

No. 103

1st Session, 14th Legislature, Alberta
8 Elizabeth II

BILL 103

A Bill to amend The Fuel Oil Tax Act

HON. MR. PATRICK

Explanatory Note

2. (a) This amendment will increase the tax on diesel fuel from 10¢ to 12¢ a gallon. Section 3 (1) presently reads:

"3. (1) Every purchaser shall pay to the Minister for the use of the Crown, in the right of the Province of Alberta, a charge or tax at the rate of ten cents a gallon on all fuel oil purchased by him, or delivery of which is received by him."

(b) Subsection (2) is amended to conform with the change made to subsection (1). Section 3(2) presently reads:

"(2) Every person who consumes or uses any fuel oil for which no tax has been paid pursuant to this Act shall pay to the Minister for the use of the Crown in the right of the Province of Alberta a charge or tax at the rate of ten cents per gallon on all such fuel oil."

3. Tax on certain diesel fuel and liquefied petroleum gas brought into the Province in the fuel tanks of motor vehicles.

BILL

No. 103 of 1960

An Act to amend The Fuel Oil Tax Act

(Assented to _____, 1960)

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Alberta, enacts as follows:

1. *The Fuel Oil Tax Act*, being chapter 125 of the Revised Statutes, is hereby amended.

2. Section 3 is amended

(a) by striking out subsection (1) and by substituting the following:

3. (1) Every purchaser shall pay to the Minister for the use of the Crown in the right of the Province of Alberta, a charge or tax on all fuel oil purchased by him, or delivery of which is received by him

(a) at the rate of ten cents a gallon for fuel oil other than diesel fuel, and

(b) at the rate of twelve cents a gallon for diesel fuel.

(b) as to subsection (2) by striking out the words "at the rate of ten cents per gallon on all such fuel oil" and by substituting the words and figure "on all such fuel oil at the rates specified in subsection (1)".

3. The following new section is added after section 5:

5a. (1) Where diesel fuel or liquefied petroleum gas is brought into the Province in the fuel tank of a motor vehicle and a motor fuel tax or other fuel oil tax has not been paid on such fuel oil in the jurisdiction in which it was purchased, the owner of the motor vehicle shall pay to the Minister for the use of the Crown in the right of the Province of Alberta a charge or tax on all such fuel oil

(a) at the rate of twelve cents a gallon for diesel fuel, and

(b) at the rate of ten cents a gallon for liquefied petroleum gas.

(2) A person liable to pay a tax under subsection (1)

4. Section 11a presently reads:

"11a. Except the persons described in clauses (a) and (b) of section 12, no person within the Province shall have liquefied petroleum gas in the fuel tank of a motor vehicle of which he is the owner or driver, unless he has at the same time in his possession an invoice indicating payment of the tax on such liquefied petroleum gas."

5. Section 12 reads in part:

"12. No person shall use or have in the fuel tank of a motor vehicle of which he is the owner or driver any fuel oil coloured or identified under the provisions of subsection (1) of section 10, except

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- (b) a farmer or an employee of the farmer who is using the coloured fuel oil for consumption in a tractor owned by the farmer while it is being operated on a highway for the purpose of
 - (i) hauling farm produce or machinery owned by a farmer,
 - (ii) hauling coal, firewood or building material for use on the farm of the farmer, or
 - (iii) moving the tractor from one location to another."

6. Section 13 presently reads:

"13. (1) No person shall have in any pumps or other dispensing equipment used for delivering or dispensing fuel oil directly into the fuel tank of a motor vehicle any fuel oil coloured or identified under section 10.

(2) This section does not apply to a farmer who has on his own farm pumps or other dispensing equipment containing any fuel oil solely for use on his own farm."

7. Section 17(2) is amended to authorize the making of regulations for the purposes of section 5a. See clause 3 of this Bill. Section 17(2) reads in part:

"(2) Without limiting the generality of subsection (1), the Lieutenant Governor in Council may make regulations

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- (n1) for licensing dealers in liquefied petroleum gas and for appointing such licensed dealers as collectors of the tax provided under this Act in respect of that type of fuel oil, and providing fees for such licences,".

8. A reference to the new section 5a is added. Section 21 presently reads:

"21. (1) A person required under section 5 to report the import of fuel oil shall either

- (a) prove to the satisfaction of an officer or police officer that the tax thereon has been paid, or
- (b) pay the tax.

