

Canadian Fuel Tax Project - Definitions (Generic Definitions)
For Use With The Canadian Fuel Tax Generic Fuel Tax Return And Schedules

Generic Return Column Definitions

Each jurisdiction is asked to supplement these generic instructions with their own set of unique instructions that may pertain to their own jurisdiction. (e.g. Ontario requests that you add Turbo jet fuel with the Av-Gas and similar unique situations.)

Gasoline

- Accountable products as defined by a jurisdiction that are commonly or commercially known or sold as gasoline, and generally complying with CAN/CGSB-3.5.

Dyed Gasoline

- Gasoline that has been coloured or marked with the appropriate dye to the concentration specified by the jurisdiction for tax purposes.

Aviation Gasoline

- A product intended for use in a spark ignition aircraft engine and complying with the National Standard of Canada for Aviation Gasoline. (abbreviated as 'AvGas')

Ethanol Blended Gasoline

- An accountable product resulting from a blend of gasoline and ethanol, generally consisting of 5 – 10 % denatured alcohol. Tax treatment is different in the different jurisdictions.

LPG

- In Canada, generally propane or propane – propylene mixtures and may be propane – butane mixtures. At many ambient conditions, these products would be gases so they are stored under pressure to keep them in the liquid state. Some jurisdictions request reporting for LPG or propane taxes on different forms, in this case, please provide this clarification in the jurisdiction specific instructions.

Other (on the Gasoline Summary Return)

- Request each province to provide instruction on their own and unique reporting requirements that this column may be used for. (Examples, unique provincial treatments of solvents, naphthas, reporting for “interface” or “slop”, or in Ontario, the need to describe how Turbo jet fuel is reported on the Gasoline returns and reported and taxed as Av-Gas).
- With regard to the reporting of “Interface” or “Slop” please refer to line 5 of the generic instructions for reporting, and please see definitions of these terms in Other Terms identified below on this paper.

Diesel

- An accountable product that is commonly or commercially known as ‘diesel’, offered for sale or used as a fuel in diesel engines generally used in trucks, cars, industrial equipment and farm machinery and equipment. (As distinct from Locomotive Fuel, Bunker Fuel or Marine Diesel Fuel where these types of fuel are required to be reported separately by the jurisdiction.)
- Each jurisdiction should state and clarify their reporting requirements in this regard.
- All clear heating, furnace and stove oil is included in here and taxed at the diesel fuel rate, except clear heating fuel in BC.

Dyed Diesel

- Diesel fuel that has been coloured or marked with the appropriate dye to the concentration specified by the jurisdiction for tax purposes.

Heating Fuel

- An accountable product that is burned or consumed in a boiler, furnace, stove or other means in open flame combustion, for the purpose of producing heat. Synonymous terms are “heating oil”; “furnace oil”, “furnace fuel” and would include “stove oil”. For reporting this column does not include Kerosene.
- Heating fuel is a dyed product, except in BC and in the three Territories; Yukon, NWT and Nunavut.

Kerosene

- Accountable products that are commonly or commercially known or sold as kerosene, 1K or 2K and similar to Jet A or Jet A-1. (In Canada, Jet A-1 is used as a diesel fuel only in the high Arctic. In the US, some Jet A is rebranded to No. 1 Diesel fuel, sold at truck stops.)

Dyed Kerosene

- Kerosene that has been coloured or marked with the appropriate dye to the concentration specified by the jurisdiction for tax purposes.

Marine Diesel

- A distillate fuel oil, including (automotive) diesel fuel taxed at a Marine Diesel rate, that contains essentially no residual material, has a maximum viscosity of 14 cSt at 40 C, and is used in a vessel as a fuel for internal combustion engines and steam engines. Also called ‘marine diesel fuel’ and includes ‘marine distillate fuels’ defined in CAN/CGSB-3.70 and ISO 8217 and diesel fuels defined in CAN/CGSB-3.6 and 3.517 when used in marine service.

