying aquaculturist and exemptions that are available to qualifying aquaculturists, see **Bulletin PST 103, Aquaculturists**.

Exempt Farm Equipment and Other Goods

As a qualifying farmer, you may purchase or lease specifically listed farm equipment and other goods, such as tractors, combines and incubators exempt from PST. The specifically listed items are only exempt from PST for qualifying farmers if used solely for a farm purpose.

The specifically listed exempt items are provided in Appendix 1 at the back of this bulletin.

Parts for Exempt Farm Equipment and Other Goods

You are exempt from PST on parts that are designed for exempt farm equipment or other goods when you use these parts to repair or manufacture exempt items you use solely for a farm purpose (e.g. bin bottoms for silos and granaries). Parts that are designed for exempt farm equipment or other goods do not have to come from the same company that made the equipment or other goods.

You pay PST on generic parts and materials used to manufacture or repair both exempt items and taxable items. This includes parts that can be used on a variety of items (e.g. nuts and screws).

Related Services Exemption

If you are a qualifying farmer, you are exempt from PST on related services provided to exempt farm equipment or other goods, or provided to install exempt items. For details on how to claim your exemption, see Claiming Exemptions below.

However, as a general rule, if the equipment is taxable, services provided to the equipment are also taxable. This includes services to repair farm trucks or maintain backhoes.

For more information, see **Bulletin PST 301, Related Services**.

Claiming Exemptions

If you are a qualifying farmer, to purchase or lease specifically listed farm equipment or other goods exempt from PST, at or before the time of sale or lease, give your supplier either:

- a completed *Certificate of Exemption – Farmer (FIN 458)* or
- your BC Farmer Identity Card, provided it has not expired (see below).

If you provide a *Certificate of Exemption – Farmer (FIN 458)*, your supplier needs to keep this certificate as part of their records. You can make future purchases or leases of specifically listed farm equipment or other goods exempt from PST from this supplier based on the same certificate, if the information on the certificate is still correct. You must complete a new exemption certificate if the information has changed.

If you do not provide a completed exemption certificate or your BC Farmer Identity Card at or before the time of the purchase or lease, you are required to pay PST. If you provide the required documentation after the purchase or lease but within 180 days, the supplier may refund or credit you the PST charged. For more information on refunds and credits by suppliers, see **Bulletin PST 400, PST Refunds**.

Note to suppliers: If your customer claims an exemption as a qualifying farmer with an exemption certificate or BC Farmer Identity Card, and it is later found that the purchaser or lessee did not qualify for the exemption, your customer is liable for any PST, interest and penalties associated with the purchase or lease. However, if you had reason to believe that your customer was not entitled to the exemption (e.g. your customer provided you an exemption certificate stating that the equipment was being purchased for farm use, but you know the farm is no longer operating) and you provided the exemption, you may also be subject to an assessment.

BC Farmer Identity Cards

If you are a qualifying farmer, you may provide a BC Farmer Identity Card if it has not expired, to the supplier as an alternative to the exemption certificate. Your supplier must either make a copy of the card or document your name, address, card number and expiry date for their records.

To apply for a BC Farmer Identity Card, visit the BC Agriculture Council (BCAC) website at bcac.bc.ca or contact the BCAC at 1 866 522-3447.

Refunds for Qualifying Farmers

If you are a qualifying farmer and you pay PST on specifically listed exempt farm equipment or other goods, you may qualify for a refund.

Requesting a Refund from your Supplier

If you paid PST to your supplier on exempt farm equipment or other goods because you did not provide the required documentation to support your eligibility for exemption at the time of sale or lease, your supplier may provide you with a refund or credit of the PST paid if you provide the required information within 180 days of the date the PST was paid.

Requesting a Refund from Us

To apply for a refund from us, please provide us with a completed *Application for Refund of Provincial Sales Tax (PST) – Qualifying Farmers, Aquaculturists, Fishers (FIN 355/FAF)* and the required supporting documentation listed in the form instructions. Send your refund application and supporting documents to the address provided on the application form.

We must receive your refund claim within four years from the date you paid the PST. If you receive a refund from your supplier, you cannot also apply for a refund from us.

New Qualifying Farmers

Until you are a qualifying farmer, you pay PST on all farm equipment and other goods you use in your business. Once you qualify, you can apply for a PST refund on specifically listed farm equipment or other goods, and on parts for specifically listed items that you purchased and leased within the two-year period prior to meeting the criteria as a qualifying farmer.

