

May 12, 2010

Taxi and Limousine Rate Updates

HST

A Harmonized Sales Tax (HST) takes effect July 1, 2010. For taxis, limousines and other commercial passenger vehicles, the 5% Goods and Services Tax (GST) is replaced by a 12% HST. More information about HST requirements is available from:

- [Canada Revenue Agency: HST for British Columbia](#)
- [Government of British Columbia: HST Basics](#)

Taxi meters automatically add government tax to the Board approved rates. The tax changes mean that taxi meters must be reprogrammed as of July 1, 2010. For taxis that do not use a taxi meter, the fares they charge must be adjusted to reflect the tax changes. The Board is sending new taxi rate sheets to all taxi companies in British Columbia.

In most cases, taxes are not added to Board-approved rates for limousines and other passenger directed vehicles. The Board will not be sending notices or rate sheets to these licensees.

Companies are responsible for collecting appropriate taxes.

Taxi Cost Index (TCI)

The Board reviewed Taxi Cost Index (TCI) data for the 2009 calendar year. Overall taxi costs dropped by 1.92%. The main reason is lower fuel prices in 2009. The Board is not making any rate changes based on the TCI data for 2009. However, the 1.92% will be deducted from any cost increases in the 2010 calendar year. TCI is a tool that the Board uses to assess rate increases based on objective measures of taxi operating costs.

Lower Mainland Surcharge Ends

In the Lower Mainland, the temporary taxi camera surcharge will end on July 1, 2010, when HST takes effect. The surcharge started June 20, 2009. It was to be in effect for about one year. Affected licensees will receive notice by mail.