

All provinces except Ontario and Quebec have entered into agreements under which the federal Department of National Revenue collects the provincial corporate income taxes.

Other provincial taxes

Alcoholic beverages and tobacco products

Generally speaking, the sale of whiskey, gin, rum and similar spirits in all provinces is made through provincial agencies operating as boards or commissions that exercise control over the sale of alcoholic beverages. The provincial mark-up over the manufacturers' price is the effective means of taxation. Beer and wine are sold by retailers or by government stores, depending on the province, but in all cases these sales contribute to provincial revenues. Some provinces also impose special retail sales taxes on alcoholic beverages.

In addition, all provinces impose special taxes on the sale of tobacco products.

Retail sales tax

All provinces except Alberta impose sales taxes on goods sold to the final purchaser or user. Some of these provincial levies also apply to certain services, including hotel and motel accommodation, telephone services, telecommunications and dry-cleaning services. They are collected by retail vendors acting as agents of the provinces. The rates are as follows:

Province	Rate of Levy %
Newfoundland.....	7
Prince Edward Island.....	8
Nova Scotia.....	7
New Brunswick.....	8
Quebec.....	8
Ontario.....	7
Manitoba.....	5
Saskatchewan.....	5
British Columbia.....	5

These direct levies apply to taxable commodities sold for consumption in the province. They do not apply to goods sold for delivery in other provinces or to exported commodities. All provinces imposing sales taxes provide important exemptions on sales of certain types of goods, such as foodstuffs and drugs.