Taxable Items

When to Pay PST

As a qualifying farmer, you may purchase or lease specifically listed farm equipment and other goods exempt from PST. PST applies to all other farm equipment and other goods that are not specifically listed unless your business qualifies for another exemption or the equipment is not taxable. For more information, see Other Exemptions below.

A list of examples of taxable items is provided in Appendix 2 at the end of this bulletin. If your supplier does not charge you PST on taxable items, you must self-assess (pay directly to us) the PST due on your next PST return.

If you do not have a PST number, you must self-assess the PST due using a *Casual Remittance Return (FIN 405)* on or before the last day of the month following the month you purchased or leased the taxable items. For example, if you purchased a taxable item in June, you must file the return and pay the PST no later than July 31.

Goods from Out-of-Province Suppliers

As a qualifying farmer, you may purchase or lease specifically listed farm equipment and other goods exempt from PST from out-of-province suppliers.

If you purchase or lease taxable goods from an out-of-province supplier, you pay PST on the total amount that you pay to bring the goods into BC, including charges for transportation, customs, excise, and any other costs, except the goods and services tax (GST). If the supplier does not charge you PST at the time of the sale or lease, you must self-assess the PST due. If you have a PST number, you must self-assess the PST due on your next PST return.

If you do not have a PST number, you must self-assess the PST due using the *Casual Remittance Return (FIN 405)* on or before the last day of the month following the month you brought, sent or received goods into BC. For example, if you brought taxable goods into BC in June, you must file the return and pay the PST no later than July 31.

Electricity, Heat, Natural Gas and Fuel Oil

Electricity Sold to a Qualifying Farmer for Residential and Farm Use

PST does not apply to electricity if:

- the electricity is purchased by a qualifying farmer for residential use in a residential dwelling and for a farm purpose and not for any other purpose, and
- the electricity for residential use and for a farm purpose is provided through the same meter.

Electricity, Heat, Natural Gas and Fuel Oil Purchased by a Qualifying Farmer for Farm Use

PST does not apply to electricity, heat, natural gas or fuel oil purchased for farm use, but PST does apply when these energy products are purchased for other uses (unless a specific exemption applies), including energy used to package produce from another farm and energy used to operate a retail stand. PST applies to electricity, heat, natural gas or fuel oil used for these purposes.

If you use these energy products for both farm and other uses (except electricity for residential use), to receive a PST exemption for the farm use portion, you need to have separate meters or separate storage tanks.

Please note: The 0.4% tax on energy products to raise revenue for the Innovative Clean Energy (ICE) Fund (the ICE Fund tax) applies to purchases of natural gas and fuel oil, except kerosene used for heating, cooling or raising steam, and certain purchases of propane, even when those energy products are purchased for a farm use.

For more information on the ICE Fund tax or information on the PST exemption for residential energy products, see **Bulletin PST 203, Energy, Energy Conservation and the ICE Fund Tax.**

Motor Fuel and Propane

Motor Fuel

In certain situations, farmers are eligible for certain tax reductions and exemptions under the *Motor Fuel Tax Act* on fuel for an authorized use in authorized machinery or in an authorized motor vehicle. For more information, see **Bulletin MFT-CT 003, Coloured Fuels**.

Propane

Purchasers of propane for any purpose are required to pay tax under the *Motor Fuel Tax Act* at a rate of 2.7¢ per litre, unless a specific exemption applies.

In certain situations, propane purchased by farmers or qualifying persons is exempt from motor fuel tax. For information, see **Bulletin MFT 014, Propane Exemptions**.

Change in Use

If you purchase specifically listed farm equipment or other goods exempt from PST, and later use that item for a taxable purpose (e.g. personal or non-farm commercial use), PST applies as of the date you use the item for a taxable purpose.

You calculate and self-assess PST on the greater of the **depreciated value** or 50% of the original purchase price. This calculation must be done separately for each item.

You must self-assess the PST due on your next PST return. If you do not have a PST number, you must self-assess the PST due using a *Casual Remittance Return (FIN 405)* on or before the last day of the month following the month you used the goods for a taxable purpose.

