

Tax and Revenue Administration (TRA)

Fuel Tax Act

Information Circular FT-11R2

Direct Remitter

Last updated: August 26, 2019

NOTE: This information circular is intended to explain legislation and provide specific information. Every effort has been made to ensure the contents are accurate. However, if a discrepancy should occur in interpretation between this information circular and governing legislation, the legislation takes precedence.

Trouble opening PDF forms?

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1. Right-click on the form link, or on the "Please wait" page, and select "Save Link As" or "Save As", and save the form to your computer.
2. Launch Adobe Reader.
3. Open the PDF from within Adobe Reader. You can now fill and save your form.
4. Note that forms cannot be emailed. Please print the form and then mail or fax it to TRA (see contact information below).

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Note: for toll-free service in Alberta, call 310-0000, then enter the number.



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Definition of Direct Remitter

1. A direct remitter is a person required to remit fuel tax to Alberta Treasury Board and Finance, Tax and Revenue Administration (TRA), in accordance with the provisions of the [Fuel Tax Act](#).
2. There are two types of direct remitter:
 - a. A **full direct remitter**
 - operates a refinery in Alberta other than a renewable fuel facility or a refinery that solely refines kerosene, methanol, bunker fuel or condensate;
 - or
 - manufactures, refines, acquires in, or imports into Alberta 500 million or more litres of clear fuel annually.
 - b. An **activity-based direct remitter** carries out an activity described in paragraph 4, but does not meet the criteria for a full direct remitter.

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Registration of Direct Remitters

3. **Full direct remitters** are permitted to conduct the following activities if registered for the activities:
 - produce or refine fuel;
 - import fuel into Alberta;
 - operate a terminal or act as a position holder within a terminal operated by another person;
 - sell fuel for the purpose of resale;
 - sell aviation fuel;
 - sell tax-exempt fuel;

- mark fuel;
- rebrand fuel;
- export fuel from Alberta in bulk;
- sell kerosene, bunker fuel, methanol or condensate in bulk; or
- sell fuel, or remove their own fuel, from a refinery or terminal.

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4. **Activity-based direct remitters** will be permitted to conduct one or more of the following activities if they have registered with TRA to carry out the specific activities:
 - import fuel into Alberta for resale;
 - purchase fuel outside Alberta, where the fuel is brought into Alberta and put into the fuel system of an internal combustion engine without first being sold or resold in Alberta;
 - rebrand fuel in Alberta;
 - use locomotive fuel in Alberta;
 - sell or deliver LPG, as an LPG distributor, into a dispensing system in Alberta (other than a bulk storage tank) used to dispense LPG for use as motive fuel; or
 - use bunker fuel, kerosene, methanol or condensate to generate motive power in an internal combustion or turbine engine.
5. To register as a full direct remitter, apply to TRA using [Form AT4905, "Fuel Tax Registration"](#).
6. To register as an activity-based direct remitter, apply to TRA for registration using the following application forms:
 - for a person importing fuel into Alberta, [Form AT4905, "Fuel Tax Registration"](#);
 - for a person purchasing fuel outside Alberta for use in a fuel system of an internal combustion engine without the fuel first being sold or resold in Alberta, [Form AT2080, "Consumer Return"](#);

- for a person rebranding fuel in Alberta, [Form AT4905, "Fuel Tax Registration"](#);
 - for a railway using locomotive fuel in Alberta, [Form AT4905, "Fuel Tax Registration"](#);
 - for an LPG distributor selling propane within Alberta, [Form AT336, "Application for Registration of Propane Producers and Distributors"](#); or
 - for a consumer using bunker fuel, kerosene, methanol or condensate to generate motive power in an internal combustion or turbine engine, [Form AT4905, "Fuel Tax Registration"](#).
7. TRA will review your application and may request additional information from you before making a decision on registration.
 8. When your application has been approved, TRA will send you written notification of your registration as a direct remitter and the activities you are permitted to conduct.
 9. TRA may refuse to register an applicant as a direct remitter, to renew the registration of a direct remitter, or may cancel or suspend the registration of a direct remitter if the direct remitter has contravened the *Fuel Tax Act* or Fuel Tax Regulation, another Alberta law, or a law of another jurisdiction governing the collection and payment of tax.
 10. TRA may refuse to register an applicant, renew the registration of a direct remitter, or may cancel the registration of a direct remitter if the direct remitter is not dealing at arm's length with a person whose registration has been suspended or cancelled or whose application for registration as a direct remitter, or renewal of registration as a direct remitter has been refused.
 11. Where TRA has:
 - refused to register an applicant as a direct remitter,
 - refused to renew the registration of a direct remitter, or
 - suspended or cancelled the registration of a direct remitterTRA will provide to the person a notice of refusal, suspension or cancellation and provide the reasons for the action.
 12. If the person is not satisfied with TRA's decision regarding registration, an objection may be filed. Refer to [Information Circular FT-9, "Audits, Objections and Waivers of Penalties and Interest"](#) for more information on filing an objection.
 13. Should the legal status of your operation change after registration, please notify TRA immediately as a new registration in the correct name may be required.

