

Bill No. 56 of 1932.

A BILL TO PROVIDE FOR IMPOSING A TAX ON
FUEL OIL.

NOTE.

This Bill is designed to replace *The Gasoline Tax Act, 1929*.

By section 2 of the Bill, fuel oil is defined with reference to its specific gravity: tractor fuels have a higher specific gravity than .8017, and can not conveniently be used in an automobile engine, whilst standard fuel oil for automobiles has a specific gravity lower than .8017.

By section 3 of the Bill, every purchaser of fuel oil for his own use is required to pay a tax of five cents a gallon.

Sections 4 to 8 of the Bill contain provisions as to the collection of the tax and tax refunds as are in *The Gasoline Tax Act, 1929*.

Sections 9 to 21 of the Bill provide for the licensing of all wholesale and retail dealers in fuel oil.

Section 22 of the Bill requires that every person who imports fuel oil into the Province for any purpose or who receives any fuel oil from an unlicensed person shall make a return as to such fuel oil to the Minister and shall pay the tax payable in respect thereof.

Section 23 of the Bill prohibits the purchase of fuel oil for resale from any person who is not licensed under the Act.

Section 24 of the Bill imposes a penalty on persons dealing in fuel oil without a license.

Section 25 of the Bill provides a penalty for tax evasion of treble the amount of the tax which is evaded.

Section 26 of the Bill provides for the making of regulations for the carrying out of the Act.

R. ANDREW SMITH,
Legislative Counsel.

(This note does not form any part of the Bill and is offered merely as a partial explanation of some of its provisions.)

BILL

No. 56 of 1932.

An Act to provide for Imposing a Tax on Fuel Oil.

(Assented to _____, 1932.)

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

1. This Act may be cited as "*The Fuel Oil Tax Act.*"
2. In this Act, unless the context requires a contrary meaning—
 - (a) "Fuel oil" means any petroleum product by whatever name known or sold containing any derivative of petroleum or natural gas with a gravity of .8017 or under at a temperature of 60 degrees Fahrenheit, and includes benzol or any benzol mixture;
 - (b) "Minister" means the Minister for the time being charged with the administration of this Act;
 - (c) "Police officer" means any member of the police force for the time being charged with the duty of policing the Province;
 - (d) "Purchaser" means any person purchasing or receiving delivery in Alberta of fuel oil for his own use;
 - (e) "Regulations" means regulations made under the authority of this Act.
3. Every purchaser shall pay to the Minister for the use of His Majesty, in the right of the Province of Alberta, a charge or tax at the rate of five cents a gallon on all fuel oil which is purchased by him or delivery of which is received by him.
4. The tax hereby imposed shall be collected, accounted for and paid over to the Minister by such persons as the regulations may direct.
- 5.—(1) In all proceedings based upon the non-payment of the tax, the burden of proving that the tax has been paid in respect of the fuel oil in question shall be upon the defendant.

(2) Any person having in his possession fuel oil upon which the tax payable in pursuance of this Act has not been paid shall be liable on summary conviction to a penalty of not less than one hundred dollars and costs, and not more than five hundred dollars and costs.

6.—(1) Every police officer and every person authorized in writing, either generally or specially, by the Minister to exercise the powers of inspection under this section, may without warrant enter upon any premises except a private dwelling, on which he has cause to believe that any fuel oil is kept, or had in possession, and may inspect the premises and all fuel oil found thereon, and may make tests of any fuel oil so found and may take samples thereof, and may interrogate any person who is found on the premises or who owns, occupies, or has charge of the premises.

(2) Every person interrogated under this section who refuses to answer any question put to him respecting the fuel oil kept or had on the premises, or who fails to produce for inspection any book, record or document, or any barrel, tank or receptacle in his possession or under his control, which he is required to produce for any of the purposes of this section, shall be guilty of an offence against this Act.

