



Bicycles and Tricycles

Provincial Sales Tax Act

Latest Revision: The revision bar (|) identifies changes to the previous version of this bulletin dated December 2020. For a summary of the changes, see Latest Revision at the end of this document.

This bulletin explains how PST applies to bicycles and tricycles.

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Sales and Leases

Bicycles and Tricycles

You do not charge PST on the sale or lease of qualifying bicycles and tricycles. Bicycles and tricycles that qualify for an exemption from PST are:

- Non-motorized bicycles
- Non-motorized, adult-sized tricycles where each wheel of the tricycle has a diameter of 350 mm or more
- Effective April 21, 2021, electric bicycles and tricycles (e-bikes and e-trikes). To qualify, an e-bike or e-trike must meet the following requirements.
 - Has pedals or hand cranks that allow for the cycle to be propelled by human power
 - Wheels that measure 350mm or more in diameter (13.8 inches)
 - The electric motor or motors are not capable of propelling the cycle at a speed greater than 32 km/hr on level ground **and** do not have a continuous output power rating that exceeds 500W in total
 - Does not have a combustion engine
 - Is not marketed as, or designed to look like an electric motorcycle, electric moped, electric scooter or another similar device

You must charge PST on the sale or lease of bicycles and tricycles that do not qualify for exemption, such as:

- E-bikes and e-trikes that don't meet the exemption requirements as explained above
- Motorized and non-motorized push-style scooters
- Tricycles that have a wheel or wheels with a diameter of less than 350 mm
- Unicycles

Exemption Expanded to Include e-bikes and e-trikes

Effective April 21, 2021, the PST exemption for bicycles has been expanded to include qualifying e-bikes and e-trikes. This means you do not charge PST on sales and leases of qualifying exempt e-bikes and e-trikes where the sale and delivery takes place on or after April 21, 2021.

Example 1

Your customer pre-ordered an e-bike and paid a small deposit a few months ago. The e-bike qualifies for exemption as explained above.

You do not charge your customer PST on the sale of the e-bike if the bill of sale and delivery is on or after April 21, 2021. PST applies if the bill of sale and delivery is before April 21, 2021.

Example 2

Your customer purchases an electric-assist cargo bike from your shop. The cargo bike does not come from the manufacturer with the electric-assist kit, which you installed prior to delivery. The bike now qualifies for exemption as an e-bike (explained above).

You do not charge your customer PST on the sale of the bike, electric-assist kit, or the service to install, if the bill of sale and delivery is on or after April 21, 2021. PST applies to the electric-assist kit if the bill of sale and delivery is before April 21, 2021.

PST applies if the bike is altered in any way that would make the bike not qualify as explained above (e.g. propels the e-bike at a speed greater than 32km/hr).

Example 3

Your customer purchases a qualifying exempt e-bike from your shop, along with the following attachments and accessories: upgraded disc brakes, child seats, panniers, kickstand and fenders, which were installed at the time of the sale.

You do not charge PST on the sale of the bike, parts, accessories, or the services to install, if the bill of sale and delivery is on or after April 21, 2021. PST applies if the bill of sale and delivery is before April 21, 2021.

If you are uncertain how PST applies, please contact us.

Parts

Parts are items essential to the basic functioning of a bicycle or tricycle. You do not charge PST when you sell or install replacement parts specifically designed for exempt bicycles and tricycles, such as:

- Frame and fork sets
- Handle bar stems, tape, rim tape, grips and end plugs
- Pedal, chain and gear, and chain guard assemblies
- Seats, fenders and shock absorbers
- Wheels, tubes, tires and brake assemblies

Effective April 21, 2021, you also do not charge PST when you sell or install conversion kits for e-bikes and e-trikes. To be exempt, the conversion kit must not make the electric motor's continuous output exceed 500W and must not make the motor's propelling speed greater than 32km/hr on level ground.

Attachments

When you sell an exempt bicycle or tricycle, any basic items installed on, or attached to, the bicycle or tricycle at the time of the sale are considered to form part of that sale. Therefore, you do not charge PST on the purchase price of the attachments or the services to install them even if you separately itemize the accessories and installation services on the bill of sale.

Bicycle and tricycle attachments include the following (or similar) items:

- Carriers, including handle bar bags, rat traps, baskets, panniers, saddlebags, crates, tool bags and child seats
- Drinking bottles, bottle cages, bells, horns
- Pumps, pump clips, hoses and hose attachments
- Toe clips, toe straps, mirrors, locks, kickstands, streamers and flags
- Training wheels

You must charge PST on the purchase price of attachments not installed on, or attached to, the bicycle or tricycle at the time of the sale, and on attachments sold on their own.

Note: The exemption for qualifying bicycles and tricycles does not include non-basic items, such as bicycle computers and trailers even if they are installed on, or attached to, a bicycle or tricycle at the time of sale.

Accessories

Except for exempt safety equipment (see Safety Equipment below), you must charge PST on all items and accessories not installed on, or attached to, exempt bicycles and tricycles at the time of the sale, and on items and accessories sold on their own.

You must also charge PST on the sale of other taxable goods, such as oil, grease and tube repair kits, pant clips, cycling shoes, shoe covers, rain capes and other cycling clothing that do not qualify for the safety equipment exemption referred to in the Safety Equipment section below.

