



Requirements for Producers, Blenders, Importers, Exporters and Interjurisdictional Transporters of Ethanol

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

- This bulletin provides information on the impact of legislation for those dealing in ethanol, effective January 1, 2007.
- This bulletin provides general information. It is not exhaustive and should not be considered as a substitute for the *Gasoline Tax Act* and its regulations.

General

Gasoline Tax Act Amendment On May 18, 2006, the *Gasoline Tax Act* (GTA) was amended to include ethanol in the definition of gasoline.

On October 18, 2006, the Ontario Government introduced legislation to further clarify the definition of “gasoline” under the *Gasoline Tax Act*. The legislation came into force December 20, 2006.

Effect As of January 1, 2007, coinciding with the implementation of a Renewable Fuels Standard in Ontario which will require an average of five per cent ethanol content in gasoline, ethanol will be subject to gasoline tax in Ontario at the rate of 14.7¢ per litre. As a result, producers, blenders, importers, exporters and interjurisdictional transporters of ethanol will become subject to the registration and reporting requirements of the GTA.

Ethanol Defined In this bulletin “ethanol” refers specifically to an alcohol that is or is intended to be mixed or combined with a gas or liquid that is gasoline for the purpose of generating power by means of internal combustion. Any alcohol that may on its own be used to generate power by means of internal combustion is also ethanol.

Registration Requirements

Mandatory Registration If, after January 1, 2007, you manufacture, blend, modify, produce, import, export or interjurisdictionally transport ethanol, you must register with the Ministry of Revenue.

Existing Registrants If you are already registered with the ministry under the GTA, you do not need additional registrations to deal in ethanol unless there has been or will be a change in your business activity. For example, if you will be blending and are currently registered only as an importer under the GTA, you will need to obtain a manufacturer’s registration certificate. If you are unsure about whether it may be necessary to apply for additional registrations, please contact the ministry for clarification.

Manufacturers and Blenders	<p>If you produce or manufacture ethanol, you are required to register as a manufacturer and file monthly returns. In addition, you must also obtain a ministry designation as a gasoline tax collector.</p> <p>If you blend ethanol with gasoline, you must also register as a manufacturer and file monthly returns.</p>
Collector Designation	To acquire gasoline, including ethanol, in Ontario exempt of tax you are required to be a designated collector of gasoline tax. As a designated collector, you must post security in an amount specified by the minister, collect and remit gasoline tax and file monthly returns.
Importer	To import ethanol in bulk into Ontario you are required to register as an importer for the purposes of reporting and remitting gasoline tax. As a registered importer, you must post security in an amount specified by the minister, remit tax on imports and file monthly returns.
Exporter	As an exporter, you are permitted to take ethanol in bulk out of Ontario. Exporters are accountable for the tax on gasoline products delivered into other jurisdictions. To be an exporter, you must post security in an amount specified by the minister and file monthly returns.
Interjurisdictional Transporter	You must register as an interjurisdictional transporter if you will be engaging in the transportation of ethanol in bulk inside and outside of Ontario. Registered interjurisdictional transporters are required to file monthly returns.
Failure to Register	<p>It is an offence under the GTA to manufacture, blend, import, export or interjurisdictionally transport ethanol unless you are registered with the Ministry of Revenue. In addition to fines on conviction, the Act provides for penalties, when assessed, for failing to register.</p> <p>For more information on reporting and remitting gasoline tax, please refer to Ontario Tax Bulletin GT 1-2003 Gasoline Tax in Ontario.</p>

Reporting and Remitting

Reporting Changes	Manufacturer returns have been amended to reflect the new treatment of ethanol. Other than the fact that reporting and remitting of gasoline tax will now include ethanol, existing reporting and remitting procedures for GTA registrants will not change.
Blendstock	Gasoline blendstock refers to a sub-octane gasoline product that is intended to be blended with an oxygenate such as ethanol. Blendstock, whether or not it is blended with ethanol, remains gasoline under the GTA.

Refunds

Refunds and Gasoline-Ethanol Blends	<p>Where a gasoline-ethanol blend has been used in a non-taxable manner, the purchaser may apply for a refund of the tax paid. However, if such a blend is acquired prior to January 1, 2007, tax is refundable only on the gasoline portion of the blend since the ethanol portion was not subject to tax prior to this date.</p> <p>For more information on gas tax refunds, please refer to Ontario Tax Bulletin GT 1-2001: Ontario Gasoline Tax Refund Program.</p>
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Additional Information

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

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

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