

Information Bulletin

FT-2

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THE FUEL TAX AND ROAD USE CHARGE ACT

INFORMATION FOR BORDER FUEL DEALERS AND FUEL TAX COLLECTORS REGARDING THE FUEL COMPETITION ASSISTANCE PROGRAM

This bulletin provides information on reporting and filing for assistance under the Fuel Competition Assistance Program. 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.

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A. FUEL COMPETITION ASSISTANCE PROGRAM

The Fuel Competition Assistance Program (FCAP) provides assistance on taxable gasoline, diesel, dyed diesel and propane sales made by fuel dealers located along the Alberta and Manitoba borders. Assistance does not apply to:

- aviation fuel
- propane that may be sold exempt for heating purposes or to holders of a Fuel Tax Exemption Permit.

The level of assistance is based on the tax rate differential between Saskatchewan and Alberta or Manitoba, as the case may be, and the shortest distance as measured by a public road between the fuel dealer and the nearest competition in the neighbouring province.

Effective April 1, 2024, the fuel tax rates for Alberta will be increased to the full rates of \$0.13 per litre on gasoline and clear diesel and \$0.04 per litre on dyed diesel.

The FCAP zones and updated assistance rates are detailed in the following table.

Competition Zone	Fuel Type	Assistance Amount (\$/L)						
		May 31/19 to Apr 1/22	Apr 1/22 to Apr 7/22	Apr 8/22 to Sept 30/22	Oct 1/22 to Dec 31/22	Jan 1/23 to Dec 31/23	Jan 1/24 to Mar 31/24	Effective Apr 1/24
Zone A <i>Lloydminster/ Onion Lake</i>	Gasoline	0.02	0.15	0.15	0.105	0.15	0.06	0.02
	Diesel	n/a	n/a	0.15	0.105	0.15	0.06	0.02
	Dyed Diesel	n/a	n/a	0.03	0.03	0.03	0.03	n/a
	Propane	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Zone B <i>Up to 24 km from AB competition</i>	Gasoline	0.01	0.075	0.075	0.0525	0.075	0.03	0.01
	Diesel	n/a	n/a	0.075	0.0525	0.075	0.03	0.01
	Dyed Diesel	n/a	n/a	0.015	0.015	0.015	0.015	n/a
	Propane	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Zone C <i>24 to 56 km from AB competition</i>	Gasoline	0.005	0.0375	0.0375	0.02625	0.0375	0.015	0.005
	Diesel	n/a	n/a	0.0375	0.02625	0.0375	0.015	0.005
	Dyed Diesel	n/a	n/a	0.0075	0.0075	0.0075	0.0075	n/a
	Propane	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Zone D <i>Flin Flon/ Creighton</i>	Gasoline	0.01	0.01	0.01	0.01	0.01	0.15	0.15
	Diesel	n/a	n/a	n/a	n/a	n/a	0.15	0.15
	Dyed Diesel	n/a	n/a	n/a	n/a	n/a	0.03	0.03
	Propane	0.06	0.06	0.06	0.06	0.06	0.06	0.06
Zone E <i>Denare Beach</i>	Gasoline	0.005	0.005	0.005	0.005	0.005	0.075	0.075
	Diesel	n/a	n/a	n/a	n/a	n/a	0.075	0.075
	Dyed Diesel	n/a	n/a	n/a	n/a	n/a	0.015	0.015
	Propane	0.03	0.03	0.03	0.03	0.03	0.03	0.03
Zone F <i>Up to 24 km from MB competition</i>	Gasoline	n/a	n/a	n/a	n/a	n/a	0.075	0.075
	Diesel	n/a	n/a	n/a	n/a	n/a	0.075	0.075
	Dyed Diesel	n/a	n/a	n/a	n/a	n/a	0.015	0.015
	Propane	n/a	n/a	n/a	n/a	n/a	0.03	0.03
Zone G <i>24 to 56 km from MB competition</i>	Gasoline	n/a	n/a	n/a	n/a	n/a	0.0375	0.0375
	Diesel	n/a	n/a	n/a	n/a	n/a	0.0375	0.0375
	Dyed Diesel	n/a	n/a	n/a	n/a	n/a	0.0075	0.0075
	Propane	n/a	n/a	n/a	n/a	n/a	0.015	0.015

B. CARD LOCK, KEY LOCK OR BULK PURCHASES

The assistance on fuel delivered by bulk fuel dealers is based on the assistance level that applies to the zone where the fuel is delivered and stored.