7.—(1) Where any fuel oil, in respect of which a tax imposed by this Act has been paid, is consumed by any person for any of the following purposes:

- (a) For the operation of aeroplanes or motor boats;
- (b) For the operation of stationary engines;
- (c) For the operation of portable engines and tractors when used otherwise than on a public highway;
- (d) For the operation of logging trucks when used exclusively on other than public highways;
- (e) For the operation of railway cars and other motor vehicles running only upon rails or tracks;
- (f) For the operation of municipally-owned vehicles used exclusively within the municipality;
- (g) For any industrial purpose otherwise than in the operation of motor vehicles;
- (h) For the operation of domestic appliances and for lighting and heating—

and where the person by whom the fuel oil is so consumed produces to the Minister satisfactory proof, in the manner prescribed by the regulations, of the payment of the tax by him and of the consumption of the fuel oil, the Minister shall pay to that person from the General Revenue Fund an amount equal to four cents per gallon on the fuel oil so consumed.

(2) Every person who for the purpose of obtaining any payment under this section makes any false statement in any form of proof or return prescribed by the regulations,

shall be guilty of an offence punishable on summary conviction by a penalty of not more than two hundred and fifty dollars and costs, and in default of payment, to imprisonment for a term of not more than ninety days.

8.—(1) All vouchers covering the payment of commissions, rebates or refunds shall be submitted to the Provincial Auditor for certification before being paid.

(2) Every commission, rebate or refund paid under the provisions of this Act shall, without any further or other appropriation than is provided herein, be paid out of the total revenues received, and shall be shown as a deduction from such revenues in the accounts of the Province.

9. Every person who at the time of the coming into force of this Act is carrying on the business of a jobber or wholesale dealer, or wholesale distributor of fuel oil within the Province shall, within thirty days thereafter, obtain a license from the Minister in respect of such business.

10. From, on and after the coming into force of this Act no person shall commence or enter into the business of a jobber, or wholesale dealer, or wholesale distributor of fuel oil within the Province unless and until he has obtained a license from the Minister in respect of such business.

11. Every person who at the time of the coming into force of this Act is engaged in the business of a retail dealer in fuel oil within the Province shall, within thirty days thereafter, obtain a license from the Minister in respect of each separate filling station, service station, garage, building, store or place of business within the Province at which fuel oil is kept for sale or sold by him.

12. From and after the thirtieth day after the coming into force of this Act no person shall carry on the business of a retail dealer in fuel oil at any service station, filling station, garage, building, store or place of business within the Province unless and until he has obtained a license from the Minister in respect thereof.

13. The manner and form of application for any license under this Act shall be such as the Minister may from time to time prescribe.

14. Every license shall be given a distinctive number and shall be in such form as the Minister may from time to time prescribe.

15. No license issued pursuant to this Act shall be transferable.

16. The fee payable in respect of every license shall be the sum of two dollars.

17. Upon the granting of a license to a retail dealer in fuel oil, the Minister shall deliver to the applicant a license plate made of durable materials of such size and design as the Minister may from time to time prescribe, bearing upon it the words "Fuel Oil Retailer, License No.," and the number assigned by the Minister to the license.

18. Every retail dealer in fuel oil shall affix, and at all times keep affixed, in a conspicuous place on that part of the premises in respect of which he is licensed to carry on business in or on which fuel oil is ordinarily delivered to purchasers, the license plate issued by the Minister in such a manner that the same may be at all times seen by any purchaser obtaining the delivery of any fuel oil.

19. Every person being a licensed retail dealer in fuel oil who carries on the business of a retail fuel oil dealer in or on any service station, filling station, garage, store, building, or place of business without having affixed thereon in accordance with the provisions of this Act the license plate issued to him in respect thereof, shall be guilty of an offence, and shall be liable to a penalty of not more than fifty dollars for every day during which or during any part of which such license plate is not affixed as aforesaid.

20. The Minister may in his discretion at any time cancel any license issued under this Act to a person who has at any time been convicted of any offence against any of the provisions of this Act or the regulations made thereunder.

