



PRINCE EDWARD ISLAND
ÎLE-DU-PRINCE-ÉDOUARD

GASOLINE TAX ACT REGULATIONS

PLEASE NOTE

This document, prepared by the *Legislative Counsel Office*, is an office consolidation of this regulation, current to September 1, 2020. It is intended for information and reference purposes only.

This document is *not* the official version of these regulations. The regulations and the amendments printed in the *Royal Gazette* should be consulted on the Prince Edward Island Government web site to determine the authoritative text of these regulations.

For more information concerning the history of these regulations, please see the *Table of Regulations* on the Prince Edward Island Government web site (www.princeedwardisland.ca).

If you find any errors or omissions in this consolidation, please contact:

Legislative Counsel Office
Tel: (902) 368-4292
Email: legislation@gov.pe.ca



GASOLINE TAX ACT
Chapter G-3
REGULATIONS

Made by the Lieutenant Governor in Council under the *Gasoline Tax Act* R.S.P.E.I. 1988, Cap. G-3

INTERPRETATION

1. Definitions

(1) In this Part

- (a) “**Act**” means the *Gasoline Tax Act* R.S.P.E.I. 1988, Cap. G-3;
- (b) “**agent**” means a person constituted an agent of the province for the collection of the tax by an agreement with the Minister;
- (b.01) revoked by EC465/20;
- (b.1) “**base jurisdiction**” means the member jurisdiction of Prince Edward Island;
- (c) “**bulk plant**” means a place where gasoline is stored in storage facilities at a fixed location by a wholesaler for delivery to vendors or for delivery direct to users;
- (d) “**farm**” means land, including buildings, whether owned, leased or rented, on or in which farming operations, including poultry, hogs, greenhouse and market gardening, are conducted;
- (d.1) revoked by EC465/20;
- (e) revoked by EC465/20;
- (f) revoked by EC465/20;
- (g) “**month**” when used in reference to an agent’s monthly records means the period that under the accounting practices of the agent is treated as the equivalent of a month, and in all other cases means calendar month;
- (h) revoked by EC465/20;
- (h.1) “**normal retail price**” means the average as determined by the Minister of the retail prices (including all federal taxes but not including provincial tax) at which all grades of gasoline, excluding aviation fuel, are sold by subagents;
- (h.2) “**member jurisdiction**” means any province or territory of Canada and any state or territory of the United States including the District of Columbia that is a member of the International Fuel Tax Agreement;

- (i) “owner” in the case of a motor vehicle or farm truck, means the person in whose name the motor vehicle or farm truck is registered as stated in a certificate or report signed or purporting to be signed by the Registrar of Motor Vehicles;
- (j) revoked by EC485/94;
- (k) “the province” means the Province of Prince Edward Island;
- (l) “subagent” means a person constituted a subagent for the collection of the tax;
- (l.1) “vendor” means an agent or subagent who, in the ordinary course of business, either on the vendor’s own behalf or on behalf of another, sells fuel to a consumer;
- (m) “wholesaler” means a person licensed or required to be licensed as a wholesaler under the *Petroleum Products Act* R.S.P.E.I. 1988, Cap. P-5.

Idem

- (2) In these regulations, references to auditors, inspectors and other officers are references to persons appointed as such under the Act. (EC283/72; 92/73; 71/74; 429/80; 221/83; 806/90; 485/94; 874/95; 727/97; 206/99; 549/02; 304/03; 389/08; 465/20)

1.01 Exception, “agricultural operations”

- (1) For the purposes of clause 1(a) of the Act, agricultural operations do not include
 - (a) the business of adding value to farm products by manufacturing, packaging, mixing, grinding or otherwise processing them, when carried out by any person other than the farmer that produced them;
 - (b) the renting out by a lessor of farm land, buildings, livestock, motor vehicles, machinery or other assets, and any activities related to the maintenance or improvement of the rented items;
 - (c) the breeding, raising, or both, of animals commonly kept as pets;
 - (d) the use of farm machinery, farm trucks or both for a purpose other than agricultural operations in the province;
 - (e) the use of any vehicle or machinery other than farm machinery, a farm truck or both;
 - (f) the use of any vehicle or farm truck for hire, personal use or the transportation of agricultural products, inputs or machines for the purpose of sales or marketing;
 - (g) any activity carried out by a person who is neither a farmer nor a custom agricultural contractor;
 - (h) the business of constructing farm buildings or farm fences by any person other than the farmer using those structures;
 - (i) the heating or cooling of farm buildings;
 - (j) the business of providing various services or sales, or both, to a farmer, including but not limited to
 - (i) banking, accounting, consulting or veterinary and other animal health services, and
 - (ii) sales and services of various production inputs and farm machinery.

