

Provincial Vehicle Tax – Inheritance Exemption

The purpose of this bulletin is to provide clarification pertaining to the exemption of Provincial Vehicle Tax (PVT) ordinarily imposed under the **Harmonized Sales Tax Act** and the General Regulation, where a vehicle has been deemed an inheritance by the Department of Public Safety.

As per subsection 21(e) of the General Regulation under the *Harmonized Sales Tax Act*:

“A consumer or person is exempt from the liability to pay the tax under Part V of the Act in respect of the following vehicles:

(e) a vehicle inherited by the consumer or person; and”

A vehicle deemed an inheritance by the Department of Public Safety is not subject to tax regardless of the deceased owner's former place of residence providing that all the appropriate documents (e.g. death certificate, will, etc.) are provided. Vehicle transfers qualifying as an inheritance will be processed exempt of PVT by Service New Brunswick at the same time the vehicle is registered.

PLEASE NOTE: For the purpose of this exemption, a vehicle which is received under the terms of a Will from someone who has not yet passed away is not considered an inheritance. So called "live bequests" will be treated the same as gifts and are subject to the limits set out under "Family Gift Exemptions." In addition, a vehicle acquired exempt of tax by way of inheritance cannot be gifted, exempt of tax, through the "Family Gift Exemption", as tax must have been paid by the donor.

For more information, please refer to [Bulletin PVTB-104](#); Family Gift Exemption and / or [PVT Family Gift Exemption](#); [Frequently Asked Questions](#).

Documentation Requirements

The documentation requirements set by Department of Public Safety must be met before any decision can be made about whether or not the transaction is exempt under the *Harmonized Sales Tax Act*. Please contact the Department of Public Safety for information related to the necessary documentation.

Additional Information

If this bulletin does not address your particular situation, or if you have further concerns regarding taxes, please refer to the [Act](#) and related regulations, visit our website at: www.gnb.ca/finance or contact:

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