Note: Cycling shoes and clothing purchased for children under 15 are exempt. For more information, see [Bulletin PST 201](#), Children's Clothing and Footwear.

Services and Repairs

You do not charge PST when you perform services to exempt bicycles and tricycles, including services to bicycle attachments that are attached to the bicycle or tricycle at the time it is brought in for service. Examples of exempt services include:

- Complete overhauls
- Inspecting and cleaning the frame and fork
- Lubricating the chain
- Replacing a broken pedal
- Safety checks
- Tune-ups

You also do not charge PST when you install attachments to an exempt bicycle or tricycle after the purchase of the bicycle or tricycle.

However, you must charge PST when you provide services to bicycle or tricycle accessories that are not attached to the bicycle or tricycle at the time the bicycle or tricycle is brought in for service (e.g. your customer brings in a pannier for you to replace a broken clip).

For more information, see [Bulletin PST 301](#), Related Services

Additional Information

Safety Equipment

You do not charge PST when you sell, repair or install the following safety equipment items if they are designed for use on bicycles:

- Bicycle lights, including replacement parts specifically designed for the lights, such as generators, specifically designed batteries (e.g. AA or AAA batteries do not qualify) and bulbs
- Reflectors

Provided they are designed for use on bicycles, these items are exempt whether or not they are to be used on a bicycle. This means these items are also exempt from PST when used on any bicycle or tricycle.

You also do not charge PST when you sell, lease or provide services to helmets, or to safety vests and safety bibs designed to enhance the visibility of the wearer. These items are exempt whether or not they are to be used by a person riding a bicycle or tricycle.

For more information, see [Bulletin PST 100](#), Safety Equipment and Protective Clothing.

Out-of-Province Sales

You do not charge PST on taxable goods you ship to an out-of-province location. To show why you did not charge PST, you must keep evidence that the goods were shipped out of BC.

Sales to Other Retailers

You do not charge PST on taxable goods you sell to other retailers if they are purchasing the goods solely for resale. If they are registered to collect PST, they must provide you with their PST number. If they are a wholesaler, they must provide you with a Certificate of Exemption - General ([FIN 490](#)).

If they do provide their PST number and you issue a bill, invoice or receipt, you must record that PST number on the bill, invoice or receipt to show why you did not collect the PST. Alternatively, you may record your customer's PST number on a written agreement you entered into for the sale.

If your customer provides an exemption certificate, you must keep a copy of the certificate in your records to show why you did not collect the PST.

For more information, see [Bulletin PST 208](#), Goods for Resale.

Purchases and Leases for Your Business

Taxable Goods

You must pay PST on the purchase or lease of new or used taxable goods you use in your business, such as:

- Advertising materials, such as flyers and brochures
- Computer hardware
- Energy for heat and light (except electricity)
- Equipment used to perform your services (e.g. tools, machinery, wrenches, screwdrivers)
- Items you purchase to give away as free promotions
- Shelving and display equipment
- Stationery, furniture and office equipment

You must also pay PST on the following.

- Software, unless a specific exemption applies (e.g. custom software). For more information, see [Bulletin PST 105](#), Software.
- Related services you purchase for your own equipment, such as repairs to your office equipment. For more information, see [Bulletin PST 301](#), Related Services.

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 obtained the taxable items. For example, if you purchase a taxable item in June, you must file the return and pay the PST no later than July 31.

Exempt Goods

You are exempt from PST on the following:

- Goods you obtain solely for resale or lease to your customers (see [Bulletin PST 208](#), Goods for Resale)
- Parts and materials that will become part of the bicycles or tricycles you are servicing, such as replacement parts, oil, grease and paint
- Containers and packaging materials you obtain solely for packaging goods for sale or lease (see [Bulletin PST 305](#), Containers and Packaging Materials)

To purchase the above items without paying PST, give the supplier your PST number.

If you make a purchase that includes both exempt goods for resale and taxable goods you will use in your business, you need to tell your supplier which goods are exempt and which goods are taxable. If they do not charge you PST on the taxable goods, you must self-assess the PST due.

Change in Use

If you take taxable goods from your resale inventory for business or personal use, you must self-assess the PST due on your cost of the goods.

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 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.

If you take taxable goods from your lease inventory for business or personal use, you must self-assess PST as explained in [Bulletin PST 315](#), Rentals and Leases of Goods.

Goods Brought Into BC

You must pay PST if you purchase or lease taxable goods outside BC and bring, send or receive the goods in BC. You must pay PST on the total amount 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 your supplier does not charge you PST at the time of the sale or lease, 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.

For more information, see [Bulletin PST 310](#), Goods Brought Into BC.



Need more info?

Online: gov.bc.ca/pst

Toll free: 1-877-388-4440

Email: CTBTaxQuestions@gov.bc.ca

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

Latest Revision

April 2021

- Effective April 21, 2021, the PST exemption has been expanded to include qualifying e-bikes and e-trikes. Also, conversion kits used to electrify conventional bicycles and tricycles, and parts and services for e-bikes and e-trikes are exempt from PST.
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References: Provincial Sales Tax Act, sections 9, 10, 34, 35, 37, 39 and 119; Provincial Sales Tax Exemption and Refund Regulation, sections 35, 55, 57 and 73.