Exception, “aquaculture operations”

- (2) For the purpose of clause 1(a.1) of the Act, aquaculture operations do not include
 - (a) the use of boats or other equipment for a purpose other than aquaculture operations in the province;
 - (b) the use of any vehicle or machinery other than boats or other equipment;



- (c) any activity carried out by a person who is not an aquaculturist;
- (d) the business of providing various services or sales, or both, to an aquaculturist, including but not limited to
 - (i) banking, accounting, consulting or veterinary or other animal health services, and
 - (ii) sales and services of various production inputs and aquaculture equipment; and
- (e) the business of constructing buildings, enclosures, boats or other equipment.

Exception, “commercial fishing operations”

- (3) For the purposes of clause 1(c.1) of the Act, commercial fishing operations do not include
 - (a) the use of boats for a purpose other than commercial fishing operations in the province;
 - (b) the use of any vehicle or machinery other than boats;
 - (c) any activity carried out by a person who is not a fisher;
 - (d) the business of providing various services or sales, or both, to a fisher, including but not limited to
 - (i) banking, accounting, consulting or veterinary or other animal health services, and
 - (ii) sales and services of various production inputs and aquaculture equipment; and
 - (e) constructing buildings, boats or other equipment. *(EC465/20)*

1.1 Determination of rate of tax

Revoked by EC453/94.

PART I - GASOLINE

2. Payment of tax

- (1) On or before the purchase or delivery of gasoline to him, every purchaser shall pay the tax.

Payment of tax

- (2) On or before the last day of the month following each calendar quarter, every consumer shall pay to the Minister the tax on all gasoline consumed in the previous calendar quarter in respect of which tax has not been paid.

Exemption

- (3) This section does not apply to purchasers and consumers in respect of the purchase or consumption by them of marked gasoline in accordance with the Act or these regulations. *(EC283/72; 485/94; 874/95)*

2.1 Report and remittance of tax

A purchaser who is required pursuant to section 6.1 of the Act to report purchases of marked gasoline used in a farm truck for a use other than in agricultural operations shall submit the report in the form approved by the Commissioner, and remit the tax, by March 31 of each year for the previous calendar year. *(EC465/20)*

3. Sale of gasoline

- (1) Unless he is an agent or a subagent no person shall sell or deliver gasoline to a purchaser.

Collection of tax

- (2) Except in the case of a sale or delivery of marked gasoline in accordance with these regulations every agent or subagent shall collect the tax from every purchaser at the time the gasoline is purchased or delivered. (EC283/72)

4. Permits

- (1) The Minister or a person authorized by him may issue permits in the form or forms prescribed by the Minister to persons who pay the prescribed issuance fee, if any, and make application therefor in a form or forms prescribed by the Minister of the following types or kind:

- (a) "Bulk Vendor's Permit", permitting the holder to sell gasoline from a bulk plant or plants described in the permit;
- (b) "Vendor's Permit", permitting the holder to acquire gasoline from the holder of a Bulk Vendor's Permit for sale to purchasers;
- (c) "Gasoline Storage Permit", permitting the holder to purchase for his own use from the holder of a Bulk Vendor's Permit gasoline that is not marked gasoline;
- (d) "Marked Gasoline Permit", permitting the holder to purchase, store and use marked gasoline for his own purpose;
- (e) "Gasoline Motor Vehicle Permit", permitting the holder to operate in Prince Edward Island, the gasoline motor vehicle described in the permit;
- (f) "Fuel Permit" authorizing the holder to operate in the province the commercial vehicle described in the permit and includes a valid fuel permit issued by a member jurisdiction pursuant to an agreement under section 42.2;
- (g) "Single Trip Fuel Permit" authorizing the holder to operate in the province the commercial vehicle described in the permit.

Qualifications of applicants

- (2) The Minister may prescribe the qualifications to be possessed by persons who apply for any of the permits mentioned in subsection (1) and may refuse the application of any person who does not have the prescribed qualifications.

Marked Gasoline Permit — special use

- (2.1) For greater certainty, the Minister may issue a Marked Gasoline Permit, under this section, to the owner or operator of a boat that is used as a pleasure craft for the purpose of enabling the owner or operator to obtain fuel where unmarked gasoline is not available.

Conditions

- (3) The Minister may attach conditions or restrictions to any permit issued pursuant to subsection (1) and may revoke a permit or may suspend a permit for a specified period for failure to comply with the conditions or observe the restrictions.

Idem

- (4) No person who is the holder of a permit issued pursuant to subsection (1) shall fail to comply with the conditions or fail to observe the restrictions contained in the permit.



Requirement for permit

- (5) No person shall sell, purchase, store or use gasoline unless specifically permitted under these regulations.

Exception

- (6) Subsection (5) does not apply to a purchaser of gasoline other than marked gasoline with respect to gasoline that has been purchased from the holder of a Vendor's Permit.

Fee for Single Trip Fuel Permit

- (7) The fee to be charged for the issuance, under subsection 8.1(3) of the Act, of a Single Trip Fuel Permit is \$25.00.

