

# Information Bulletin

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FT-7

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## THE FUEL TAX AND ROAD USE CHARGE ACT

### INFORMATION FOR FUEL IMPORTERS

This bulletin describes the taxation and reporting requirements for persons importing fuel into Saskatchewan. It is a general guide and not a substitute for the legislation.

*Changes to this bulletin are indicated by a (I) in the left margin.*

The contents of this bulletin are presented under the following sections:

- A. Requirement to Pay Tax on Imported Fuel
- B. Licensed Importers
- C. Fuel Import Permits
- D. Interjurisdictional Vehicles
- E. Transporting Fuel in Bulk – Common Carriers
- F. Failure to Comply with Fuel Importation Requirements
- G. Saskatchewan eTax Services (SETS)

#### **A. REQUIREMENT TO PAY TAX ON IMPORTED FUEL**

Every person who imports fuel in bulk into Saskatchewan must either: (a) report and pay a deposit equal to the amount of tax that would be payable if the fuel had been purchased in Saskatchewan prior to the fuel entering Saskatchewan; or (b) become a licensed importer, report monthly and make semi-monthly payments.

#### **B. LICENSED IMPORTERS**

Any person importing fuel into Saskatchewan on a regular basis may apply to the Ministry of Finance for an **Importer's Licence**. To apply for a Fuel Tax Licence, complete and submit a [Fuel Tax Registration Application](#). Security in the form of a surety bond or guaranteed letter of credit may be required before Finance will issue a licence.

A licensed importer may, in accordance with the terms of the licence, import fuel into Saskatchewan without paying the required deposit prior to entry of the fuel.

Licensed importers must remit to Finance by the last day of every month an amount equal to the lesser of:

1. the actual tax payable for the period beginning on the first day of the month and ending on the 15<sup>th</sup> day of the month; and,
2. the amount equal to one-half of the tax payable for the preceding month.

On the 20<sup>th</sup> of the month, the actual tax for the preceding month (less the tax paid on the last day of the preceding month) is payable. Late payments are subject to penalty and interest. However, interim payments due and paid by the last day of the month are not subject to penalty and interest providing the amount is equal to at least 90 per cent of the actual tax determined to be payable for the period or the tax paid is equal to at least 50 per cent of the tax payable for the preceding month.

In addition, licensed importers must file a generic fuel tax return electronically using SETS by the 20<sup>th</sup> of each month with respect to the fuel imported during the preceding month. If the total tax is less than \$10,000 per year, monthly remittances are acceptable.

For tax exempt or reduced sales to purchasers, Finance requires licensed importers to report the tax exempt or reduced sales through SETS using the Exempt Fuel Sales Reporting (EFSR) menu option. See [Information Bulletin FT-6](#) for information on reporting exempt or reduced sales using SETS.

### **C. FUEL IMPORT PERMITS**

Any person who imports more than 200 liters of fuel into Saskatchewan other than a licensed importer or remitter must report the importation, obtain an importation permit, and pay a deposit in the amount of the tax before the fuel enters Saskatchewan. Each permit is valid for the day the fuel enters the province.

A Casual Fuel Import Permit may be obtained through SETS ([www.sets.saskatchewan.ca](http://www.sets.saskatchewan.ca)) by clicking the “Quick Links” in the bottom right corner and choosing “File a Casual tax return”. Information required before a permit will be issued includes the purchaser’s name and location, the supplier’s name and location, the date of importation, a product description, the quantity being imported, and delivery destination.

### **D. INTERJURISDICTIONAL VEHICLES**

Registrants of interjurisdictional vehicles having a registered gross vehicle weight of more than 11,797 kilograms must report in accordance with the International Fuel Tax Agreement (IFTA). Please refer to [Information Bulletin FT-5](#) for more information.

### **E. TRANSPORTING FUEL IN BULK – COMMON CARRIERS**

Every recipient or common carrier who imports fuel picked up at a terminal or refinery must have in his or her possession a bill of lading or other document showing:

- the type and quantity of fuel being transported;
- the terminal's name and location;
- the carrier's name and location;
- the consignee or purchaser's name and location;
- the date the fuel was picked up;
- the destination of the fuel; and,
- the jurisdiction in which the tax (if any) was charged.

#### **F. FAILURE TO COMPLY WITH FUEL IMPORTATION REQUIREMENTS**

Every person who contravenes the requirements for reporting and accounting for tax on fuel imports is guilty of an offence under *The Fuel Tax and Road Use Charge Act*.

An individual who is convicted of an offence is liable on summary conviction to a fine of not more than \$10,000 or in the case of a corporation, to a fine of not more than \$50,000. In addition, officers or directors of a corporation who participated in the commission of the offence are liable to the penalties mentioned above whether or not the corporation has been prosecuted or convicted.

#### **G. SASKATCHEWAN eTAX SERVICES (SETS)**

Finance has made it possible to report and remit tax electronically through a secure, fast, easy and convenient online self-service portal. Several services are currently available to businesses through SETS:

- Register for secure, self-managed access to all your tax accounts.
- Apply for a new tax account.
- Apply, renew and check status of various Fuel Tax related permits.
- Report exempt or tax reduced fuel sales through the EFSR menu option.
- File and pay returns and amend previously filed returns.
- Make payments on account, including post-dated payments.
- View account balance and statement information.
- Authorize employees or accountants to file on your behalf.
- Receive notifications by email when a tax return should be filed. This replaces the paper forms usually sent in the mail.
- Submit a service request to update the mailing address or add a new business location.
- Submit a service request to receive tax information, interpretations or rulings related to your specific business activities.
- View and download up-to-date tax information promptly.
- Subscribe to receive email notifications when new and revised tax publications are available.

**FOR FURTHER INFORMATION**

Write: Ministry of Finance  
Revenue Division  
PO Box 200  
REGINA SK S4P 2Z6

Telephone: Toll Free 1-800-667-6102  
Regina 306-787-6645

Email: [sasktaxinfo@gov.sk.ca](mailto:sasktaxinfo@gov.sk.ca)

Internet: Tax bulletins, forms and information are available at [www.sets.saskatchewan.ca/taxinfo](http://www.sets.saskatchewan.ca/taxinfo).

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