ARCHITECTURAL INSTITUTE OF BRITISH COLUMBIA

Practice Guideline: Provincial Sales Tax (PST) on Architectural Services

September 2026

1.0 Introduction

1.1 Effective October 1, 2026, British Columbia Provincial Sales Tax (PST) is applicable to architectural services. Every Registrant providing services subject to PST in British Columbia must register, collect and remit PST.

1.1.1 A business cannot invoice for services subject to PST until they have a PST registration number. It can take up to 21 days from the application date to issue this number.

1.1.2 It is not necessary for individual Registrants to register to collect and remit PST, unless they are selling taxable architectural services directly, for example, through a Certificate of Practice holding Firm, or for Registrants who are not Architects, as a sole proprietorship, partnership or corporation.

1.2 In this document, 'taxable' refers to British Columbia PST. Architectural services provided in B.C. are also subject to Federal Goods and Services Tax (GST); however, this document does not address GST requirements.

1.2.1 Note GST requirements and procedures are quite different to those of the PST. Registrants should obtain accounting advice from a qualified source on both PST and GST.

1.3 Capitalized terms in this document are defined terms in the AIBC Bylaws and have the same meaning.

2.0 Legal Foundation

2.1 The 2026 British Columbia provincial budget expanded the scope of services subject to PST and now includes architectural services. The notice to the public can be found on the provincial government website.

2.2 The Government of British Columbia determines when PST applies. The purpose of this practice guideline is to provide information specific to the practice of architecture to assist AIBC Registrants. It is not legal or accounting advice, nor does it supersede provincial guidance. In all respects, the BC Government information takes precedence.

2.3 Registrants providing services that are subject to PST must register before October 1, 2026, and remit PST on invoices dated October 1st and onward, regardless of when the contract for the services was signed, or when the services were provided.

2.4 While inadvertent errors may not constitute noncompliance, actual noncompliance carries financial penalties administered by the Ministry of Finance. Regardless of ministry action, AIBC Professional Standard 4.1 in Schedule A: Code of Ethics and Professional Conduct in the AIBC Bylaws, requires compliance with provincial law.

2.5 Services provided by a person to their employer in the course of their employment are not architectural services for PST purposes.

2.6 For purposes of PST, a 'Firm' is a 'person' in the PST legislation.

3.0 Architectural Services Defined

3.1 To be subject to PST, architectural services must meet two tests: first, be provided by an AIBC Registrant, and second, must be services related to the design of new or existing buildings in British Columbia, as defined in the definition of practice of architecture in the *Architects Regulation*:

> "**practice of architecture**" means the provision of
>
> (a) advice or services that are based on an architectural body of knowledge in relation to the design, planning, review or coordination of the construction or alteration of buildings, or
>
> (b) advice or services that are ancillary to those described in paragraph (a);

3.2 The law applies to all AIBC Registrants providing architectural services to the public: Architects AIBC, Intern Architects AIBC, Architectural Technologists AIBC, Temporary Licensees (Architect), Retired Architects AIBC, and Firms.

3.2.1 Only Architects AIBC can provide services in the Reserved Practice of architecture as required by the *Architects Regulation*; other Registrants of the AIBC providing services to the public when not reserved practice must still collect PST.

3.3 Temporary Licensee (Architect) Registrants located outside the province must charge PST on their services provided on Projects located in BC. Contractual arrangements will have to be structured in such a way that PST will be paid for all taxable services. When both Client and Temporary Licensee (Architect) are located outside the province, PST is still payable.

3.4 AIBC Registrants located outside the province of BC must charge PST on projects located in BC.

3.5 Although the traditional 'five phases' of architectural service (schematic design, design development, construction documentation, construction procurement, and construction and contract administration) are a convenient shorthand for the applicable type of services subject to PST, **the law**

requires that all architectural work related to design, planning, review or coordination of buildings is taxable, unless a specific exemption applies. Refer to heading 5.0 for exemptions related to the phase of service.

3.6 Specialized services such as certified professional and code consulting services; energy modelling; energy utilization and sustainability consulting services; building envelope consulting services; or other specialty architectural services, when provided by Registrants, are taxable.

3.7 Engineering services and other consulting services that are procured by a Registrant, and then billed to the Client, are taxable by the Registrant, even when PST was already paid on them. They are considered a part of the architectural services. In other words, PST may be paid twice on the same services.

