



Requirements for Interjurisdictional Transporters under the *Fuel Tax Act* and the *Gasoline Tax Act*

This bulletin was revised June 2008 to incorporate formatting changes and changes in ministry name and contact information only.

- This bulletin contains important information for interjurisdictional transporters under the *Fuel Tax Act* and the *Gasoline Tax Act*.

Highlights

- Every person transporting fuel in bulk, gasoline in bulk, aviation fuel in bulk or propane in bulk (collectively referred to as “product”) into or out of Ontario must be registered as an interjurisdictional transporter and must file returns.
- Interjurisdictional transporters must maintain required documentation, including a completed uniform manifest form, their certificate of registration (or a notarial copy if the transporter has more than one motor vehicle), and a notarial copy of the certificate of registration of the importer or exporter for whom they are transporting the product.
- Increased fines and penalties come into effect July 1, 2003 for failure by interjurisdictional transporters to comply with the registration and filing requirements.
- This bulletin provides general information. It is not exhaustive and should not be considered as a substitute for the *Fuel Tax Act* and *Gasoline Tax Act* and its regulations.

Definitions

Aviation Fuel in Bulk	“ Aviation fuel in bulk ” means aviation fuel stored, transported or transferred by any means other than in the fuel tank of an aircraft or motor vehicle in which aviation fuel for generating power in an aircraft or the motor vehicle is kept.
Fuel in Bulk	“ Fuel in bulk ” means fuel transported or transferred by any means other than in the fuel tank of a motor vehicle in which fuel for generating power in the motor vehicle is kept.
Gasoline in Bulk	“ Gasoline in bulk ” means gasoline stored, transported or transferred by any means other than in a fuel tank of a motor vehicle in which gasoline for generating power in the motor vehicle is kept.
Interjurisdictional Transporter	An “ interjurisdictional transporter ” is the registered owner (or lessee where lease exceeds 30 days) of a motor vehicle, the operator or shipping agent of record of a vessel, the operator of railway equipment on rails or the owner or operator of a pipeline facility who engages in the transportation or transfer of any product and who operates for such purposes, a) one or more motor vehicles inside and outside Ontario to which number plates are attached as required by the <i>Highway Traffic Act</i> ,

- b) one or more vessels under the *Canada Shipping Act*,
- c) railway equipment on rails in connection with and as part of a public transportation system inside and outside Ontario, or
- d) a pipeline facility inside and outside Ontario

Propane in Bulk

“Propane in bulk” means propane stored, transported or transferred by any means other than in a fuel tank of a motor vehicle in which propane for generating power in the motor vehicle is kept

Registration and Filing Requirements

Registration Certificate

Every interjurisdictional transporter must apply for and obtain a certificate of registration from the Minister of Revenue. The Minister may impose such reasonable conditions and restrictions as the Minister considers appropriate.

Filing Requirements - Fuel

Every registered interjurisdictional transporter of fuel in bulk must deliver to the Minister a **Fuel Tax Interjurisdictional Transporter Return** on or before the 25th day of each month with respect to all fuel in bulk transported into and out of Ontario in the immediately preceding month.

Filing Requirements - Gasoline, Aviation Fuel and Propane

Every registered interjurisdictional transporter of gasoline in bulk, aviation fuel in bulk, or propane in bulk must deliver to the Minister a **Gasoline Tax Interjurisdictional Transporter Return** on or before the 21st day of each month with respect to all gasoline in bulk, aviation fuel in bulk and propane in bulk transported into and out of Ontario in the immediately preceding month.

Document Requirements

Possession of Documents

Every interjurisdictional transporter must keep in the possession of the driver of the motor vehicle or the master of the vessel in which the interjurisdictional transporter is transporting or transferring product:

- the interjurisdictional transporter’s certificate of registration as a transporter (or a notarial copy of it).
- the completed uniform manifest form for that shipment. Every interjurisdictional transporter must complete a uniform manifest form in respect of every shipment of product transported or transferred by it into or out of Ontario.
- a notarial copy of the transporter’s registration as an importer or exporter, if the interjurisdictional transporter is also a registered importer or exporter.
- a notarial copy of the certificate of registration that the registered importer or exporter is required to provide to the interjurisdictional transporter, if product is being transported or transferred for a registered importer or exporter. The copy must be obtained before transporting product into or out of Ontario.
- in some cases, evidence of payment of an amount equal to tax, as required on entry into Ontario from outside Canada (**see Border Obligations below**).