21. The Minister may refuse to issue a license to any person who has been convicted of an offence under this Act and to any person who refuses to undertake any duty in relation to the collection of the tax payable pursuant to this Act or to comply with any of the provisions of this Act or the regulations made thereunder with respect to the collection of the said tax, the accounting for any sums collected and the payment over thereof.

22. Every purchaser and every other person who—

- (a) receives any fuel oil within the Province from any person outside of the Province for sale, or distribution, or use, or consumption within the Province; or
- (b) receives any fuel oil within the Province from any person within the Province who is not the holder of a valid and subsisting license under this Act—

shall, within twenty-four hours after receiving any such fuel oil send by mail to the Minister a statement in writing setting out the name and address of such person or other

person, the amount and description of such fuel oil, the place where the same is kept or stored and such other information as may be prescribed by the Minister, and shall with such statement remit to the Minister the tax payable in respect of such fuel oil.

23. Any person who acquires or receives delivery of any fuel oil within the Province for resale within the Province from any person who is not the holder of a valid and subsisting license issued in pursuance of this Act shall be guilty of an offence and shall be liable on summary conviction to a penalty of not more than five hundred dollars and costs, and in default of payment, to imprisonment for not more than three months.

24. Every person who deals in fuel oil as a jobber, wholesaler, or retailer without being then the holder of a valid and subsisting license under this Act shall be guilty of an offence and shall be liable on summary conviction therefor, in the case of a corporation, to a fine of not less than one thousand dollars and not more than two thousand dollars and costs, and in the case of a continuing offence, to a further fine of one hundred dollars per day for every day after the first day during which the offence continues, and in the case of all other persons, to a fine of not more than one thousand dollars and costs, and in default of payment, to imprisonment for a term of not more than six months.

25. Every person who, being liable for the payment of any tax pursuant to this Act, makes default in the payment of such tax or attempts to evade the payment of such tax shall be guilty of an offence and shall, in addition to any other penalty imposed by this Act in respect of such default or attempted evasion, be liable on summary conviction therefor to a penalty of treble the amount of the tax in respect of which such default was made or evasion was attempted, as the case may be, or the sum of one thousand dollars, whichever is the greater, together with costs; and in default of payment, to imprisonment for not more than six months.

26.—(1) The Lieutenant Governor in Council may make regulations—

- (a) as to the method of collection of the tax hereby imposed and the persons by whom the same shall be collected, the remuneration of such persons, and the other terms and conditions of their employment;
- (b) for the accounting for and paying over of any sums of money so collected, and the time and manner of such accounting and paying;
- (c) prescribing the returns and statements to be made by importers, manufacturers, vendors and purchasers of fuel oil in Alberta, and the time or times for making such returns and statements;

- (d) for holding inquiries as to the operation of this Act and into any charge or complaint that any purchaser has evaded payment of the tax or has made any false return or statement and as to any other matter arising in the administration of this Act, and providing that the person holding such inquiry shall have all the powers which may be conferred upon a commissioner appointed under *The Public Inquiries Act* including the power to take evidence on oath;
- (e) imposing penalties for the non-payment of the said tax, or for non-compliance with the provisions of this Act or the regulations in cases in which no specific penalty is provided by this Act; and
- (f) generally for the better carrying out of the provisions of this Act.

(2) The Lieutenant Governor in Council may appoint such collectors, inspectors, officials, clerks and servants as may be deemed necessary for the purposes of this Act, and prescribe their duties and fix their remuneration.

27. *The Gasoline Tax Act, 1929*, being chapter 23 of the Statutes of Alberta, 1929, is hereby repealed.

28. This Act shall come into force upon a day to be fixed by proclamation of the Lieutenant Governor in Council.

No. 56.

SECOND SESSION
SEVENTH LEGISLATURE
22 GEORGE V
1932

BILL

An Act to provide for Imposing a
Tax on Fuel Oil.

Received and read the

First time.....

Second time.....

Third time.

HON. MR. REID

EDMONTON:
W. D. MCLEAN, KING'S PRINTER
1932