

1970 Bill 50

Third Session, 16th Legislature, 19 Elizabeth II

THE LEGISLATIVE ASSEMBLY OF ALBERTA

BILL 50

An Act to amend The Fuel Oil Tax Act, 1968

THE PROVINCIAL SECRETARY

First Reading

Second Reading

Third Reading

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An Act to amend The Fuel Oil Tax Act, 1968

(Assented to _____, 1970)

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, 1968* is hereby amended.

2. Section 2 is amended by adding the following clause after clause (b) :

- (b1) "farming operations" means the production of livestock, grain, forage crops, poultry, furs, honey or any other agricultural product and
 - (i) includes the personal use of a truck owned by a farmer, in respect of which an "F" licence or a special farm truck licence has been issued, but
 - (ii) does not include any other type of business operations carried on by a farmer;

3. Section 3a is struck out and the following is substituted:

3a. (1) When marked fuel or liquefied petroleum gas in respect of which tax has been paid under section 3 is used in farming operations, then upon production by the purchaser of the fuel of proof of the amount of fuel purchased, and of the tax paid, the Minister may make a refund at the rate of 3 cents per gallon on such fuel.

(2) In lieu of the tax refund system under subsection (1), the Lieutenant Governor in Council may make regulations authorizing any other system or systems of relieving persons of the incidence of tax under section 3 with respect to their farming operations, including

- (a) a system of tax exemption on purchase, and
- (b) some variation of the present system of tax exemption by refund,

or any combination thereof, and may prescribe different systems for different classes of persons engaged in farming operations.

Explanatory Notes

1. This Bill amends chapter 33 of the Statutes of Alberta, 1968.

2. Definition added in connection with the amendments to section 3a.

3. Section 3a presently reads:

3a. When marked fuel or liquefied petroleum gas, in respect of which tax has been paid pursuant to section 3, is used by a farmer

- (a) in his farming operations, or
- (b) in the fuel system of a farm truck
 - (i) that is owned or operated by the farmer (or an employee of the farmer),
 - (ii) in respect of which an "F" Licence or a special farm truck licence pursuant to The Highway Traffic Act or The Public Service Vehicles Act (but no licence of any other class) has been issued, and
 - (iii) when it is used in connection with his farming operations but not in connection with any other business in which the farmer (or his employee) may be engaged, and not for personal reasons,

then, upon production of proof satisfactory to the Minister of the amount of fuel used in or in connection with his farming operations, the amount of fuel used in connection with any other business in which the owner or his employee may be engaged and the amount of fuel used for personal reasons, the Minister may make a refund at the rate of 3 cents per gallon on the fuel used by the farmer in or in connection with his farming operations.

4. Section 8 is amended by adding the following subsection after subsection (1) :

(1a) Where the Minister finds that tax payable pursuant to section 3 or section 4, or both, has not been paid by reason of the commission of an offence for which a conviction has been entered under section 14, he may

- (a) calculate the amount of tax owing to the Crown, and
- (b) assess double the amount of such tax upon the person by whom it should have been paid.

5. Section 11 is amended by adding the following clause after clause (j) :

- (j1) fixing fees, if any, to be paid to any person rendering a service under a system established under section 3a, subsection (2) ;

6. Section 14 is amended by striking out subsection (1) and substituting the following :

14. (1) Any person who uses marked fuel in the fuel system of a motor vehicle of which he is the owner or driver and which is registered or required to be registered pursuant to *The Highway Traffic Act* or *The Public Service Vehicles Act* or an equivalent statute in another jurisdiction, is guilty of an offence unless the marked fuel is being used

- (a) in the engine of a motor vehicle when the engine is being used as a stationary engine and is receiving the fuel from a fuel tank that is not in or on the vehicle and that does not supply the engine when used to propel the motor vehicle, or
- (b) in the fuel system of a truck owned or operated by a farmer or his employee and in respect of which an "F" licence or a special farm truck licence, but no licence of any other class, has been issued pursuant to *The Highway Traffic Act* or *The Public Service Vehicles Act*, or
- (c) in the fuel system of a transit bus owned, controlled and operated by a city within its corporate limits.

7. This Act comes into force on the day upon which it is assented to.

4. Assessment of penalty. This makes liable for payment of double the tax otherwise payable, any person who misuses marked fuel upon which no tax has been paid.

5. Section 11 (j) reads:

- 11. The Lieutenant Governor in Council may make regulations:**
(j) prescribing the proofs to be furnished to establish entitlement to an exemption from fuel oil tax or to a refund of tax;

6. Prohibited use of market fuel. Section 14 (1) presently reads:

14. (1) Any person who uses or has marked fuel in the fuel system of a motor vehicle of which he is the owner or driver otherwise than as authorized by clause (b) of subsection (2) of section 4 is guilty of an offence.