

# Information Notice

NOTICE  
The Retail Sales Tax Act  
Updated November 2008

## REGISTRATION REQUIREMENT ELIMINATED FOR SMALL HOME-BASED BUSINESSES

Crafters, hobbyists and other small home-based businesses that sell goods and services in Manitoba are not required to register and collect retail sales tax (RST) if all the following conditions apply:

- Their sales are not advertised to the public through commercial advertising media. (For this purpose advertising through free public services, notices in church bulletins or community club newsletters are not considered commercial advertising);
- business is not operated from commercial premises; such as a retail store, or kiosk, booth or other display location at festivals, trade or craft shows or other commercial events where goods and services are sold for a profit;
- gross annual sales are \$10,000 or less.

**Note:** Artists and crafters that create their own arts and crafts from their home and meet the above conditions are not required to register and collect RST, as long as they attend 3 or fewer commercial craft shows per year.

Home-based businesses that meet all of the above requirements are not required to register and collect RST but are required to:

- pay RST on all taxable goods and services purchased for their own use;
- pay 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 for goods and services sold must indicate that RST is included in the sales price and RST should not be itemized on the invoice.

Business customers are not required to self-assess RST on purchases of goods from unregistered home-based sellers. Business customers are required to self-assess RST on any purchases of taxable services from unregistered home-based sellers, as RST is not included in the selling price. For information on taxable goods and services, please see Information Bulletin No. 030 - Summary of Taxable and Exempt Goods and Services – or contact the Taxation Division as listed below.

Further information may be obtained from:

### Winnipeg Office

Manitoba Finance  
Taxation Division  
101 - 401 York Avenue  
Winnipeg, Manitoba R3C 0P8  
Telephone (204) 945-5603  
Manitoba Toll Free 1-800-782-0318  
Fax (204) 948-2087  
E-mail: [MBTax@gov.mb.ca](mailto:MBTax@gov.mb.ca)  
Web site: [www.gov.mb.ca/finance/taxation](http://www.gov.mb.ca/finance/taxation)

### Westman Regional Office

Manitoba Finance  
Taxation Division  
314, 340 - 9th Street  
Brandon, Manitoba R7A 6C2  
Telephone (204) 726-6153  
Manitoba Toll Free 1-800-275-9290  
Fax (204) 726-6763

Note: Revisions to contents of previous Notice (April 2007) have been identified by shading ( ).