

GST Applied on Parking Rights Tax



BULLETIN 110

TransLink Tax Bulletin

Issued by the South Coast British Columbia Transportation Authority ("TransLink")
under the South Coast British Columbia Transportation Authority Act

Revised 07/2025

Do you sell parking rights within the South Coast British Columbia transportation service region?

Do you need to know how federal goods and services tax (GST) is applied to the sales of parking rights and the Parking Tax?

This bulletin provides specific tax information to help sellers of parking rights understand how the GST is applied to their sales and the Parking Tax.

Contents

Overview.....	1
GST on Sales of Parking Rights.....	2
Contact.....	3

Overview

Parking Tax is calculated on the purchase price of parking rights within TransLink's transportation service region. This includes parking rights that are sold by the hour, month, year or any other basis.

Effective August 1, 2025, the Parking Tax rate set by TransLink increased from 24% to 29%.

Please note: The Canada Revenue Agency advised that the federal goods and services tax (GST) is applied to the TransLink Parking Tax. For general information on the GST, please see the Canada Revenue Agency website at canada.ca/en/revenue-agency/services/tax/businesses/topics/gst-hst-businesses.html or contact them at 1-800-959-5525.

WHEN TO CHARGE PARKING TAX

You charge Parking Tax on the sale of parking rights within the TransLink’s transportation service region, including parking rights sold through ticket vending machines, unless:

- there is no fee or other consideration paid for the parking;
- a vehicle is stored rather than parked;
- a vehicle does not meet the definition of a motor vehicle, such as a trailer or other vehicle that is not designed to be self-propelled; or
- there is a specific exemption from Parking Tax.

For more details on applying the Parking Tax to sales of parking rights, see **Bulletin 105, Motor Vehicle Parking**.

GST on Sales of Parking Rights

When you sell taxable parking rights directly to a customer or through a ticket vending machine, you charge the Parking Tax at the time of the sale. Where you are selling parking rights through a ticket vending machine, you may include the Parking Tax in the purchase price, as long as you display a sign saying that the Parking Tax is included in the price. If you include the Parking Tax in the purchase price, calculate your remittance by using one of the following formulas:

GST AND PARKING TAX INCLUDED

$$\text{total sales} \times \frac{\text{tax rate}}{(\text{GST rate} + 1) \times (\text{tax rate} + 1)} = \text{parking tax remittance}$$

where *tax rate* is the current Parking Tax rate.

For example, if you have sales of \$20,328 from parking sold at Parking Tax and GST included prices, and the GST rate is 5% and the Parking Tax rate is 29% (effective August 1, 2025), calculate the Parking Tax portion as follows:

$$\$20,328 \times \frac{(0.29)}{(0.05+1) \times (0.29+1)} = \$20,328 \times \frac{(0.29)}{1.3545} = \mathbf{\$4,352.25}$$

In this example, the Parking Tax to be remitted is \$4,352.25.

ONLY PARKING TAX INCLUDED

$$\text{total sales} \times \frac{(\text{tax rate})}{(\text{tax rate} + 1)} = \text{parking tax remittance}$$

where *tax rate* is the current Parking Tax rate.

Need More Information?

Telephone:

(778) 375-7829 *Mon–Fri 8:00am to 4:00pm*

E-mail:

parkingtax@translink.ca

Website:

translink.ca/parkingtax

The information in this bulletin is for your convenience and guidance and is not a replacement for the legislation. Any conflict or inconsistency between applicable legislation and this bulletin will be resolved by referring to applicable legislation. Access to the *South Coast British Columbia Transportation Authority Act* and Regulations are available on our website at **translink.ca/parkingtax**.