Fee for license or permit issued per agreement

- (8) The fee to be charged for the issuance of a license or fuel permit in accordance with an agreement entered into under section 7.2 of the Act is \$25.

Fees for decals issued per agreement

- (9) The fee to be charged for the issuance of each set of two decals in accordance with an agreement entered into under section 7.2 of the Act is \$25.

Marked Gasoline Permit fee

- (10) The prescribed issuance fee for a Marked Gasoline Permit is \$10.

Fee for joint issuance of Marked Gasoline and Diesel Permits

- (11) The prescribed issuance fee for both a Marked Gasoline Permit and a Marked Diesel Permit is \$10 in total where the two permits are applied for at the same time. (*EC283/72; 316/92; 485/94; 327/05; 249/12; 569/13; 465/20*)

5. Agent's record

- (1) Every agent shall record in writing every transaction relating to the sale, transfer or delivery of gasoline and shall keep, in a manner approved by the Minister, at each bulk plant a record of every sale, transfer or delivery of gasoline made to or from that bulk plant.

Particulars recorded

- (2) The records relating to a particular sale, transfer or delivery of gasoline shall record
- (a) the date of the sale, transfer or delivery and the type and quantity of gasoline;
 - (b) the name and address of the person to whom the gasoline was sold, transferred or delivered whether or not that person was a purchaser or servant, agent, subagent or employee of the agent;
 - (c) the invoice number and the number of the permit held by the person to whom the gasoline was sold, transferred or delivered if that person is required to hold a permit under these regulations; and
 - (d) the rate and amount of tax, if any, applicable to the transaction.

Invoices

- (3) Every sale, transfer or delivery of gasoline from a bulk plant by an agent shall be evidenced by a serially numbered invoice and the original copy of the invoice shall be given to the person to whom the gasoline is sold, transferred or delivered and a duplicate copy shall be retained by the agent at the bulk plant.

Monthly consolidation

- (4) Every agent shall consolidate records of all sales, transfers or deliveries of gasoline of every bulk station or other non-retail outlet operated by him on a monthly basis and shall include in the consolidation all sales, transfers or deliveries of gasoline made from bulk stations or other non-retail outlets outside Prince Edward Island to the agent or his purchasers in Prince Edward Island. (EC283/72)

6. Agent's returns

- (1) On or before the twenty-fifth day of each calendar month, every agent shall deliver to the Minister a return in the form prescribed by the Minister stating in respect of each bulk plant
- (a) the total sales, transfers and deliveries of gasoline made by the agent in his preceding accounting month indicating the type and quantity of gasoline and the sales, transfers and deliveries;
 - (b) the amount of gasoline in the possession of the agent at the beginning of the accounting month, the amount of gasoline manufactured, imported or otherwise acquired by the agent during the accounting month and the amount of gasoline in the possession of the agent at the end of the accounting month; and
 - (c) the amount of gasoline lost by the agent on account of evaporation, leakage or other causes.

Particulars

- (2) The agent shall deliver with the return such other information or materials as the Minister may from time to time require.

Remittance of tax

- (3) On or before the twenty-fifth day of each calendar month, each agent shall remit to the Minister the tax on all sales, transfers and deliveries of gasoline in respect of which tax has been collected.

Non-taxable sales

- (4) In establishing the number of gallons or litres on which the agent shall remit the tax, the agent may deduct from the total quantity of gasoline sold, transferred or delivered in the month
- (a) the quantity of gasoline sold, transferred or delivered to another person in Prince Edward Island who is an agent;
 - (b) the quantity of gasoline sold, transferred or delivered to a person outside Prince Edward Island if the sale, transfer or delivery is evidenced by the agent's certificate stating the name and address of the person, the invoice or voucher number and a description of the gasoline and method of transportation used;
 - (c) the quantity of marked gasoline on which tax is not payable under these regulations; and
 - (d) the quantity of gasoline purchased on a credit card of the agent, by the Government of the Province of Prince Edward Island or any Departments thereof.

Commission

- (5) Revoked by EC249/12.

Deduction of commission

- (6) Revoked by EC249/12. (EC283/72; 545/77; 602/78; 249/12)



7. Vendor's records

- (1) Every vendor shall keep and maintain records for each month at the vendor's place of business relating to the following matters:
 - (a) all acquisitions of gasoline whether the gasoline is acquired for the vendor's own use or for resale and the invoices evidencing such acquisitions;
 - (b) total daily sales, transfers or deliveries of each type and grade of gasoline evidenced by pump meter readings;
 - (c) the inventory of each type and grade of gasoline in the vendor's possession at the opening of business on the first day of each month, and at the close of business on the last day of each month;
 - (d) each sale, transfer or delivery of marked gasoline; and
 - (e) such other matters as the Minister may from time to time determine.

Form

- (2) The records required to be kept and maintained under subsection (1) shall be in a form approved by the Minister.

Meters

- (3) Every vendor shall provide for each pump a meter to record the flow of gasoline from the pump to which the meter is affixed and shall take all readings from the meter necessary to comply with subsection (1).

