

Consumer Taxes

TVQ. 1-3/R1 **The Meaning of “Road Vehicle”**
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Reference(s): *Act respecting the Québec sales tax (CQLR, c. T-0.1), section 1*

*This version of interpretation bulletin TVQ. 1-3 supersedes the version of January 31, 1996. The bulletin was revised to update its content. It has effect in respect of supplies made after April 23, 1996, in view of the legislative amendments made on that date. With regard to the express exclusion of power-assisted bicycles from the definition of “road vehicle” in section 4 of the **Highway Safety Code** (CQLR, c. C-24.2), the bulletin has effect from September 3, 2002.*

This bulletin explains the scope of the definition of “road vehicle” for the purposes of the *Act respecting the Québec sale tax* (AQST).

LEGISLATIVE PROVISIONS

1. Section 1 of the AQST states that, for the purposes of Title I of the AQST and the regulations made under it, unless the context indicates otherwise, “road vehicle” has the meaning assigned by section 4 of the *Highway Safety Code*.
2. Section 4 of the *Highway Safety Code* provides that, in that Code, unless the context indicates otherwise, “road vehicle” means a motor vehicle that can be driven on a highway, other than a vehicle that runs only on rails, a power-assisted bicycle or an electrically propelled wheelchair. However, a trailer, a semi-trailer or a detachable axle is defined as a road vehicle.
3. The definition of “road vehicle” is useful for the purposes of a number of provisions of the AQST, in view of the special treatment of such property under the Québec sales tax (QST) system.
4. For example, the AQST provides specific rules in respect of road vehicles regarding the determination of the place of supply, the refund of the QST paid at the time of the supply, the bringing of property into Québec, supplies by way of gift made between related individuals and supplies not made in the course of a commercial activity.

APPLICATION OF THE ACT

5. A motor vehicle qualifies as a road vehicle even if, at the relevant time for the purposes of the AQST, it can no longer be driven on a highway because of its condition.

6. The phrase “that can be driven on a highway,” as used in the *Highway Safety Code*, does not imply that a motor vehicle must always be physically capable of being driven on a highway in order to constitute a road vehicle within the meaning of the Code.