

A woman with long dark hair, wearing a light grey sweater and a dark blue bag, is smiling and looking down at two coffee cups she is holding. She is standing in a cafe or bakery, with shelves of jars and a menu board visible in the background. A white shopping bag is hanging from her arm.

Recent changes to the application of the Manitoba Retail Sales Tax

Frédéric Pansieri

The following documents provides a short summary of changes to the application of Manitoba Retail Sales Tax (“RST”) taking effect December 1, 2021.

Streaming Services and Media Purchases

Effective December 1, 2021, the retail sale of streaming services and/or media content to purchasers that are ordinarily resident in Manitoba is subject to Manitoba RST.

Streaming service providers and other vendors of media content must register as a vendor and collect and remit RST on their retail sales to Manitoba customers.

A streaming service is a subscription that provides the right(whether exercised or not) to download, view or access, by means of an electronic device one or more of the following telecommunications:

- Music
- An audio program (including podcasts or radio broadcasts but excluding audiobooks)
- Television programs, movies or other video
- Ring tones (including text tones and other alert tones)

This includes livestreams or recordings of the above activities that can be accessed at a later date.

Electronic devices include computers, mobile phones, smartphones, tablets, portable media players and TV-based or automobile-based media receivers.

Exemptions to the requirement to charge the RST apply to the participants of certain educational or training programs.

Online Sales Platforms for the Sale of Goods

Effective December 1, 2021, online sales platform operators, that also collect payment on behalf of online sellers that are making retail sales of goods (and any taxable service that relate to those goods), are required to register as a vendor and are responsible for the proper collection of RST, including determining the tax status and related taxable services for sale. They are required to collect and remit RST on all taxable sales made through their platforms, regardless of whether the online

seller is registered as a vendor or the goods are shipped to the purchaser in Manitoba from an address outside of Canada.

An online sales platform is a website, app or other internet-based marketplace that enables or facilitates the retail sale of goods and the collection of payments on behalf of an online seller.

Online Accommodations Platforms

Effective December 1, 2021, online accommodation platform operators will be required to register as a vendor and collect and remit RST on all taxable sales of lodging located in Manitoba for a continuous period of occupation of less than

one month made through their platforms, regardless of whether the online seller is registered as a vendor.

Online platforms providing classified advertising or listing services, that do not collect payment on behalf of the individual or business offering lodging through their platforms, are not considered to be online accommodation platforms for RST purposes.

Personal Services

Effective since December 1, 2021, RST will no longer apply on personal services, with the exception of tanning services. RST will continue to apply to tanning services via ultraviolet light emitting devices.

Those changes also imply that the personal service provider (who now provides exempt personal services) will no longer be able to claim an exemption for resale for materials consumed in providing those services.

For more information on various provincial and federal sales tax updates, visit our [Indirect Tax services page](#) or contact a member of Crowe Soberman's Tax Group.

This article has been prepared for the general information of our clients. Please note that this publication should not be considered a substitute for personalized advice related to your particular situation.

Connect with the Authors

Frédéric Pansieri, BBA, CPA, CA, Frédéric Pansieri Professional Corporation
Partner, Commodity Taxes

T: 416 963 7237

E: frederic.pansieri@crowesoberman.com

About Crowe Soberman LLP

Based in Toronto, Crowe Soberman is one of the leading public accounting firms in Canada. The firm has been in business over 60 years and has built a strong reputation in the community because of the excellent work our teams of dedicated professionals produce.

Our core services are in Audit, Tax, and Advisory. Along with these, we have professionals who specialize in Business Valuation, Claims Valuation, Corporate Recovery & Turnaround, Forensics, Estates & Trusts, Global Mobility Services, HR Consulting, Commodity Tax (HST), International Transactions & Consulting, International Tax, Litigation Support, M&A Transactions, Management Services, Personal Insolvency and Succession Planning. Members of our various specialty services groups are available when required as a technical resource to assist the client service team.

Crowe Soberman is an independent member of Crowe Global. As a top 10 global accounting network, Crowe Global has over 200 independent accounting and advisory firms in 145 countries. For almost 100 years, Crowe has made smart decisions for multinational clients working across borders. Our leaders work with governments, regulatory bodies and industry groups to shape the future of the profession worldwide. Their exceptional knowledge of business, local laws and customs provide lasting value to clients undertaking international projects. At Crowe Soberman LLP, our professionals share one commitment: to deliver excellence.