

PROVINCIAL SALES TAX - RESTAURANT MEALS, FOOD AND BEVERAGES

Effective April 1, 2017, restaurant meals and other food and beverage items are subject to Provincial Sales Tax (PST) on the same basis as the Goods and Services Tax (GST). Therefore, when tax applies for GST purposes, PST also applies. (**Note:** This includes on-reserve sales to non-Status Indians.)

The PST exemption previously provided for many food and beverage items, such as snack foods and prepared meals, has been removed. Items previously subject to PST remain taxable. The PST applies as follows:

- Basic groceries are exempt from tax
- Restaurant meals are subject to tax
- Carbonated beverages are subject to tax
- Fruit juices with less than 25 per cent natural fruit juice are subject to tax
- Prepared food and beverages sold in a form for immediate consumption are not considered to be basic groceries and are subject to tax
- Snack foods such as candy, chocolate, potato and corn chips, popped popcorn, pretzels, salted or mixed nuts, and other similar snack foods are subject to tax
- The following items are taxable when sold in quantities considered to be “single serving” as indicated below:
 - Beverages less than 600 ml
 - Ice cream and similar products less than 500 ml (or 500 grams)
 - Pudding and similar products less than 425 ml
 - Sweetened baked goods less than 230 grams

EXEMPTIONS FOR MEALS AND PREPARED FOOD AND BEVERAGES

There are certain situations where the PST does not apply to the sale of meals and prepared food and beverages. These include:

- Prepared meals, food and beverages provided as part of health care services to hospital patients or by a personal care home to its residents
- Prepared meals, food and beverages served in elementary or secondary school cafeterias, except snack food, candy and carbonated beverages
- Prepared meals, food and beverages supplied by charitable or non-profit organizations, without charge or for a nominal fee, as assistance to persons in need.

For further reference, please see Information Bulletin PST-2, *Information for Grocery, Convenience and Drug Stores* and PST-33, *Information for Restaurants, Caterers and Other Businesses Selling Prepared Food and Beverages*.

FOR FURTHER INFORMATION

Write: Ministry of Finance
Revenue Division
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Regina 306-787-6645

Email: sask.tax.info@gov.sk.ca

In-Person: Ministry of Finance
Revenue Division
2350 Albert St
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Internet: Tax bulletins, forms and information are available on the Internet at:
<http://www.finance.gov.sk.ca/taxes>