



Department of Finance
Taxation and
Property Records
PO Box 1150
Charlottetown, PE
Canada C1A 7M8
Tel: (902) 368-4070
Fax: (902) 368-6164

GASOLINE TAX

NOTICE

GTN:292

December 2018

GASOLINE RETAILERS REFUND OF GASOLINE TAX ON GASOLINE INVENTORY ON-HAND

Introduction:

The purpose of this notice is to inform gasoline retailers and wholesalers that there are proposed amendments to the *Gasoline Tax Act* currently being debated in the PEI Legislature. The proposed amendments in Bill 58 provide for a decrease in the PEI provincial gas tax rates for gasoline and diesel oil.

If this legislation is passed, petroleum retailers will be able to request a refund of gasoline tax paid on their gasoline inventory on-hand at the time of the proposed gasoline tax decrease on January 1, 2019. The amount of the refund will be based on the difference between the current and new gasoline tax rates, and the volume of tax-paid inventory on-hand at the close of business on December 31, 2018.

Please Note: If the amends are passed in the Legislature

- Gasoline retailers may calculate the gasoline tax refund due on their tax-paid gasoline inventory on-hand at the time of the January 1, 2019 gasoline tax decrease.
- A retailer's tax-paid gasoline inventory on-hand at the time of the gasoline tax decrease includes all such inventory at the retailer's place of business at the close of business on December 31, 2018.
- A "Retailers' Gasoline Tax Refund" form will be sent to gasoline retailers if the legislation passes. The form will also be available on the government website (www.princeedwardisland.pe.ca).
- The "Retailers' Gasoline Tax Refund" form must be filed by January 31, 2019.
- All gasoline tax refunds will be issued by electronic funds transfer. Refund applicants should also include a "Vendor Registration Form" if they are not already set up for electronic funds transfer from the provincial government. This form will also be included with the "Retailers' Gasoline Tax Refund" form.

- The Department may perform random audits of gasoline retailers to ensure the accuracy of the volumes of tax-paid inventory reported as of the close of business on December 31, 2018.
- The Department may review wholesaler sales records for a period before and after the gasoline tax decrease to ensure compliance with the legislation.
- Petroleum retailers can follow the progress of Bill 58 – An Act to Amend the *Gasoline Tax Act* on the PEI Legislative Assembly website:
<http://www.assembly.pe.ca/bills/index.php>

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.