Fuel Tax Agreement

between

The Government of Saskatchewan
(hereinafter, Saskatchewan)
as represented by the Minister of Finance

and

_____
Legal Name of Business
(hereinafter, the First Nation Retailer)

Preamble:

a) Whereas Saskatchewan desires to enter into an agreement with the First Nation Retailer on the _____Indian Reserve ("the Reserve") respecting Fuel Tax on purchases of fuel products on this Reserve by Indians and Indian Bands purchasing these commodities for their own consumption and use;

b) Whereas Saskatchewan must recognize the *Indian Act* exemption in relation to Fuel Taxes when those products are purchased on the Reserve by an Indian or Band for their own consumption and use;

c) Whereas Saskatchewan wishes to maintain its current taxation practices with respect to non-Indian purchasers on and off Reserve;

d) Whereas both Saskatchewan and the First Nation Retailer recognize that sales made by a retailer located on the Reserve may not be limited to Indians or Indian Bands; and,

e) Whereas the First Nation Retailer has represented to Saskatchewan that the First Nation Retailer has received all necessary approvals to operate a retail operation selling fuel products on the aforementioned Reserve;

Now, therefore, in consideration of the covenants mutually taken herein, the Government of Saskatchewan and the First Nation Retailer agree to the following:

1. In this agreement, the following definitions apply:

   (a) *Indian* means an Indian as defined in the *Indian Act*, R.S.C. 1985 c. I-5;

   (b) *Band* or *First Nation* means a Band as defined in the *Indian Act*, R.S.C. 1985 c. I-5;

   (c) *Reserve* or *Indian Reserve* means a Reserve as defined in the *Indian Act* R.S.C. 1985, c. I-5;

   (d) *Fuel Tax* means the tax imposed by *The Fuel Tax Act, 2000*, as amended or replaced from time to time;

2. Subject to paragraph 9, and on being satisfied that the rebate claim is consistent with the criteria established in this agreement, Saskatchewan will pay in a timely fashion to the First Nation Retailer the Fuel Tax collected on fuel products purchased by Indians or Bands on the Reserve.

3. The First Nation Retailer will ensure that all prices displayed, posted and otherwise advertised for the sale of fuel products on the Reserve are the same for all customers of the First Nation Retailer.

4. The First Nation Retailer will supply directly to Saskatchewan the purchase and sales information described in Appendix A attached to this agreement.

5. The information described in Appendix A will be provided to Saskatchewan by the First Nation Retailer to enable Saskatchewan to evaluate, monitor and process the claims for a rebate of Fuel Tax.

6. Upon a request to the First Nation Retailer from Saskatchewan for additional information to process a rebate, the First Nation Retailer will use its best efforts to ensure that the additional information is provided in a timely fashion.

7. Saskatchewan shall evaluate and process each rebate claim in a timely manner. Saskatchewan, subject to a reasonable time for verification of the rebate claim, shall pay the rebate claimed within twenty-one (21) days following verification of the claim. Failing the rebate being paid within twenty-one (21) days, Saskatchewan shall pay interest at the rate stipulated in *The Revenue and Financial Services Act* and its regulations. Notwithstanding the foregoing, if Saskatchewan disputes a portion of the rebate claim, the undisputed portion shall be paid and the disputed portion withheld until agreement is reached as to the amount or nature of the rebate. The basis of the rebate and the withholding of the rebate shall be limited to those reasons set out in paragraph 9 below.

8. Saskatchewan will not be required to process more than one rebate claim from the First Nation Retailer in any calendar month.

9. Saskatchewan will issue a rebate where:

   (a) the fuel that is the subject of the rebate request was acquired by an individual, and that individual is an Indian, or was purchased by a Band;

   (b) the Indian purchaser or Band acquired the fuel for his or her own consumption and use or consumption and use by a Band;

   (c) the Indian purchaser or Band acquired delivery of the fuel on the Reserve;

   (d) the Indian purchaser or Band acquired the fuel during the term of this agreement; and,

   (e) The First Nation Retailer has paid the statutorily required tax or deposit on the fuel that is the subject of the rebate claim.

10. The First Nation Retailer will, on reasonable notice, allow officials from Saskatchewan access to the books and records of his or her retail operation pertaining to the obligations undertaken in this arrangement.