Calculating Depreciation

The **depreciated value** is determined on a straight-line basis as follows:

$$\text{Depreciated value} = \text{Purchase price} - [\text{purchase price} \times \text{depreciation rate}]$$

You may only calculate the depreciated value on the following types of equipment using the depreciation rates listed below. Goods not listed below cannot be depreciated.

Type of Equipment	Depreciation Rate
Vehicles, including all trailers and self-propelled equipment	30% per year, plus 2.5% per 30-day period for partial years
Aircraft	25% per year, plus 2.0833% per 30-day period for partial years
Vessels	15% per year, plus 1.25% per 30-day period for partial years
Railway rolling stock	10% per year, plus 0.8333% per 30-day period for partial years
Other equipment, furnishings and affixed machinery	20% per year, plus 1.667% per 30-day period for partial years)

To calculate the depreciation rate, follow these steps:

1. Calculate the number of whole years between the date you acquired the goods and the date you used them for a taxable purpose.
2. After calculating #1 above, calculate the number of days remaining in the partial year (if any) between the date you acquired the goods and the date you used them for a taxable purpose. Both the first and last days should be counted.
3. Divide the number of days calculated under #2 by 30 and round to the nearest whole number (0.5 and above is rounded up to 1). This is the number of 30-day periods.
4. Calculate the depreciation rate by multiplying the applicable rates in the table above by the number of years and 30-day periods.

Change in Use for Leased Goods

If you lease (as a lessee) specifically listed farm equipment or other goods exempt from PST, and later use those goods for a taxable purpose (e.g. personal or non-farm commercial use), you must self-assess PST as explained in **Bulletin PST 315, Rentals and Leases of Goods**.

Other Exemptions

Animals and Plants

You are exempt from PST on animals, plants or trees if the products of that animal, plant or tree ordinarily constitute food for human consumption, such as cows, sheep and pigs, or fruit trees and vegetable or herb seedlings.

Horses

Horses do not qualify under the above exemption. However, horses, except race horses and equestrian horses, are specifically listed farm equipment and may be purchased or leased exempt by qualifying farmers if used for a farm purpose.

Horses purchased for pleasure use by riding stables and academies for trail rides, guides, outfitters etc. are not used for a farm purpose and are taxable.

Containers and Packaging Materials

You are exempt from PST on containers and packaging materials (except reusable containers) you obtain solely for packaging goods for sale or lease, or if you provide them to your customers with their purchases of goods. However, you must pay PST on containers and packaging materials if you use them for other purposes, such as storing, handling or shipping goods, or you use them to provide a service.

Generally, you are not required to charge PST on the containers and packaging materials you provide with goods and services, unless you separately charge your customers for them. However, in limited circumstances, you may be required to charge PST on the fair market value of the containers and packaging materials.

For more information, see **Bulletin PST 305, Containers and Packaging Materials**.

Production Machinery and Equipment Exemption

If you are engaged in the secondary manufacturing of agricultural products, you may qualify as a manufacturer and be eligible for the production machinery and equipment exemption. You may qualify as a manufacturer if you make products such as wine, cider, preserves, sauces,

cheeses, smoked meats and sausages. If you qualify as a manufacturer, you may purchase equipment used in the manufacturing process of such products exempt from PST.

Please note: To qualify as a manufacturer, you must have a reasonable expectation that your sales of manufactured products or your manufacturing costs will exceed \$30,000 per year.

For more information, see **Bulletin PST 110, *Production Machinery and Equipment Exemption***.

Safety Equipment and Protective Clothing

The following safety equipment and protective clothing is exempt from PST:

- work-related safety equipment and protective clothing designed to be worn by, or attached to, a worker if required under specified provincial work safety legislation when purchased or leased by an employer, self-employed person or educational institution,
- specifically listed work-related safety equipment and protective clothing designed to be worn by a worker, and
- specifically listed general safety equipment and protective clothing.

For more information, see **Bulletin PST 100, *Safety Equipment and Protective Clothing***.



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The information in this bulletin is for your convenience and guidance and is not a replacement for the legislation.

Latest Revisions

February 26, 2016

- Clarified that, effective April 1, 2013 (subject to Bill 14, *Finance Statutes Amendment Act, 2016* receiving royal assent), you are exempt from PST on containers and packaging materials (except reusable containers) you obtain **solely** for packaging goods for sale or lease, or if you provide them to your customers with their purchases of goods.