Notice of rate of tax

- (4) Every vendor shall indicate on the vendor's gasoline and diesel pumps, by use of a notice provided by the Minister, the rate of tax payable under this Act that is included in the price. *(EC283/72; 506/80; 465/20)*

8. Vendor's reports

Revoked by EC698/79.

9. Consumer storage records

- (1) Every holder of a Gasoline Storage Permit who has a storage tank capable of storing five hundred gallons or more, or 2275 litres or more, shall equip the tank with a pump and a meter and shall keep and maintain records for each month relating to the following matters:
 - (a) all gasoline acquired by him whether or not it is stored;
 - (b) the use he makes of all gasoline acquired by him;
 - (c) the amount of gasoline held in storage by him at the beginning of each month and the amount held at the end of the month.

Invoices

- (2) Every holder of a Gasoline Storage Permit shall obtain and keep an invoice for each acquisition of gasoline.

Audit of records

- (3) Upon the demand of the Minister, an auditor or an inspector, the holder of a Gasoline Storage Permit who is required under subsection (1) to keep records shall produce the records and shall support the records with invoices and meter readings. *(EC283/72; 602/78)*

10. Marked gasoline records

- (1) Every holder of a Marked Gasoline Permit shall keep records for each month relating to the following matters:
- (a) the total amount of marked gasoline acquired by the holder;
 - (b) the equipment and farm trucks fueled by the marked gasoline;
 - (c) the use of the equipment and farm trucks referred to in clause (b);
 - (d) information that substantiates the use of the marked gasoline in that equipment and farm trucks;
 - (e) the amount of clear fuel purchased in the period.

Invoices

- (2) Every holder of a Marked Gasoline Permit shall obtain and keep an invoice for each acquisition of marked gasoline.

Exception

- (3) Revoked by EC228/87. (*EC283/72; 228/87; 465/20*)

11. Consumer records

- (1) If required by the Minister under subsection (2), every consumer shall keep and maintain for each calendar quarter a record of
- (a) all gasoline acquired by him outside of and brought into Prince Edward Island; and
 - (b) all gasoline other than marked gasoline acquired by him within Prince Edward Island; and
 - (c) the use he made of gasoline referred to in clauses (a) and (b).

Where required

- (2) Where the Minister believes that a person is acquiring gasoline outside of Prince Edward Island and is bringing it into Prince Edward Island he may, by notice in writing, require the person to keep and maintain the record described in subsection (1).

Report

- (3) When making payment of tax to the Minister pursuant to subsection 2(2) every consumer shall deliver a report to the Minister in the form prescribed by him relating to the preceding calendar quarter stating the quantity of gasoline consumed during the calendar quarter and such other information and material as the Minister may from time to time require. (*EC283/72; 485/94*)

12. Rebate

Revoked by EC485/94.

13. Form of reports, etc.

- (1) Records required to be kept and maintained and returns and reports required to be made under these regulations shall be kept, maintained and made in the form and manner prescribed in these regulations or by the Minister and in all cases shall be legible and clear.

Retention of records

- (2) Every person required to keep and maintain records under these regulations shall



- (a) retain the records in his possession at his place of business or such other place as the Minister may determine;
- (b) retain safe possession of the records for a period of at least four years from the date to which the record relates unless the Minister consents to the prior destruction of the records; and
- (c) make the records available whenever required for inspection by an auditor, inspector or any other person authorized by the Minister.

Directions

- (3) In keeping and maintaining records or in making returns and reports, every person shall comply with the directions of an auditor, inspector or any other person authorized by the Minister.

Exception to subsection (2)

- (4) Notwithstanding subsection (2) the Minister may authorize a person who is required to retain records or his personal representative or assignee to deliver the records to the Commissioner or a person designated by the Minister in lieu of retaining the records at the place and for the time prescribed by subsection(2). (EC283/72; 485/94)

14. Commission to Dealers Association

The Minister may authorize a commission of one twentieth of one cent per gallon or 4.55 litres to be paid to the Prince Edward Island Retail Gasoline Dealers Association on sales of gasoline by a vendor on the following conditions:

- (a) that the vendor has obtained a license to retail gasoline; and
- (b) that no commission has been paid to the vendor under subsection 6(5). (EC734/88)

15. Exemptions

Revoked by EC465/20. (EC283/72; 92/73; 947/73; 279/74; 426/74; 1016/77; 698/79; 228/87; 556/88; 52/93; 604/93; 727/97; 409/98; 206/99; 175/02; 280/03;439/03; 327/05; 136/07; 389/08; 465/20)

16. Marking of gasoline

- (1) Subject to the other provisions of these regulations the marking of gasoline shall be done in the manner prescribed in this regulation or in such other manner as the Minister may approve.

Dye

- (2) Gasoline that is to be sold or delivered as marked gasoline shall be marked by the addition to the gasoline of a dye or chemical marker approved by the Minister.