11. The First Nation Retailer, in consideration of Saskatchewan not unreasonably withholding or interfering in the application of the tax exemption to fuel, agrees to indemnify and save harmless Saskatchewan from all claims, liabilities, actions, losses and expenses that Saskatchewan may incur in consequence of a claim by an Indian purchaser for the recovery of Fuel Tax paid on on-reserve purchases of fuel during the term of this agreement.

12. The indemnity provision contained in paragraph 11 of this agreement survives the termination of the agreement.

13. (a) This agreement will come into effect upon the date it is signed by both parties hereto and, subject to clause 13(b), shall continue in effect until terminated by mutual agreement of the parties or unilaterally by either party giving written notice of termination to the other party at least thirty (30) days in advance of the effective termination date.

    (b) The First Nation Retailer shall not be entitled to terminate this agreement unilaterally pursuant to clause 13(a) unless the First Nation Retailer is ceasing all sales of fuel products on the Reserve.

    (c) Upon termination of this agreement, the parties are free to continue their existing legal remedies.

14. This agreement may be amended:

    (a) by the written agreement of the parties, the changes to have effect on the date set out in the agreement; or

    (b) with respect to the information set out in Appendix A, by Saskatchewan providing the First Nation Retailer with notice of the change to the Appendix, such change to take effect thirty (30) days after the notice.

15. The address, telephone number and fax of the First Nation Retailer is:

16. The address, telephone number and fax of Saskatchewan is:

    Ministry of Finance
    Revenue Division
    2350 Albert Street
    Regina, Saskatchewan
    S4P 4A6
    Telephone number: 1-800-667-6102
    Fax number: (306) 798-5040
    Email: taxprogramsincentives@gov.sk.ca

17. All communication, correspondence, notices and rebates are to be directed to the above-named addresses and numbers. Any change in the address or numbers will be immediately conveyed to the other party to the agreement.

18. The preamble to this agreement is part of this agreement and is part of this agreement for the purposes of interpretation of this agreement.

19. Nothing in this agreement derogates from any aboriginal, treaty or other right or freedom of a First Nation or its members, or from the powers, rights or privileges of the Legislature or the Government of Saskatchewan.

This agreement respecting Fuel Taxes between Saskatchewan and the First Nation Retailer was signed by each of the parties on the date set out opposite their respective signatures.

Dated at Regina, Saskatchewan _____, 20__

Government of Saskatchewan

_____

Per: Deputy Minister of Finance

Dated at _____ First Nation, Saskatchewan _____, 20__

_____

Per: First Nation Retailer

APPENDIX A

INDIAN FUEL TAX AGREEMENT
PURCHASE AND SALES INFORMATION

Definition - Tax means the deposit on tax or tax where the context requires.

1. The First Nation Retailer will continue to buy fuel products tax-included, and thereafter claim a refund of the tax on his or her sales to status Indians and Indian Bands.

2. Upon request by the Ministry of Finance, the First Nation Retailer will submit evidence of compliance with all regulatory or licensing requirements of the First Nation Government on the Reserve. The First Nation Retailer also agrees to:

    2.1 Submit copies of his or her fuel purchase invoices promptly upon receipt of such invoices;

    2.2 Report the following details of each exempt sale:

        2.2.1 purchaser's name and the Federal Identification Card number issued under the *Indian Act*;
        2.2.2 date, quantity and type of fuel product sold;
        2.2.3 total dollar amount of each sale; and,
        2.2.4 all other relevant sales transaction data;

    2.3 Maintain proper records and agree to allow an employee properly authorized by the Ministry of Finance to enter his or her place of business to inspect, audit or examine those records; and,

    2.4 Ensure that the posted prices of fuel products are tax-included for the purposes of sales to non-Indians.

3. The First Nation Retailer will record and transmit the details of his or her exempt sales electronically and pay for his or her initial equipment purchase.

4. The information submitted by the First Nation Retailer will be used to calculate the amount of the refund and a cheque payable to the First Nation Retailer will be sent to the address provided by the First Nation Retailer. Alternatively, the funds may be direct deposited to the First Nation Retailer's bank account.