February 2016

- The following changes are proposed in Budget 2016 and have been added to the list of exempt items for farmers. The changes are effective February 16, 2016, subject to approval of an amendment to the regulations:
 - polycarbonate panels – designed for use in greenhouses that are obtained in quantities of at least 500 square metres
 - skid steers and attachments designed to be attached to them
 - telescopic handlers and attachments designed to be attached to them
 - Minor revisions
-

References: *Provincial Sales Tax Act*, section 1 "First Nation individual", sections 25, 30, 82, 82.1, 92 and 145; *Provincial Sales Tax Exemption and Refund Regulation*, sections 1 "First Nation land", "qualifying agricultural use", "qualifying farmer", "qualifying all-terrain vehicle", 2, 32-35, 44-47, 74, 92, 129 and Schedule 2; *Provincial Sales Tax Regulation*, sections 10 and 21.

Qualifying farmers may purchase or lease the specifically listed farm equipment and other goods listed below exempt from PST if the equipment and other goods are used solely for a farm purpose.

This list is organized into groups for convenience purposes only and does not restrict the specifically listed exempt items to certain farm activities (i.e. any of these items may be purchased or leased by any qualifying farmer as long as they are used solely for a farm purpose).

Bees and Honey

- Bee cages, queen bee cups for grafting bees and queen bee mailing cartons or boxes
- Bees
- Capping melters
- Comb honey wrappers and labels
- Containers for use for packaging honey for marketing
- Foundations that are designed for use in beekeeping
- Frames and end bars that are designed for use in beekeeping
- Honey extractors
- Honey storage tanks
- Honey uncapping plane
- Honey wire mesh strainers
- Pollen substitutes
- Pollinators
- Sections that are designed for use by beekeepers
- Staples and eyelets that are advertised or marketed for use in beekeeping
- Wire and wiring tack for frames that are designed for use in beekeeping

Dairy

- Bulk milk tanks – including tanks for shipping milk
- Cream cans
- Cream separators
- Dairy brushes
- Dairy filters
- Dairy pails
- Milk bottle caps
- Milk cans
- Milk coolers
- Milk storage tanks
- Milk strainers and filters
- Milking machines – including any motors and pumps
- Milking parlour stalls

Appendix 1 - Specifically Listed Exempt ~~41~~ Farm Equipment and Other Goods

- Milking parlour stools
- Teat dilators
- Teat dip

Poultry and Eggs

- Brooders
- Chick boxes and staples for use for chick boxes
- Chick enclosure materials
- C-K-A Gene Chick treatment in mash
- Egg cartons and baskets
- Egg crates
- Egg immunization systems
- Egg packing equipment
- Hen specks
- Metal nests
- Nest eggs
- Poultry
- Poultry crates
- Poultry feeders, waterers, troughs and coordinated cage systems for use in conjunction with poultry feeders, waterers and troughs
- Poultry laying cages if integrated with poultry feeding, watering and egg gathering systems
- Turkey guards and saddles

Fencing, Gates, Pens, Stalls and Cages

- Automatic door closures designed for holding animals in stalls
- Automatic gate openers
- Barbed wire
- Cattle guards
- Chicken wire
- Crop protection netting systems that enclose a crop to protect the crop from predators
- Deer fencing
- Devices and equipment designed to restrain or hold livestock for the purposes of servicing, branding, testing or treatment
- Electric fencing and batteries for use for electric fencing
- Fence posts
- Fencing
- Gates and gate accessories that are designed for farm use
- Head gates that are designed as an accessory to cattle squeezers
- Hog wire
- Insulators and insulated handles designed for electric fences
- J Bolts for use for electric fences
- Livestock pens, cages and stalls

Appendix 1 - Specifically Listed Exempt Farm Equipment and Other Goods

- Post drivers and post augers
- Poultry netting
- Prefabricated livestock flooring slats
- Prefabricated livestock loading chutes and handling systems
- Rubber mats designed for use in livestock stalls
- Stall dividers
- Staples for use for fencing
- Steel pipe livestock guards
- Wire and netting for use for fences
- Wire mesh for use for cages
- Wire stretchers
- Wire tree guards