Proportions

- (3) The dye or marker shall be added to gasoline at a minimum rate of fourteen parts per million.

Supply of dye

- (4) Revoked by EC249/12.

Addition of dye

- (5) The agents shall add the dye or marker on the premises of a bulk plant in the province.

Idem

- (6) The addition of the dye or marker to gasoline shall be done by a method that is approved by the Minister that dyes the gasoline in the proportions prescribed by this regulation.

Idem

- (7) The dye or marker shall be added to gasoline at or before the time that it is being loaded for delivery or for sale to persons permitted to purchase or consume marked gasoline.

Requirements

- (8) A person authorized or required to mark gasoline shall
- (a) maintain sufficient records of the quantities of dye or marker received and used by him to disclose an accurate account of the dye or marker used by him;
 - (b) take all reasonable precautions for the safekeeping of the dye or marker and to prevent unauthorized use of the dye or marker;
 - (c) requisition from time to time from the Minister or person designated by the Minister sufficient quantities of dye or marker to ensure that he has on hand at all times a quantity of dye or marker that is adequate for the marking that he is required to do.
(EC283/72; 630/74; 1016/77; 228/87; 683/91; 751/94; 162/96; 772/98; 389/08; 249/12)

17. Offences concerning marked gasoline

- (1) No person shall have in his possession the dye or marker prescribed by or under these regulations for the marking of gasoline unless he is required or permitted by these regulations to have it in his possession or is authorized by the Minister to have it in his possession.

Idem

- (2) No person shall add to gasoline the dye or marker prescribed by or under these regulations in any manner or at any time or place otherwise than as required or permitted under these regulations.

Idem

- (3) No person shall add to or introduce into marked gasoline any substance, compound or preparation or submit marked gasoline to any mechanical, chemical or other process for the purpose of removing the dye or marker or of rendering it invisible.

Idem

- (4) No person shall mix or combine any other grade or type of gasoline with marked gasoline.
(EC283/72; 228/87)

18. Sale to unauthorized person

- (1) No person shall sell or deliver marked gasoline to a person who is not authorized to purchase and use marked gasoline.

Exception

- (2) Subsection (1) does not apply to a sale or delivery to an agent or to a holder of a Vendor's Permit that authorizes him to acquire marked gasoline for sale to purchasers.

Purchase

- (3) No person shall purchase or store marked gasoline unless he is permitted under subsection 15(2) to purchase and store marked gasoline.



Use

- (4) No person shall use marked gasoline for any purpose other than a purpose for which the use of marked gasoline is permitted under these regulations. (EC283/72)

19. Offences, bulk vendors

- (1) A person who is not the holder of a Bulk Vendor's Permit shall not store gasoline at a bulk plant or sell or deliver gasoline from a bulk plant.

Idem

- (2) A person who holds a Bulk Vendor's Permit shall not
- (a) sell or deliver gasoline from a bulk plant that is not described in the permit; or
 - (b) sell or deliver gasoline to a person who is not the holder of a Vendor's Permit, a Gasoline Storage Permit or a Marked Gasoline Permit. (EC283/72)

20. Offences, vendors

A person who is not the holder of a Vendor's Permit shall not acquire or store gasoline for sale to purchasers or sell gasoline to a purchaser. (EC283/72)

21. Offences, storage

Unless he is the holder of a Gasoline Storage Permit a person shall not acquire for his own use from a holder of a Bulk Vendor's Permit gasoline that is not marked gasoline. (EC283/72)

22. Offence, marked gasoline

- (1) Unless he is authorized under subsection 15(2) to purchase, store and use marked gasoline, no person shall have possession of marked gasoline.

Exception

- (2) This section does not apply to the acquisition or storage of marked gasoline by a wholesaler or by the holder of a Bulk Vendor's Permit or of a Vendor's Permit that authorizes him to acquire marked gasoline for sale to purchasers. (EC283/72)

PART II — DIESEL**23. Definitions**

In this Part

- (a) “**bulk plant**” means a place where diesel is stored in storage facilities at a fixed location by a wholesaler for delivery to vendors or for delivery direct to users;
- (b) “**diesel motor vehicle**” means a motor vehicle or farm truck that uses diesel as a fuel;
- (b.1) “**marked diesel**” means diesel to which a dye or chemical marker has been added in accordance with these regulations;
- (c) “**normal retail price**” means the average as determined by the Minister of the retail price (including all federal taxes but not including provincial tax) of diesel sold by subagents. (EC283/72; 429/80; 221/83; 228/87; 806/90; 465/20)

23.1 Determination of rate of tax

Revoked by EC453/94.

24. Payment of tax

- (1) On or before the purchase or delivery of diesel every purchaser shall pay the tax.

Idem

- (2) On or before the last day of the month following each calendar quarter, every consumer shall pay to the Minister the tax on all diesel consumed in the previous calendar quarter in respect of which tax has not been paid.