3.7.1 'Resale' does not apply to consulting services that contribute to architectural design in any way. Please refer to paragraph 6.4.

3.7.2 The engineering exemptions are not identical to the architectural exemptions. Some services that are PST exempt for EGBC registrants may not be PST exempt for AIBC Registrants, and vice versa.

3.8 If engineering services, other taxable consulting services and specialized architectural services are paid for directly by the Client, then PST is only charged one time, by the initial provider of the services.

3.9 Contracts AIBC 6C: Standard Form of Contract Between Client and Consultant (AIBC 6C) and AIBC 8C: Standard Short Form Contract Between Client & Consultant (AIBC 8C) are designed to be used between the Client and a Registrant, as well as between the Client and other consultants, with the same 'managing consultant' named on each of the contracts. Use of either of these two contracts, with the 'prime' Registrant managing, but not directly retaining, the consultants is recommended, to avoid the Client paying PST twice.

4.0 General Exemptions

4.1 When an exemption is applicable, it is the responsibility of the Registrant to establish the reason why PST is not payable and retain specific written documentation for the exemption.

4.2 If there is a dispute between Client and Registrant on the application of PST to a particular service, the Registrant should collect and remit the PST, and the Client can then apply for a refund, which will be given if the PST was charged in error.

4.3 When a Registrant provides services for a building located outside of BC, PST is not applicable.

4.4 Services provided to the federal government are **exempt** from PST.

4.5 Services provided to the provincial government and various provincial government entities are **not exempt** from PST.

4.6 Services provided to local governments are **not exempt** from PST.

4.7 Some services provided to First Nations individuals and bands are **exempt** from PST.

5.0 Exemptions Related to the Practice of Architecture

5.1 To determine if a service may be excluded from PST, based on the phase of design and construction, refer to the Sequence and Scope of Services Chart. It is provided for convenience as Appendix A of this document.

5.1.1 When an item occurs under a taxable phase and again under a phase that is exempt, the Registrant must make a reasonable judgement on what phase is applicable based on when in the design and construction process it is occurring. If design has commenced, it is likely not an exempt service under the pre-design exemption. If occupancy of the building has not yet been granted, it is likely not an exempt service under the post-construction exemption.

5.2 **Pre-design Exclusion:** Services that are considered 'pre-design' (i.e., no building design) are not taxable and include:

- feasibility studies;
- condition assessments, code compliance assessments, accessibility assessments, energy audits of existing buildings;
- programming;
- investigation of building failures (that do not include design of corrective measures);
- measured drawings, inventories of building contents;
- rezoning (land use only, not related to a building design); and
- environmental analysis (environmental forces and climate change effects on a building site).

5.3 Under the pre-design phase 'rezoning' refers to bare land rezoning that does not involve a building design. When rezoning requires a building design, the services fall under the taxable 'five phases'. Refer to paragraph 3.5.

5.4 **Post Construction Exclusion:** At the end of a Project, post-contraction services are generally those provided after an occupancy permit has been issued. The most common post construction services are 'Construction Contract Warranty Review', which is undertaking a review for Client-identified defects and outstanding deficiencies and notifying the constructor in writing of items requiring attention. These services are excluded from the requirement to collect PST.

5.5 Post construction services that alter a building are taxable services, as they are 'alterations', as defined in the BC Building Code. A post-construction phase alteration is no different than an alteration on any existing building with respect to PST.

6.0 Disbursements

6.1 Disbursements are taxable, except for specific disbursements for travel, food and accommodation.

6.1.1 If travel, food and accommodation are marked up they are then no longer excluded, and the full amount and the markup are included in the architectural services subject to PST.

6.2 Disbursements for goods and services subject to PST for which PST has already been paid, such as printing or engineering consultant services, are considered part of the taxable architectural services, and PST must be paid again.

6.3 Disbursements for goods and services not subject to PST, such as certain consultant services other than architects or engineers, are considered a component of the taxable architectural services, and PST must be paid on them.

6.4 The 'resale' exemption does not generally apply to architectural disbursements. Anything that a Registrant would purchase on behalf of a Client would be used in the provision of the architectural services. 'Resale' is a category generally for goods that are not used in any way by the reseller, such as would be typical in a wholesaler selling goods to a retailer.