Pest Management

- Adhesive pest management materials – including barriers, strips, insect trap coating, bird repellent and glue trap coating
- Bird scaring devices
- Disinfectant mats
- Dusters, sprayers and applicators designed to dispense fertilizers, pesticides and insecticides
- Gopher baiting furrow machines
- Insecticide, fungicide, disinfectant or weed control chemicals that are registered under the *Pest Control Products Act (Canada)*
- Livestock oilers
- Livestock protectors designed to be attached to livestock to keep predators and pests away
- Moth traps
- Naturally occurring predators and parasites for use as biological control agents to control specific insect, mite or weed species
- Pest control paper
- Weed and tree sprayers

Waste Management

- Above ground manure aerating systems
- Barn cleaners
- Barn scrapers
- Barnlitter carriers
- Incineration units for on-farm use
- Manure separators
- Treatment products for on-farm use to promote the decay of organic materials in water in ponds, dug-outs and reservoirs
- Treatment products for use to reduce gas and bacteria levels in litters, bedding and manure

Greenhouses, Nurseries and Mushroom Houses

- Artificial lighting systems for use in greenhouses to promote plant growth – including replacement bulbs for use in such lighting systems
- Automatic product handling and packaging systems that place seedlings or cuttings in plastic wrap or other containers
- Automatic travelling sprinklers that are designed for use in greenhouses
- Bulb crates and bulb planters
- Bulbs, corms, rhizomes and tubers
- Carbon dioxide
- Carbon dioxide condensers and heat exchangers for use as part of a greenhouse heating system
- Carbon dioxide generators
- Cloches, including hot caps and hot tents
- Conveyor belts designed to transport pots in nurseries
- Fillers and flats
- Flower sorting and bunching equipment
- Glass – designed for use in greenhouses, that has a light transmission value of at least 89% and that is obtained in quantities of at least 500 square metres
- Greenhouse and nursery boilers for use in providing heat for a greenhouse or nursery
- Growing medium
- Mushroom bin loaders and unloaders – including the reel, pump and screen systems
- Mushroom house boilers
- Natural gas heating systems obtained for use in providing heat for a greenhouse or nursery
- Nursery carts
- Polycarbonate panels – obtained for use in greenhouses in quantities of at least 500 square metres (effective February 17, 2016)
- Plastic or polyethylene sheets, heavy gauge and UV stabilized, obtained in rolls of at least 100 feet in length and 20 feet in width
- Potting machines and attachments
- Rolling benches
- Seedling plug extractors
- Shade curtains
- Thermal curtains – including hardware that operates the thermal curtain, for use in greenhouses to retain heat
- Tree diggers that are designed for nursery operations

Feed and Water Equipment

- Drinking cups that are designed for use in fur farming
- Feed augering systems
- Feed grinders
- Feed mixers and feed mixer wagons
- Feeders and feeding systems designed for livestock, automatic or manual – including controls and any integrated hardware or software

Appendix 1 - Specifically Listed Exempt Farm Equipment and Other Goods

- Feeding dishes that are designed for use in fur farming
- Feeds – including pigeon feed
- Food grinders that are designed for use in fur farming
- Hay and silage
- Livestock feeder pails
- Minerals, medications, nutrients and micronutrients for use for livestock
- Mixers that are designed for use in fur farming
- Molasses
- Salt
- Salt mineral blocks
- Water bowls designed to be attached to stanchions
- Water heaters
- Water warmers
- Waterers and watering systems for livestock, automatic or manual – including controls and any integrated hardware or software
- Wheat germ oil

Fuel and Energy

- Auxiliary generating equipment
- Electricity
- Heat
- Kerosene burners and other portable fuel-based burners
- Natural gas and fuel oil

Fertilizer, Chemicals and Chemical Equipment

- Agricultural lime
- Calcium chloride
- Chemicals for use for making fertilizer
- Fertilizer mixers
- Fertilizers
- Hormones, microorganisms and enzymes
- Sanitizing products and chemicals
- Sterilizing chemicals and sterilizing equipment – including electric soil sterilizers and steam generators for use to sterilize soil

Vehicles, Implements and related equipment

- Aerators
- All-terrain vehicles that:
 - are self-propelled,
 - have at least four wheels,
 - are designed primarily for use on unprepared surfaces,

