

Provincial Vehicle Tax – Bill of Sale

The purpose of this bulletin is to provide clarification pertaining to the bill of sale document that must be provided to determine the Provincial Vehicle Tax (PVT) assessed under the **Harmonized Sales Tax Act**.

The *Harmonized Sales Tax Act* imposes the tax at a rate of 15% on the fair value of a vehicle acquired in any transaction other than a purchase from a business registered to collect the Harmonized Sales Tax, where the fair value is the greatest of:

1. The purchase price detailed on a valid bill of sale;
2. The average wholesale value determined through the use of approved trade publications; and
3. The value established by the Provincial Tax Commissioner.

Note: Minimum fair values for the purpose of taxation are \$1,000 for motor vehicles, \$500 for motorcycles and \$500 for off-road vehicles.

The tax is collected by Service New Brunswick (SNB), on behalf of Finance and Treasury Board, when the vehicle is registered in the purchaser's name. For more information please refer to [Bulletin PVTB-101; Determining the Fair Value of a Vehicle and / or PVT Used Vehicles and Taxes; Frequently Asked Questions](#).

A bill of sale is a legal document that transfers the title of an asset from a seller to a purchaser. This document provides details pertaining to the vehicle purchase and conveys that the purchaser now has ownership of the vehicle.

The bill of sale document is required for all transfer of vehicle ownership transactions. Below is a list of acceptable bill of sale documents for tax purposes:

1. Bill of sale produced by seller:
 - When the seller is a non-registrant (private sale), the bill of sale must contain: the Vehicle Identification Number (VIN), the make and model of the vehicle, the seller's name, the purchaser's name, the signature of the seller, the date of the sale and the price at which the vehicle was sold.
 - When the seller, or supplier, is a registrant (ie: company, dealership, etc), the bill of sale must contain: the supplier's name, address, GST/HST number, and the breakdown of the taxes collected. The bill of sale must also include the VIN, the make and model of the vehicle, the date of the sale, the price at which the vehicle was sold and the purchaser's name.
2. A bill of sale template is available online at www.snb.ca under *Forms by Department - Bill of Sale Template*:
 - It is not mandatory that this template is used.
 - This is not an official document of the Government of New Brunswick and is intended as an aid for our customers.

3. The application for transfer on the registration certificate used as the bill of sale:

- As per instructions on the back of the registration, the seller must sign and complete the application for transfer section; including the purchaser's information.

Important Information:

Altered bill of sale documents are not accepted. If the seller has made an error on the bill of sale, they will need to complete a corrected copy.

In its continuous efforts to ensure fairness and protect the integrity of the tax system, Finance and Treasury Board routinely conducts comprehensive reviews and audits of vehicle transactions.

Any person who knowingly provides false or misleading information, or who presents fraudulent documentation, commits a serious offence. The department has recently reallocated resources to ensure the detection and subsequent assessment of individuals involved in tax evasion.

If it has been determined that tax evasion has occurred, an assessment will be issued and may also result in the issuance of fines and / or penalties.

For more information, please refer to the [Bulletin PVTB-115](#); Tax Evasion Bulletin.

Additional Information

If this bulletin does not address your particular situation, or if you have further concerns regarding taxes, please refer to the [Act](#) and related regulations, visit our website at: www.gnb.ca/finance or contact:

Finance and Treasury Board
Revenue Administration Division
Marysville Place, P. O. Box 3000
Fredericton, NB E3B 5G5

Telephone: (800) 669-7070
E-mail: wwwfin@gnb.ca