Seizure

A vehicle or vessel may be stopped and detained if an inspector has reasonable and probable grounds to believe that either the interjurisdictional transporter or the importer or exporter he is transporting the product for does not hold a certificate of registration.

Upon detention, if the driver of the motor vehicle or the master of the vessel fails to produce the documents required to be in his possession, the Minister may seize, impound, hold and dispose of the product.

Offence and Fines

Every interjurisdictional transporter transporting or transferring product into or out of Ontario who fails to produce any of the documents required to be kept in the possession of the driver or the master is guilty of an offence and on conviction is liable to a fine of not less than \$150 (if fuel in bulk) or \$200 (if gasoline in bulk, aviation fuel in bulk or propane in bulk) and not more than \$1,000 for each document not produced.

Border Obligations when Entering Ontario from Outside Canada

Transporting as or for an Unregistered Importer

If an interjurisdictional transporter is transporting product as or for an unregistered importer, or if the interjurisdictional transporter does not have in his possession a notarial copy of the importer's certificate of registration issued by Ontario, then the interjurisdictional transporter, on entry into Ontario from outside Canada, must pay an amount equal to tax to the customs officer and file with the customs officer a properly completed **Ontario Fuel and Gasoline Tax (Border) FGTB-1** form.

Record Keeping Requirements

Records and Books

Every interjurisdictional transporter must keep at its principal place of business records and books of account. This information is to be kept for a period of seven years following the end of the person's fiscal year to which the records relate.

Demand to Keep Records and Books

The Minister may demand a person keep records and books of account for such additional length of time as the Minister requires.

Offence of Failure to Keep Adequate Records and Books

If an interjurisdictional transporter fails to keep adequate records and books of account for seven years, following the end of its fiscal year to which the records relate, then the interjurisdictional transporter is guilty of an offence and on conviction is liable to a fine of not less than \$200 and not more than \$5,000.

If an interjurisdictional transporter fails to keep adequate records and books of account for the length of time which the Minister has required, then the interjurisdictional transporter is guilty of an offence and on conviction is liable to a fine of \$50 for each day during which the default occurs or continues.

Increased Penalties and Fines

Penalty for Failure to Register

Effective July 1, 2003, every interjurisdictional transporter transporting or transferring product into or out of Ontario who fails to register with the Minister shall pay a penalty, when so assessed, equal to \$500 plus 5% of the tax that would be payable on all the product transported or transferred by the transporter into or out of Ontario during the period the transporter was not a registered interjurisdictional transporter, as if the product was received or used by a purchaser in Ontario to generate power in a motor vehicle.

Offence of Failure to Register

Effective July 1, 2003, every interjurisdictional transporter transporting or transferring product into or out of Ontario who fails to register with the Minister is guilty of an offence and on conviction is liable to a fine of not less than \$1,000 and not more than \$10,000.

Penalty for Failure to Deliver a Return	Effective July 1, 2003, every interjurisdictional transporter who fails to deliver a return shall pay a penalty, when assessed, of \$1,000 per return which is not delivered.
Offence of Failure to Deliver a Return	Effective July 1, 2003, every interjurisdictional transporter who fails to deliver a return is guilty of an offence and on conviction is liable to a fine of not less than \$200 and not more than \$5,000.

Additional Information

If this bulletin does not completely address your particular situation, refer to the Act and related regulations, or contact the:

Ministry of Revenue Client Accounts and Services Branch 33 King Street West Oshawa, ON L1H 8H9	Tel.: 1 866 ONT-TAXS (1 866 668-8297) Fax: 905 436-4511 Teletypewriter (TTY): 1 800 263-7776
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This bulletin and various other English and French tax materials published by the Ministry of Revenue may be obtained online at ontario.ca/revenue.

The *Fuel Tax Act* and *Gasoline Tax Act* and Ontario's other public statutes and regulations may be obtained online at www.e-laws.gov.on.ca.

Ce bulletin est disponible en français.