6.4.1 Interior design services provided by Registrants are considered architectural services and are taxable, but the 'resale' provisions may apply to furniture, fixtures and equipment purchased by the Registrant for the Client.

7.0 Lump Sum Fees

7.1 What is referred to in architectural practice as 'lump sum fees' are called 'bundled' sales in the PST legislation.

7.2 For existing contracts, when a lump sum fee is provided for a range of architectural services of which some are subject to PST and some are not, the lump sum fee must be broken down into PST applicable and PST not applicable, based on fair market value of the services or disbursements. Invoices must be clear and itemized with respect to PST.

7.3 For new contracts, when a lump sum fee is proposed, the proposal for services, and the schedule of services in the contract, should indicate the specific value of the services that are PST applicable and PST not applicable.

7.4 In some cases, separate contracts for taxable and non-taxable services, each with their own fee, may be appropriate.

7.5 Suggested percentages of a lump sum fee attributable to each of the 'five phases' can be found in Practice Guideline: Percentage Fees: Phased Earnings.

8.0 Transition Considerations

8.1 Regardless of the contract in place, Registrants are required to include PST on invoices on taxable services as of October 1, 2026. The question of whether the PST is added on to the invoice or must be absorbed by the Registrant unless the contract amended, depends on the terms of the contract.

8.2 Existing AIBC 6C contracts do not require amendment, as they already allow the collection of 'value added taxes' which includes both PST and GST.

8.3 Existing AIBC 8C contracts (2021 edition) do require amendment to collect PST, as this contract, prior to the September 1, 2026, edition, does not mention PST or the general 'value-added taxes'.

8.3.1 Existing AIBC 8C contracts may be amended in writing to include PST if both parties agree.

8.3.2 Existing AIBC 8C contracts (2021 edition) may be replaced with the 2026 edition, signed by both parties. This new standard contract includes PST.

8.3.3 As of September 1, 2026, only the 2026 edition is approved for use for new contracts.

8.4 Other standard contracts approved by the AIBC Board, or non-standard contracts compliant with Professional Standard 5.2, have not been assessed for inclusion of the PST. Any Registrant using these contracts should seek legal advice on the need to amend them, and the methodology of doing so. The AIBC does not provide legal advice.

8.5 There are specific transition rules related to special circumstances, such as prepaid services billed prior to October 1st but delivered after October 1st, and services on contracts ending in October and November 2026. Registrants should refer to the government website and seek accounting advice if these conditions apply to their existing contracts.

9.0 Resources

9.1 General email for questions regarding PST: CTBTaxQuestions@gov.bc.ca

9.2 Telephone assistance: 1.877.388.4440

9.3 PST on Architectural Services Webpage: gov.bc.ca/pst

9.4 PST Registration Webpage: gov.bc.ca//gov/content/taxes/sales-taxes/pst/register

9.4.1 The NAICS[1] code for architectural services is 54310. This is required during the PST registration process.

[1] North American Industry Classification System

9.5 Questions related to architectural services or practices, and the PST, may be directed to PracticeAdvice@aibc.ca. General PST questions applicable to all who collect PST should be directed to the general email noted in 9.1 or to a qualified accounting professional.

Practice Guideline Amendment History (2026)

2026 September 17 – First Edition. This Practice Guideline has been issued in response to the requirement that Registrants charge Provincial Sales Tax (PST) as of October 1, 2026.

The AIBC does not provide legal, accounting or insurance advice and expressly disclaims any responsibility for any errors or omissions with respect to legal, accounting or insurance matters that may be contained herein. Readers of AIBC documents are advised to consult their own legal, accounting or insurance representatives to obtain suitable professional advice in those regards.