Exception

- (3) This section does not apply to purchasers and consumers in respect of the purchases and consumption by them of marked diesel in accordance with the Act or these regulations. (EC283/72; 228/87; 485/94; 874/95; 465/20)

24.1 Report and remittance of tax

A purchaser who is required pursuant to section 6.1 of the Act to report purchases of marked diesel used in a farm truck for a use other than in agricultural operations shall submit the report in the form approved by the Commissioner, and remit the tax, by March 31 of each year for the previous calendar year. (EC465/20)

25. Collection of tax

- (1) Unless he is an agent or subagent for the collection of the tax, no person shall sell or deliver diesel to a purchaser.

Idem

- (2) Except in the case of a sale or delivery of marked diesel under section 38, every agent or subagent shall collect the tax from every purchaser at the time the diesel is purchased or delivered. (EC283/72; 228/87; 465/20)

26. Commission

Revoked by EC249/12. (EC545/77; 602/78; 249/12)

26.1 Application

Section 14 applies on sales of diesel by a vendor

- (a) with the substitution of a reference to diesel for a reference to gasoline; and
(b) with the substitution of a reference to section 26 for the reference to subsection 6(5).
(EC734/88; 465/20)

27. Permits

- (1) The Minister or person authorized by him may issue permits in a form or forms prescribed by the Minister to persons who pay the prescribed issuance fee, if any, and make application therefor in a form or forms prescribed by the Minister of the following types or kinds:
- (a) “Diesel Motor Vehicle Permit” permitting the holder to operate in Prince Edward Island, the diesel motor vehicle described in the permit;



- (b) Diesel Storage Permit” permitting the holder to purchase for his own use from the holder of a Bulk Vendor’s Diesel Permit diesel that is not marked diesel;
- (c) “Bulk Vendor’s Diesel Permit” permitting the holder to sell diesel from a bulk plant or plants described in the permit;
- (d) “Vendor’s Diesel Permit” permitting the holder to acquire diesel from the holder of a bulk vendor’s diesel permit for sale to purchasers;
- (e) “Marked Diesel Permit” permitting the holder to purchase, store and use marked diesel for his own purpose;
- (f) “Fuel Permit” authorizing the holder to operate in the province the commercial vehicle described in the permit and includes a valid fuel permit issued by a member jurisdiction pursuant to an agreement under section 42.2;
- (g) “Single Trip Fuel Permit” authorizing the holder to operate in the province the commercial vehicle described in the permit.

Qualifications

- (2) The Minister may prescribe the qualifications to be possessed by persons who apply for any of the permits mentioned in subsection (1) and may refuse the application of any person who does not have the prescribed qualifications.

Marked Diesel Permit — special use

- (2.1) For greater certainty, the Minister may issue a Marked Diesel Permit, under this section, to the owner or operator of a boat that is used as a pleasure craft for the purpose of enabling the owner or operator to obtain fuel where unmarked diesel is not available.

Conditions

- (3) The Minister may attach conditions or restrictions to any permit issued pursuant to subsection (1) and may revoke a permit or may suspend a permit for a specified period for failure to comply with the conditions or observe the restrictions.

Compliance with conditions

- (4) No person who is the holder of a permit issued pursuant to subsection (1) shall fail to comply with the conditions or fail to observe the restrictions contained in the permit.

Requirements for permit

- (5) No person shall sell, purchase, store or use diesel unless specifically permitted under these regulations.

Exception

- (6) Subsection (5) does not apply to a purchaser of diesel other than marked diesel with respect to diesel that has been purchased from the holder of a Vendor’s Permit.

Fee

- (7) Pursuant to subsection 8.1(3) of the Act, the fee to be charged for the issuance of a Single Trip Fuel Permit is \$25.00.

Marked Diesel Permit fee

- (8) The prescribed issuance fee for a Marked Diesel Permit is \$10.

Fee for joint issuance of Marked Diesel and Gasoline Permits

- (9) The prescribed issuance fee for both a Marked Diesel Permit and a Marked Gasoline Permit is \$10 in total in the circumstances referred to in subsection 4(9). (EC283/72; 228/87; 316/92; 485/94; 327/05; 249/12; 465/20)

28. Agent's records

- (1) Every agent shall in respect of transactions relating to diesel make and keep records in the manner and at the place prescribed by section 5 with respect to records of transactions relating to gasoline and in relation to diesel shall make returns and remittances at the same time, in the same form and manner as an agent is required to make returns and remittances in relation to gasoline by section 6.

Idem

- (2) Sections 5 and 6 apply *mutatis mutandis* to agents in relation to transactions by them relating to the sale, transfer or delivery of diesel. (EC283/72; 465/20)

29. Vendor's records

Every holder of a Vendor's Diesel Permit shall in reference to transactions relating to diesel keep and maintain records in the same form and manner as records are required to be kept by the holder of a Vendor's Permit under section 7 excepting that he shall keep a record of each sale, transfer or delivery of diesel in lieu of a record of sales, transfers or deliveries of marked gasoline referred to in clause 7(1)(d). (EC283/72)

30. Vendor's reports

Revoked by EC698/79.

