

CARBON LEVY

NOTICE

CLN: 122

May 2022

PETROLEUM RETAILERS CARBON LEVY ON PETROLEUM FUEL INVENTORY ON-HAND

Introduction

The purpose of this notice is to inform petroleum retailers of their responsibility under section 11 of the *Climate Leadership Act* to calculate and remit the CARBON LEVY owing on their petroleum fuel inventory on-hand at the time of the carbon levy rate changes at 12:00 am on Monday, May 9, 2022.

The amount owing is based on the differential carbon levy rates and the volume of inventory on-hand at the close of business on May 8, 2022.

Procedures

- Petroleum retailers are required to calculate the incremental carbon tax due on their petroleum fuel inventory on-hand at the time of the carbon levy rate change on May 9, 2022.
- A retailer's petroleum fuel inventory on-hand at the time of the carbon levy rate increase includes all such inventory in the retailer's possession at the close of business on May 8, 2022.
- The "Carbon Levy Self-declaration" form and payment must be remitted by June 25, 2022. If not paid by this date, penalties and interest may be applied.
- The Department may perform random audits of petroleum retailers to ensure the accuracy of the volumes of the petroleum fuel inventory reported at the close of business on May 8, 2022.
- The Department may review sales records of wholesalers for a period before and after the carbon levy rate change to ensure compliance.
- There is no change in the provincial gasoline tax rates on fuels.

Further information can be obtained by contacting:

Taxation and Property Records Division
P O Box 1150, Charlottetown, PE C1A 7M8
Telephone: 902-368-4070; Fax: 902-368-6164

Email: taxandland@gov.pe.ca

Web site: www.princeedwardisland.ca

This notice is prepared for information purposes only, and should not be considered a substitute for the statutes. Should there be any conflict between the contents of this notice and the statutes, the statutes shall prevail.