Jet Fuel

- An accountable product that has been produced or sold for use in an aircraft turbine engine. Commonly referred to as Jet A or Jet A-1 or Jet B.
- Domestic and Foreign columns are shown to allow for reporting of a differentiation of tax rates for flights that are domestic to Canada or international flights.

Bunker Fuel

- A heavy fuel oil containing a significant amount of residual material (residue or residuum) from crude oil distillation and having a viscosity greater than 5.5 CST at 40 C. Also called ‘marine bunker fuel’, and including Heavy Fuel Oils #4, #5, #6 (sometimes called ‘#6C’) in CAN/CGSB-3.2, and marine residual fuels defined in CAN/CGSB-3.70 and ISO 8217.

Locomotive Fuel

- An accountable distillate product supplied as fuel for use in an internal combustion engine in a locomotive. (Also referred to as railroad fuel.)

Other Fuel (on the Diesel Summary Return)

- Request each province to provide instruction on their own and unique reporting requirements that this column may be used for. (Examples, unique provincial treatments of solvents, naphthas, reporting for “interface” or “slop”, or in Ontario, the need to describe how Turbo jet fuel is reported on the Gasoline returns and reported and taxed as Av-Gas).
- With regard to the reporting of “Interface” or “Slop” please refer to line 5 of the generic instructions for reporting, and please see definitions of these terms in Other Terms identified below on this paper.

Other Terms (Both Summary Returns)

Business Number (Federal)

- Generally not used at this time. Is planned for use in the future enhancements, can be reported and reporting systems geared to the eventual use. Is the unique Business Number assigned by Canada Customs and Revenue Agency to each separate entity

Tax

- Is described for some jurisdictions as including a security paid in advance of taxable sales

Collectors

- A person designated in legislation as the collector of the tax by a jurisdiction. Sometimes referred to as “agent”.

Slop

- Any mixed hydrocarbon product(s) which are suitable for refining. Slop is re-processed through the refinery. See also “Transmix” and “Interface” and “Waste”.

Interface

- Is the mixture or interface of two refined products such as gasoline and diesel fuel, or diesel fuel and jet fuel. See also “Transmix” and “Slop” and “Waste”.

Transmix

- The mixture or buffer of a refined product and crude oil or synthetic crude in which the product is downgraded to the crude. See also “Interface” and “Slop”.

Waste

- A contaminated product, which cannot be re-used, re-claimed, or re-processed, but must be disposed of as a waste or hazardous material, as distinct from “slop”, “transmix”, or “interface”.

Volumes

- All volumes must be reported at either ambient temperature or corrected to 15 degrees C. Consistency is required one way or the other. Some jurisdictions will require only one way of reporting fuel (e.g. Saskatchewan requires that reporting only be as temperature corrected.)

Some Generic Returns and Schedules Reconciliation Principles.

“Collector” to “Collector” acquisitions and disposals

- Should be able to reconcile the acquisitions by one collector to the disposals to that collector from another collector.
- There may be timing differences relating to transactions that occur close to the end of the reporting period.
- The Generic Fuel Tax Return and Schedules call for the reporting of this information on a summary basis. It may be that more detail (by load shipments) will be necessary in order to undertake these reconciliations so that the specific differences can be detected.

Imports and Exports into and out of jurisdictions (Information Sharing Principles and Requirements).

- It will be assumed that in order to reconcile imports into and exports out of jurisdictions that information sharing agreements are in place for all jurisdictions where fuel is imported into or exported out from.
- The information filed on schedules that report exports out of a jurisdiction will be shared with each jurisdiction to allow the receiving jurisdiction to reconcile the imports into that jurisdiction to from the exporting jurisdiction.
- It is (will be) critical that the destination jurisdiction be properly recorded by the exporter of the fuel from one jurisdiction to the other.
- There may be timing differences relating to transactions that occur close to the end of the reporting period.
- The Generic Fuel Tax Return and Schedules call for the reporting of this information on a summary basis. It may be that more detail (by load shipments) will be necessary in order to undertake these reconciliations so that the specific differences can be detected.