31. Vehicle records

Every holder of a Diesel Motor Vehicle Permit shall keep and maintain for each calendar quarter a record of

- (a) all diesel acquired by him in Prince Edward Island supported by invoices;
- (b) the use he made of the diesel acquired by him in Prince Edward Island;
- (c) the refuelling in Prince Edward Island of each diesel motor vehicle; and
- (d) trips made and the miles or kilometres travelled in Prince Edward Island by each diesel motor vehicle owned or operated by him. (EC283/72; 602/78; 485/94; 465/20)

31.1 Records

The provisions of section 10 apply with the necessary changes to marked diesel. (EC228/87; 465/20)

32. Vehicle reports

Every holder of a Diesel Motor Vehicle Permit shall not later than the last day of the month following each calendar quarter file with the Minister a report in a form prescribed by the Minister, giving the following particulars in respect of the preceding calendar quarter

- (a) the number of diesel motor vehicles owned and the number operated by him in Prince Edward Island;



- (b) the number of gallons or litres of diesel placed in the fuel systems of those vehicles in Prince Edward Island;
- (c) the source of supply of the diesel referred to in clause (b);
- (d) the total miles or kilometres travelled by each diesel motor vehicle in Prince Edward Island;
- (e) such other information as the Minister requires. (EC283/72; 602/78; 485/94; 874/95; 465/20)

33. Exemption

The Minister may exempt the holder of a Diesel Motor Vehicle Permit from complying in whole or in part with sections 31 and 32 for such term and upon such conditions as prescribed. (EC283/72)

34. Storage records

Section 9 applies *mutatis mutandis* to every holder of a Diesel Storage Permit. (EC283/72; 465/20)

35. Consumer's records

- (1) If required by the Minister under subsection (2), every consumer of diesel shall keep and maintain for each calendar quarter a record of
 - (a) all diesel acquired by him outside of and brought into Prince Edward Island; and
 - (b) all diesel acquired by him within Prince Edward Island; and
 - (c) the use he made of diesel referred to in clauses (a) and (b).

Where required

- (2) Where the Minister believes that a person is acquiring diesel outside of Prince Edward Island and is bringing it into Prince Edward Island he may by notice in writing require the person to keep and maintain the records prescribed in subsection (1).

Report

- (3) When making payment of the tax to the Minister pursuant to subsection 24(2), every consumer shall deliver a report to the Minister in the form prescribed by him relating to the preceding

calendar quarter, stating the quantity of diesel consumed during the calendar quarter and such other information and material as the Minister may from time to time require. (EC283/72; 485/94; 465/20)

36. Rebate of diesel tax

Revoked by EC485/94.

37. Form of reports, etc.

Section 13 applies *mutatis mutandis* to records, returns and reports required to be kept, maintained or made under this Part. (EC283/72)

38. Exemptions

Notwithstanding section 24, the provisions of section 6.1 of the Act apply to the purchase or consumption of diesel, and, in addition to the requirements of those provisions, marked diesel may be purchased, stored and used only by a person who requires marked diesel for use in heating other than for the operation of an internal combustion engine. (EC228/87; 465/20)

39. Offences

- (1) No person shall put or cause to be put in the fuel system of a diesel motor vehicle owned or operated by him any diesel
- (a) on which he does not or has not paid the tax; or
 - (b) that is obtained from a source other than from the holder of
 - (i) a Bulk Vendor's Diesel Permit,
 - (ii) a Vendor's Diesel Permit,
 - (iii) a Diesel Storage Permit.

Idem

- (2) No person shall deliver diesel into the fuel system of a diesel motor vehicle unless the operator of the vehicle produces a valid Fuel Permit or Single Trip Fuel Permit issued under these regulations for the vehicle.

Idem

- (3) No person shall sell or deliver diesel
- (a) into the fuel tank of a diesel motor vehicle;
 - (b) for use in a diesel motor vehicle,
- unless he is the holder of either a Bulk Vendor's Diesel Permit, a Vendor's Diesel Permit, or Diesel Storage Permit.

Idem

- (4) No person shall operate or cause to be operated a diesel motor vehicle unless a Fuel Permit or Single Trip Fuel Permit in respect of that vehicle is in force.

Sale to unauthorized person

- (5) No person shall sell or deliver marked diesel to a person who is not authorized to purchase and use marked diesel.

Exemption

- (6) Subsection (5) does not apply to a sale or delivery to an agent or to a holder of a Vendor's Permit that authorizes him to acquire marked diesel for sale to purchasers.

Prohibition

- (7) Except as provided in section 38, no person shall purchase, store or use marked diesel for his own purpose unless he is the holder of a marked diesel permit.

Use

- (8) No person shall use marked diesel for any purpose other than a purpose for which the use of marked diesel is permitted under these regulations.