45 Appendix 1 - Specifically Listed Exempt Farm Equipment and Other Goods

- are not eligible to be licensed for use on a highway in BC, except as a utility vehicle,
 - have an engine with a displacement of 200 cc or greater, and
 - are equipped at the time of sale with a carrying rack, platform or cargo box.
- Bale ejectors
 - Bale loaders
 - Batteries, oil filters, sparkplugs and other comparable engine parts, for use with specifically listed exempt farm equipment
 - Buckets designed to be attached to front-end loaders
 - Combines
 - Corn binders
 - Corn listers
 - Cultivators
 - Disk harrows
 - Drag harrows
 - Farm implements that are designed to till the ground or harvest crops
 - Farm seed drills and attachments
 - Farm tractors
 - Forage harvesters
 - Front end loaders
 - Halters and harnesses for horses – including hardware
 - Hardware for use for harnesses
 - Harrow carts
 - Hay loaders
 - Hay mowers
 - Hay presses
 - Hay rakes
 - Hay stackers
 - Hay sweeps
 - Hay tedders
 - Horse drawn vehicles
 - Horseshoes
 - Implements that are designed to be attached to a farm tractor
 - Land packers
 - Lime spreaders
 - Manure spreaders
 - Pick-ups that are designed as an attachment to a combine, a hay loader or a baler
 - Ploughs
 - Potato diggers
 - Potato seed cutters
 - Rock pickers
 - Rod weeders

Appendix 1 - Specifically Listed Exempt Farm Equipment and Other Goods

- Rototillers and rotovators
- Self-propelled bale wagons
- Singletrees and irons
- Skid steers (also known as skid loaders / skid-steer loaders) and attachments designed to be attached to them (effective February 17, 2016)
- Sugar beet toppers and windrowers
- Swathers
- Telescopic handlers (also known as telehandlers / teleporters) and attachments designed to be attached to them (effective February 17, 2016)
- Threshing machines
- Tires
- Vine beaters
- Wagon boxes, tanks and other vehicles that are not self-propelled
- Wheeled hoes
- Winches designed to be attached to a farm tractor

Other Equipment

- Bin pilers
- Cranberry separators
- Crop and farm product cleaning, sizing, grading and candling equipment and machines – including washers, brushers, baggers and dryers
- Crop planting, harvesting, and picking machinery and equipment, and related parts
- Culverts and other water control devices designed for use in cranberry beds
- Drain tile
- Egg beaters that are designed for use by cranberry farmers
- Elevating towers designed for use for pruning, thinning, picking or wiring trees
- Grain augers or elevators
- Grain grinders
- Grain testers
- Grain treaters
- Hammer mills
- Hanging gutters
- Hay slings and grain slings
- Hay conditioners and hay drying equipment
- Hop pressers
- Incubators
- Irrigation equipment
- Nut dryers
- Oat crushers
- Potato bin unloaders
- Potato conveyors and elevators
- Potato sack loaders

Appendix 1 - Specifically Listed Exempt Farm Equipment and Other Goods

- Refrigeration equipment used for the cooling or cold storage of farm products
- Roller mills
- Scales specifically designed to weigh livestock
- Seed cleaners
- Self-contained dryers designed for drying agricultural produce, including grain or nuts
- Self-powered irrigators
- Silo blowers
- Silo covers and silage covers
- Silo unloaders
- Silos
- Stainless steel wash tanks
- Steel granaries
- Storage tanks, in industrial use sizes, for use in storing fuel, liquid fertilizer, manure and similar items
- Thermometers, hydrometers, barometers and other climatic and wind monitoring equipment and accessories, but not including any related computer hardware or software
- Ventilators and air conditioning equipment
- Wind machines designed for use outdoors to prevent of frost damage to crops

Hand Tools, Ties and Stakes

- Bale ties and wire – including hay baling twine and wire
- Clay hooks
- Crop handling carts
- Hay and manure forks
- Hoes, mattocks, rakes and picks
- Ladders specifically designed for fruit picking
- Pruning shears and clippers – including pneumatic pruning shears and clippers, but not including air compressors
- Raspberry picks
- Scythes, snaths, sickles and blades
- Sheep clippers
- Shovels and spades
- Stakes, posts and poles designed for supporting crops or trees – including related ties and clips
- Tapeners

Other

- Animals, of a kind the products of which ordinarily constitute food for human consumption
- Bell ring
- Calf weaners
- Containers for use for packaging fruits, vegetables, flowers, plants, nursery stock and other similar products for marketing