Appendix A: Sequence and Scope of Services Chart

Project Inception

1.0 Predesign

Architect's Services

❍ Facility Programming
❍ Space Relationships
❍ Flow Diagrams
❍ Project Development/ Scheduling
❍ Project Budgeting
❍ Life Cycle Cost Studies
❍ Economic Feasibility Studies
❍ Agency Consulting/Review/ Approval
❍ Site Selection/Analysis/ Utilization
❍ Environmental Studies
❍ Energy Studies
❍ Existing Facilities Surveys
❍ Client-supplied Data Coordination
❍ Project Management
❍ Presentations
❍ Marketing Studies
❍ Project Financing
❍ Special Studies
❍ Re-zoning Assistance
❍ Project Promotion
❍ OCP/Zoning Review
❍ Obtain Consultants' Proposals

Special Consultants' Services

❍ Legal Survey
❍ Land Survey
❍ Geotechnical Analysis
❍ Environmental
❍ Urban Planning
❍ Collect Site Data
❍ Municipal Bylaw Review (Historic, Creeks, Hazardous Materials, etc.)
❍ Foreign Practices Review
❍ Project Scheduling

Project Feasibility

2.0 Schematic Design

Architect's Services

● Client-Supplied Data Coordination
● Program and Budget Evaluation/Review
● Review Site Characteristics
● Review Alternate Design Approaches
● Architectural Schematic Design
● Schematic Design Coordination
● Drawings & Documents
● Review Construction Contract Types
● Statement of Probable Construction Costs
● Client Consultation
● Agency Consultation
● Building Code Review
❍ Interior Design Concepts
❍ Special Studies; e.g. Future Facilities, Environmental Impact
❍ Special Submissions or Promotional Presentations
❍ Special Models or Perspectives
❍ Project Management
❍ Value Analysis
❍ Building Envelope Professional Services

Coordination of Normal Engineering Services

● Structural Design Concepts
● Mechanical Design Concepts
● Electrical Design Concepts
● Statements of Probable Costs
● Agency Consultation
● Building Code Review
❍ Value Analysis

Special Consultants' Services

❍ Geotechnical Design Concepts
❍ Civil Design Concepts
❍ Landscape Concepts
❍ Statements of Probable Costs
❍ Building Code Review
❍ Zoning Amendments
❍ Zoning Variance
❍ Municipal Bylaw Review
❍ Foreign Practices Review
❍ OCP/ Zoning Analysis
❍Traffic Studies
❍ Urban Design/Streetscape
❍ View/Sun/Shadow Studies
❍ Area Analysis

Concept Approval

3.0 Design Development

Architect's Services

● Client-Supplied Data Coordination
● Design Coordination
● Architectural Design Development
● Design Development Coordination
● Drawings & Documents
● Statement of Probable Construction Costs
● Client Consultation
● Agency Consultation
● Building Code Review
● Development Permit Submission
● Budget Review/Evaluation
❍ Certified Professional Service
❍ Interior Design Development
❍ Special Studies Reports; e.g. Planning Tenant or Rental Spaces
❍ Promotional Presentations
❍ Models or Perspectives
❍ Project Management
❍ Rezoning Variance Submission
❍ Value Analysis
❍ Building Envelope Professional Services

Coordination of Normal Engineering Services

● Structural Design Development
● Mechanical Design Development
● Electrical Design Development
● Budget Review/Evaluation
● Statements of Probable Costs
●Agency Consultation
● Building Code Review
❍ Value Analysis

Special Consultants' Services

❍ Geotechnical Design Development
❍ Civil Design Development
❍ Landscape Design Development
❍ Detailed Construction Cost Estimates, Quantity Surveys
❍ Fire Protection
❍ Acoustics
❍ Building Code Equivalencies
❍ Certified Professional Service
❍ Energy Utilization Studies
❍ Building Envelope Professional Services

Development Permit

4.0 Construction Documents

Architect's Services

● Client-Supplied Data Coordination
● Project Coordination
● Architectural Construction Documents (Working Drawings, Form of Contract and Specifications)
● Document Checking and Coordination
● Statement of Probable Construction Costs
● Client Consultation
● Agency Consultation
● Building Code Review
● Letters of Assurance
● Budget Review/Evaluation
● Coordinating Registered Professional Role
● Building Permit Submission
❍ Certified Professional Service
❍ Interior Construction Documents
❍ Alternate Bid Details & Special Bid Documents
❍ Project Management
❍ Area Analysis
❍ Project Lease Plans
❍ Tenant Layout Drawings
❍ Multiple Contracts Management
❍ Phased Construction Management
❍ Building Envelope Professional Services