Possession

- (9) Unless he is authorized under section 38 to purchase, store and use marked diesel, no person shall have possession of marked diesel. (EC283/72; 228/87; 485/94; 465/20)

39.1 Application of Part II

The provisions of sections 16, 17, 19 and 20 apply with the necessary changes to diesel and marked diesel. (EC228/87; 465/20)

PART III — MISCELLANEOUS**40. Further offences**

Revoked by EC390/91.

41. *Idem*

Revoked by EC390/91.

42. Refunds

- (1) The Commissioner may authorize a refund of tax or any portion of the tax to a purchaser upon receipt of an application in the form approved by the Commissioner in accordance with this section.

Application for refund

- (2) The application shall be made on a form approved by the Commissioner and shall be accompanied by the original invoice or a true copy of it showing the number of gallons or litres of gasoline or diesel purchased, the quantity or grade of the gasoline or diesel, the price per gallon or litre and the amount of tax for which the refund is claimed.

Supporting documentation

- (3) The application shall be accompanied by any other records and documents required by the Commissioner
- (a) to prove the claim; and
 - (b) to determine the amount of the refund.

Time frame

- (4) An applicant for a refund shall submit the application to the Commissioner so that it is received not later than four years after the date on which the fuel was purchased.

Information required

- (5) An applicant for a refund shall provide the following information and any other information required under subsection 3:
- (a) the applicant's name and the names of the applicant's business partners or corporation, if applicable;
 - (b) the nature of the applicant's business;
 - (c) the location, mailing address and other contact information for the business;
 - (d) the applicant's Marked Gasoline Permit or Marked Diesel Permit number, if applicable;

- (e) the period of claim;
- (f) a list of all invoices in respect of the claim, providing the date, name of vendor, invoice number and number of litres of fuel purchased for each invoice;
- (g) a list of all vehicles and equipment that were refueled from the purchases listed;
- (h) the total number of litres of fuel purchased;
- (i) the total number of litres of fuel on which the refund is requested;
- (j) the reason why the applicant is requesting the refund.

Certification

- (6) The applicant shall sign and date the application and certify that the information provided is correct.

Review by Commissioner

- (7) On receipt of an application under section (2), the Commissioner shall review the application and may request additional information to determine the applicant's eligibility.

Payment of refund

- (8) Where the Commissioner determines that the applicant is entitled to a refund, the Commissioner shall pay the refund in the amount determined.

Amount of refund

- (9) The amount of the refund the Commissioner may pay under (8) is equal to the amount of tax paid by the claimant on the amount of fuel that the Commissioner determines is eligible for the refund. *(EC159/74; 602/78; 465/20)*

Refunds to Vendor

42.01 Request for refund

- (1) A vendor may apply for a refund of the tax in the form approved by the Commissioner and shall include the invoices and any other information required by the Commissioner
 - (a) to prove the claim; and
 - (b) to determine the amount of the tax to be refunded.

Time frame

- (2) Subject to subsection (3), a vendor shall submit the application for a refund so that it is received by the Commissioner not later than four years after the date in which the circumstance giving rise to the claim for the refund has occurred.

Application - stolen or destroyed fuel

- (3) An application by a vendor for a refund of the tax on fuel that has been stolen or destroyed shall be received by the Commissioner within one year after the date the fuel was stolen or destroyed.

Review by Commissioner

- (4) On receipt of an application under this section, the Commissioner shall review the application and may request additional information to determine the applicant's eligibility.



Payment of refund

- (5) Where the Commissioner determines that the applicant is entitled to a refund, the Commissioner shall pay the refund in the amount determined by the Commissioner under subsection (6).

Amount of refund

- (6) Subject to subsection (7), the amount of refund the Commissioner may pay under subsection (5) is equal to the amount of the tax paid under the Act by the applicant on the amount of fuel that the Commissioner determines is eligible for a refund.

Amount of refund - rebranded fuel

- (7) The maximum amount of refund the Commissioner may pay under subsection (5) in respect of fuel that was rebranded to a fuel with a lower tax rate or to a substance that is not a fuel is the difference between the tax paid on the fuel before it was rebranded and the tax, if any, payable on the fuel or substance after it was rebranded. *(EC465/20)*

42.1 Communication

Revoked by EC390/91.

42.2 Provisions for administration and enforcement of agreement

An agreement on the application, collection and division of tax with member jurisdictions shall provide for the following:

- (a) the collection, division, apportionment and payment of tax to member jurisdictions;
- (b) identification and permitting of commercial vehicles registered in the base jurisdiction for operation in all member jurisdictions;
- (c) record keeping and reporting requirements and accounting by the base jurisdiction for all persons who hold a valid fuel permit for operation in all member jurisdictions;
- (d) assessment and appeal procedures;
- (e) such other provisions as are necessary for the administration and enforcement of the agreement. *(EC485/94)*

43. False information

Revoked by EC390/91.