Appendix 1 - Specifically Listed Exempt ⁴⁸Farm Equipment and Other Goods

- Flame throwers
- Float valves
- Fruit trees
- Fruit tree weights
- Hay tarps
- Horses, other than race horses and equestrian horses
- Jute, plastic and paper bags
- Livestock
- Livestock chains
- Livestock identification tags – including microchips for attachment to livestock for electronic livestock monitoring, whether or not the tags are impregnated with insecticides or pesticides
- Livestock semen
- Nose plates
- pH electroconductivity meters
- Picking bags
- Plastic bale and silage bags
- Pressure cleaners
- Sand used for livestock bedding
- Sawdust and shavings
- Slicers that are designed for use by fur farmers
- Soil anchors
- Soil mixers
- Straw
- Tree pruning paint
- Tree wound and grafting compound
- Trees, shrubs and plants
- Veterinary supplies, including insemination equipment, calf pullers, castration equipment, debeakers, dehorners, dilators, medication, restraints, sterilization equipment and syringes
- Vibro blenders

Appendix 2 – Examples of Taxable Items 49

PST applies to the equipment and other goods listed below. This is not a complete list and there may be other items not listed here that are taxable.

- Backhoes, bulldozers, crawler tractors, lawn and garden tractors— none of which qualify as farm tractors
- Cleaning compounds, detergents, grease, lubricants, oil and rags
- Computer hardware (including printers and labelling machines)
- Electricity, heat, fuel oil and natural gas – when used for non-farm commercial purposes (**Please note:** propane is not subject to PST, but is taxed under the *Motor Fuel Tax Act*. For more information, please see the section in the bulletin, *Motor Fuel and Propane*)
- Gases, such as oxygen and acetylene
- Generic goods that are common to many businesses and industries, such as axes, brooms, brushes, buckets, cement mixers, drills, garden hoses, ornamental plants, lawn mowers, lights, paint, propane tanks, storage bins, rope, saws, watering cans and wheelbarrows
- Stationery, furniture and office equipment
- Telecommunications services
- Vehicles and related equipment including farm trucks, forklifts, hoists for farm trucks, nursery trucks, pick-up trucks, refrigerated trailer units (designed to transport goods), three-wheeled all terrain vehicles, truck mounted boxes (permanently mounted) and snowmobiles
- Other taxable farm-related goods, including:
 - attachments for front-end loaders (e.g. pallet forks)
 - barns (i.e. building materials you use to build or repair barns)
 - bridles
 - cat food – cats are not livestock; taxable even if the cat is used for a farm purpose
 - cattle prods – including batteries
 - cement
 - coolers
 - conveyor belts – unless they are designed for transporting pots used in nurseries
 - copper carbonate – sprayed on the inside of planting containers to promote a more compact root ball
 - cow breeding planners
 - cow magnets
 - crop dusting airplanes, non-turbine
 - crushed rock
 - culverts
 - currycombs
 - dispensers – automatic; for dispensing medicine or disinfectants in water
 - feeding carts, motorized
 - fogging machines
 - gravel
 - greenhouses, portable
 - gutters – used to recycle irrigation water in greenhouses

- harvest bins – unless used primarily for a farm purpose (e.g. harvesting produce)
- hay testers
- hog fuel – for fill
- holding pen / weighing station combination
- hoof picks
- hoop house frames
- horn weights
- ice machines
- ladders – except those specifically designed for fruit picking
- livestock slings
- metal culverts
- mink boards
- mixing wands
- motorized feeding carts
- orchard heaters
- ornamental plants, including ornamental fruit trees
- planting bands
- plastic or polyethylene sheeting – unless it is heavy gauged and UV stabilized, and purchased in rolls of at least 100 feet in length and 20 feet in width, or obtained as a replacement part for specifically listed exempt farm equipment
- poles – unless designed for supporting crops or trees
- post-hole diggers
- posts – unless designed for supporting crops or trees; fence posts are non-taxable
- poultry processing equipment – including scalders, pickers, knives and shears
- race horses
- saddles
- salinity meters
- scales – unless designed to weigh livestock
- shade compound – liquid applied to greenhouse glass to protect plants
- skidders
- snow throwers
- soil feeder bins
- solvents and cement – used for irrigation
- stakes, posts, and poles – unless designed for supporting crops or trees or they are fence posts
- stock prods – including batteries
- tattoo outfits
- teat brushes
- teat cups
- top soil
- tree grafting paint