(2) If the officer or police officer is not satisfied that the tax has been paid he may, without a warrant, on the refusal or failure of the person mentioned in subsection (1) to pay the tax,

- (a) seize the fuel oil and the barrels, tanks, or receptacles in which it is contained and the vehicle in or on which it is carried, and
- (b) retain the same in his possession as security for payment of the tax."

shall, in the manner and at the times specified in the regulations, report the bringing of such fuel oil into the Province and pay the tax payable thereon.

4. Section 11a is amended

- (a) by striking out the words "clauses (a) and (b)" and by substituting the words "clauses (a), (b) and (c)",
- (b) by adding immediately at the end thereof the words and figures "or a permit issued pursuant to any regulations under clause (n2) of subsection (2) of section 17".

5. Section 12 is amended

- (a) by adding the word "or" at the end of clause (b),
- (b) by adding the following new clause immediately after clause (b) :
 - (c) a farmer, rancher or market gardener or an employee of any of them, who is using the coloured fuel oil in a motor vehicle licensed under the regulations made under *The Public Service Vehicles Act* as a class "F" vehicle,

6. Section 13 is struck out and the following is substituted:

13. (1) No retail or wholesale dealer in fuel oils shall fill or place in the fuel tank of a motor vehicle any fuel oil coloured or identified under section 10.

(2) No retail dealer in fuel oils shall have any fuel oil coloured or identified under section 10, in any pump or other dispensing equipment that may be used for delivering or dispensing fuel oil directly into the fuel tank of a motor vehicle.

7. Section 17, subsection (2) is amended by adding the following new clause immediately after clause (n1) :

- (n2) governing the issuance of permits for the purposes of section 5a, relating to the bringing of diesel fuel and liquefied petroleum gas into the Province, and prescribing the method and time of payment of the tax and the reports to be filed with the Minister,

8. Section 21 is amended by adding the following subsection immediately after subsection (2) :

(3) A person who brings diesel fuel or liquefied petroleum gas into the Province in the fuel tank of a motor vehicle shall either

- (a) prove to the satisfaction of an officer or police officer,
 - (i) that he holds a permit issued in respect of that motor vehicle pursuant to the regulations under clause (n2) of subsection (2) of section 17,

9. Section 33 presently reads:

"33. (1) A person who uses or consumes fuel oil in violation of section 3 is guilty of an offence.

(2) Subsection (1) shall not be construed as prohibiting the use or consumption of fuel oil in the operation of a motor vehicle, in the fuel tank of which the fuel oil was brought into the Province."

10. Section 34 presently reads:

"34. (1) An individual who violates or fails to comply with any of the provisions of sections 9, 10, 11, 13 and 14, is liable on summary conviction to a fine of

(a) not less than fifty dollars and not more than one hundred dollars for the first offence, and

(b) not less than one hundred dollars and not more than two hundred dollars for a subsequent offence,

and in default of payment to imprisonment for a term not exceeding six months, or to both fine and imprisonment.

(2) A company that violates or fails to comply with any of the provisions referred to in subsection (1) is liable on summary conviction to a fine of not less than one thousand dollars nor more than two thousand dollars."

11. Penalty section.

(ii) that a motor fuel tax or other fuel oil tax has been paid on such fuel oil in the jurisdiction in which it was purchased,

or

(b) pay the tax payable on such fuel oil pursuant to section 5*a*,

and in the absence of such proof and on the failure or refusal of the person to pay the tax the officer or police officer may, without a warrant, seize the motor vehicle and the fuel oil and retain the same in his possession as security for the payment of the tax.

9. Section 33, subsection (2) is amended by striking out the word "Subsection" and by substituting the words "Except in the case provided in section 5*a*, subsection"

10. Section 34 is amended

(a) as to subsection (1) by adding immediately after the word "is" the words "guilty of an offence and",

(b) as to subsection (2) by adding immediately after the word "is" the words "guilty of an offence and".

11. The following is added immediately after section 34:

34*a*. A person appointed by the Minister under section 10 to place the chemical dye in fuel oil in accordance with this Act and the regulations, who fails or neglects to so place any dye as required, is guilty of an offence and liable on summary conviction to a fine of not more than two hundred dollars or to imprisonment for a term of not more than two months.

12. This Act comes into force on the first day of May, 1960.

No. 103

FIRST SESSION

FOURTEENTH LEGISLATURE

8 ELIZABETH II

1960

BILL

An Act to amend The Fuel Oil Tax
Act

Received and read the

First time.....

Second time.....

Third time.....

HON. MR. PATRICK