Coordination of Normal Engineering Services

● Structural Construction Documents
● Mechanical Construction Documents
● Electrical Construction Documents
● Statements of Probable Costs
● Building Code Review
● Letters of Assurance
● Budget Review/Evaluation
● Building Permit Submissions

Special Consultants' Services

❍ Geotechnical Documents
❍ Civil Construction Documents
❍ Detailed Construction Cost Estimates, Quantity Surveys
❍ Fire Protection
❍ Acoustics
❍ Building Code Equivalencies
❍ Certified Professional Service
❍ Energy Utilization Analysis
❍ Security System Design
❍ Existing Condition Surveys
❍ Building Envelope Professional Services

Building Permit

5.0 Bidding or Negotiation

Architect's Services

● Client-Supplied Data Coordination
● Coordinate Issue of Bid Documents
● Coordinate/Issue Addenda
● Bid Evaluation
● Client Consultation
● Prepare Contracts
❍ Separate Bids or Negotiated Bids
❍ Services Related to Bidders' Proposals
❍ Project Management
❍ Prepare Prequalification Criteria
❍ Prequality Contractors

Coordination of Normal Engineering Services

● Prepare Bid Documents
● Prepare Addenda
● Bid Evaluation

Special Consultants' Services

❍ Prepare Bid Documents
❍ Prepare Addenda
❍ Bid Evaluation
❍ Prepare Prequalification Criteria
❍ Prequality Contractors

Award of Construction Contract

6.0 Construction Contract Administration

Architect's Services

● Construction Inspection/Field Review
● Progress Reports' Evaluation
● Certificates for Payment
● Interpretation of Contract Documents
● Shop Drawing/Product Data/ Sample Review
● Change Orders & Change Directives
● Review of Warranties (1)
● Client Consultation
● Letters of Assurance
● Coordinating Registered Professional Role
● Substantial Performance Report and Certification (1)
● Deficiency Assessment (1)
● Instructions for Correction of Deficiencies (1)
● Final Inspection and Certification for Payment (1)
● Agency Consultation
❍ Interior Construction Inspection/ Field Review
❍ Full-Time Project Rep
❍ Admin. of Separate Contracts
❍ Project Management
❍ Promotional Material
❍ Record (As-Built) Drawings
❍ Certification re: Financing
❍ Alternate Dispute Resolution Services
❍ Certified Professional Service
❍ Multiple Contracts Management
❍ Phased Construction Management
❍ Building Envelope Professional Services
❍ Payment certifier role for subcontracts (Lien legislation)

Coordination of Normal Engineering Services

● Structural Inspection/ Field Review Reports
● Mechanical Inspection/ Field Review Reports
● Electrical Inspection/ Field Review Reports
● Certification of Progress
● Letters of Assurance Record (As-Built) Drawings

Special Consultants' Services

❍ Civil Construction Inspection/ Field Review
❍ Landscape Inspection/Field Review
❍ Detailed Cost Accounting
❍ Fire Protection Inspection/Field Review
❍ Acoustical Inspection/Field Review
❍ Building Code Equivalencies
❍ Certified Professional Service
❍ Building Envelope Professional Services

Substantial Performance Occupancy Permit

7.0 Post-Construction

Architect's Services

❍ Project Inspection/Field Review
❍ Deficiency Assessment
❍ Instructions for Correction of Deficiencies
❍ Start-up Assistance
❍ Services Provided After Substantial Performance Date
❍ Fine Arts/Crafts/Graphics/Non-Building Equipment Selection
❍ Building Analysis and Reports Services Related to Alterations and Demolition
❍ Life Cycle Cost Monitoring
❍ Environmental Monitoring
❍ Project Management
❍ Commissioning
❍ Alternate Dispute Resolution Services
❍ Expert Witness Services
❍ Post-Occupancy Evaluation

Coordination of Engineering and Special Consultants Services

❍ Start-Up Assistance
❍ Services Provided After Substantial Performance Date
❍ Non-Building Equipment Selection
❍ Building Analysis and Reports
❍ Services Related to Alterations and Demolition
❍ Life Cycle Cost Monitoring
❍ Systems Performance Review
❍ Commissioning

Warranty and Maintenance

● Basic Services: normally provided as integrated set by architect under Standard Forms Agreement; form basis of fees in section 3.5.3
❍ Additional Services: provided to meet specific project needs