

Consumer Taxes

CAR. 20/R1 **Construction of an access road to be used for prospecting or in connection with the operation of a mine**

Date of publication: **December 20, 2013**

Reference(s): *Fuel Tax Act* (CQLR, c. T-1), section 10
 Regulation respecting the application of the Fuel Tax Act (CQLR, c. T-1, r. 1), section 10R5

This version of bulletin CAR. 20 supersedes the version of November 29, 1996. However, the position set out in the bulletin remains the same. Only some style changes were made.

This bulletin explains how the *Fuel Tax Act* (FTA) and the *Regulation respecting the application of the Fuel Tax Act* (RAFTA) apply in respect of the construction of an access road to be used for prospecting or in connection with the operation of a mine.

LEGISLATIVE AND REGULATORY PROVISIONS

1. Pursuant to section 10 of the FTA, every person is entitled to a refund of the tax the person paid on gasoline or non-coloured fuel oil used to operate a motor vehicle that is registered for use exclusively on private land or a private road and that is used for mining operations.
2. According to paragraph (d) of section 10R5 of the RAFTA, the term “mining operation” refers to all activity carried out to discover a mineral resource in Québec or for the mining of such a resource.
3. According to paragraph (a) of section 10R5 of the RAFTA, the term “mining” refers to all the work contributing to the recovery and to the processing of mineral ores up to the first stage of concentration or the equivalent.

APPLICATION

4. The construction of an access road to be used for prospecting or in connection with the operation of a mine constitutes a mining operation. Related infrastructure work—such as the laying of sewer lines and the installation of a lighting system—also constitutes a mining operation.
5. Therefore, the tax paid on the gasoline or non-coloured fuel oil that was used to operate motor vehicles used for the construction of access roads to a mine may be refunded, provided all the

conditions for such a refund are met. An application for a refund must be made within the time limit and according to the modalities set out in the RAFTA.

6. For more information about the application of section 10R5 of the RAFTA, see the current version of bulletin CAR. 3 and the current version of bulletin CAR. 19, which explains the meaning of the phrase “the processing of mineral ores up to the first stage of concentration or the equivalent.”