

Consumer Taxes

CAR. 13/R2 **Fuel Used to Operate a Truck Used for Farming Purposes**
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Reference(s): *Fuel Tax Act* (CQLR, c. T-1), sections 1, 10, 19, 19.1 and 43.1
 Regulation respecting the application of the Fuel Tax Act (CQLR, c. T-1, r. 1),
 sections 10R1, 10R4 and 10R5

This version of interpretation bulletin CAR. 13 supersedes the version of December 30, 1998. The position stated in the bulletin remains unchanged. While most changes are stylistic in nature, clarifications were nonetheless added concerning the use of farm machinery by a person whose principal occupation is farming in respect of an immovable the person owns or leases.

This bulletin concerns the application of the *Fuel Tax Act* (FTA) and the *Regulation respecting the application of the Fuel Tax Act* (RAFTA) with respect to the fuel oil and gasoline used to fuel the engine of a truck used for farming purposes.

DEFINITIONS

1. In this bulletin,

“farming” includes tillage of the soil, livestock raising or exhibiting, maintaining of horses for racing, raising of poultry, fur farming, dairy farming, fruit growing, the keeping of bees and apiculture;

“farming operation” means all activity that constitutes farming;

“motor vehicle” means any vehicle, excluding an aircraft, a vessel, a railway car or a railway locomotive;

“pleasure vehicle” means any vehicle equipped mainly for the transportation of not more than nine persons at the same time.

The above definitions are taken from section 1 of the FTA and section 10R5 of the RAFTA.

LEGISLATIVE PROVISIONS

2. Under section 10 of the FTA, a person whose principal occupation is farming in respect of an immovable the person owns or leases is entitled to a refund of the tax paid on gasoline used to

supply a farmmachinery engine, except a pleasure vehicle or a truck, but only while that machinery was used for farming work.

3. Section 10 also states, inter alia, that such a person is entitled to a refund of the tax paid on gasoline and non-coloured fuel oil used to operate a motor vehicle registered for use exclusively on private land or a private road and used for farming work.

4. Generally, the possession of coloured fuel oil in a tank supplying a propulsion engine is prohibited under section 19.1 of the FTA; however, exceptions to that rule are listed under section 19. Accordingly, a person whose principal occupation is farming in respect of an immovable the person owns or leases may use coloured fuel oil to supply the propulsion engine of farm machinery, except a pleasure vehicle or a truck, but only while said machinery is being used for farming work.

5. Lastly, acquiring or using coloured fuel oil for any purpose other than those authorized under the FTA, as well as possessing coloured fuel oil stored in a tank supplying a propulsion engine or filling such a tank with coloured fuel oil, constitutes an offence under section 43.1 of the FTA.

APPLICATION OF THE ACT

6. Possession of coloured fuel oil stored in a tank supplying the engine of a truck is prohibited under the FTA, even if the truck is used in farming operations by a person whose principal occupation is farming in respect of an immovable the person owns or leases. Using coloured fuel oil to supply the engine of a truck constitutes an offence, and any person that does so is liable to the sanctions provided for under the FTA.

7. Moreover, where a truck is registered for use exclusively on private land or a private road, a person is entitled to a refund of the fuel tax paid on the gasoline or non-coloured fuel oil used to supply the engine of said truck for farming work.

8. To obtain the refund, the person must file an *Application for a Fuel Tax Refund* (form CA-10.B-V) with Revenu Québec within the 15 months that follow the beginning of the period in respect of which the refund is being claimed, in accordance with the terms of the RAFTA.