For gasoline, diesel, or dyed diesel that is picked up at a card lock or key lock facility, the level of assistance is based on the zone in which the fuel is intended to be used.

If you have any questions on determining the level of assistance, you may contact the Ministry of Finance at the information shown at the end of this bulletin.

To apply for assistance, please complete and submit a [Fuel Competition Assistance Application](#), including your sales invoices with the application. Submit a separate application for each assistance rate if there is more than one rate to be used for the same product within the claim period.

C. SERVICE STATION DEALERS

The level of assistance for service station dealers is calculated based on their purchases of gasoline and diesel from suppliers and the zone in which the dealer is located. Zones B, C, F and G are determined by measuring the distance using public highways from the location of the service station to the nearest Alberta or Manitoba competitor.

To qualify for assistance, fuel dealers must provide Finance with their business name and address, name of their fuel supplier and location. For Zones B, C, F and G, the distance from their nearest Alberta or Manitoba competition must also be provided.

To apply for assistance, please complete and submit a [Fuel Competition Assistance Application](#), including your purchase invoices with the application using a separate application for each assistance rate if there is more than one rate to be used for the same product within the claim period. Alternatively, licensed remitters may make an internal adjustment on their monthly fuel tax return, submit details of the adjustment and provide a credit directly to their fuel dealer. The option chosen must be used consistently for each location.

D. PROPANE

Propane dealers may only claim the competition assistance allowance on taxable propane that is sold for use in an internal combustion engine. No assistance is provided for propane that is sold tax free. Assistance is available on all taxable sales made by service station dealers located within one of the eligible zones. Assistance is available to bulk dealers on fuel sales to end use consumers, if delivered to a location within one of the eligible zones. Purchase invoices are required to be submitted to verify the original payment of tax at source to the suppliers.

To apply for assistance, please complete and submit a [Fuel Competition Assistance Application](#).

E. BULK FUEL DEALERS

The assistance provided to bulk fuel dealers on their fuel deliveries is calculated on their sales. Assistance is available to bulk dealers on fuel sales to end use consumers, if delivered to a location within one of the eligible zones. Sales to retail service stations are not eligible as the retail service stations would claim the FCAP on these sales. The amount of assistance also depends on the distance that their customer is from the nearest fuel dealer in Alberta or Manitoba. For example, if the customer's fuel storage facilities are within 24 km of the nearest fuel dealer in Alberta, then the Zone B assistance rate applies. If the customer's fuel storage facilities are between 24 km and 56 km from the nearest fuel dealer in Alberta, then the Zone C assistance rate applies.

Bulk fuel dealers located outside an eligible zone and delivering fuel to a customer who is located within one of the zones are eligible for assistance based on the applicable rate for that zone in which the fuel is delivered to the customer's storage facilities.

Bulk fuel dealers who may be eligible for assistance should submit a report to Finance

showing the names of their customers and the distance each customer is from their nearest Alberta or Manitoba fuel dealer based on the delivery location. Bulk fuel dealers must also report any new customers eligible for competition assistance and their delivery location before claiming competition assistance for that customer. Bulk fuel dealers may contact their supplier to determine if they will provide credits instead of having to apply directly to Finance for assistance.

To apply for assistance, bulk fuel dealers must submit a [Fuel Competition Assistance Application](#). Submit a separate application for each assistance rate if there is more than one rate to be used for the same product within the claim period.

F. 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

Internet: Tax bulletins, forms and information are available at saskatchewan.ca/business-taxes.

To receive automatic email notifications when this or any other bulletin is revised, go to www.sets.saskatchewan.ca/subscribe.

To provide feedback or suggest changes to this bulletin, please complete a [Bulletin Survey](#).

Government website: Saskatchewan.ca