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Sale of Fuel by a Full Direct Remitter

14. When fuel is removed from a refinery or registered terminal, a fuel transaction occurs. This includes fuel removed by full direct remitters for their own use.
15. Full direct remitters that sell fuel to each other report either the acquisition or disposition of the fuel. No tax is to be remitted at the time a full direct remitter sells fuel to another full direct remitter or when fuel is imported to a refinery or registered terminal. However, the full direct remitter is required to report the purchase from another full direct remitter in the monthly "Generic Fuel Tax Return" ([Form FTD-TAX](#) for diesel and related products or [Form FTG-TAX](#) for gasoline and related products) and remit the tax to TRA.

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Clear Fuel

Gasoline and Diesel Fuel

16. Tax is required to be remitted to TRA when clear gasoline or diesel is sold by a full direct remitter to any recipient other than another full direct remitter. However, tax is not required to be remitted on clear fuel sold by a full direct remitter to a consumer eligible to purchase tax-exempt fuel if the purchaser provides proof of eligibility. Refer to [Information Circular FT-4, "Sale of Tax-exempt Fuel" for more information](#).

Aviation Fuel

17. Full direct remitters must remit to TRA the tax on sales of aviation fuel (any fuel refined or produced specifically for use in an aircraft) to recipients unless the fuel is sold to a purchaser eligible to purchase aviation fuel exempt from tax. Refer to [Information Circular FT-4, "Sale of Tax-exempt Fuel" for more information](#).

Locomotive Fuel

18. Tax does not need to be remitted on sales of locomotive fuel (fuel used to operate a railway locomotive or providing heat or light to railway cars attached to a locomotive). Refer to [Information Circular RWY-1, "Railways" for more information](#).

Bunker Fuel, Kerosene, Methanol and Condensate

19. Bunker fuel, kerosene, methanol and condensate are sold exclusive of tax. For these fuels, the consumer files a return and pays tax based on the volume of fuel used for motive purposes in an internal combustion or turbine engine.

Renewable Diesel and Renewable Alcohol

20. Full direct remitters must remit to TRA the tax on sales of renewable diesel and renewable alcohol to recipients unless the fuel is sold to a purchaser eligible to purchase the fuel exempt from tax.

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Marked Fuel

Gasoline and Diesel Fuel

21. Full direct remitters may sell marked fuel to persons registered with TRA to deal in marked fuel for resale.
22. A full direct remitter may also sell marked fuel to consumers, but only if the consumers provide evidence of their exemption. Refer to [Information Circular FT-4, "Sale of Tax-exempt Fuel"](#) for information about the persons eligible to purchase marked fuel.
23. Sales of marked fuel owned by a full direct remitter are reported on the monthly "Generic Fuel Tax Return" ([Form FTD-TAX](#) for diesel and related products or [Form FTG-TAX](#) for gasoline and related products). Sales of marked fuel to consumers must be reported using the Tax Exempt Fuel Sales (TEFS) system, which is accessed via the Tax and Revenue Administration Client Self-service System ([TRACS](#)) portal. The TEFS transactions must be reported no later than 28 days after the end of the month in which the sale of marked fuel was made.
24. All sellers of marked fuel that own the fuel when sold are required to reconcile the purchases, inventory and disposition of marked fuel.
25. A full direct remitter selling tax-exempt fuel to an eligible consumer is required to pass on the benefit of the tax exemption to the eligible consumer. A full direct remitter that does not pass on the applicable benefit may be held liable to the Crown for the amount of the benefit not provided to the eligible consumer.

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Sale of Fuel for Export by a Full Direct Remitter

26. A full direct remitter may sell fuel without charging fuel tax if the fuel is sold to a purchaser that provides the full direct remitter with satisfactory documentation indicating that the fuel is destined for export outside of Alberta. The documentation must be provided by the purchaser at the time the sale is made.
27. Examples of satisfactory documentation include
 - bills of lading
 - U.S. Customs and Border Protection "Entry Summary" (Form 7501)

- contracts with a carrier to export fuel outside of Alberta
- shipping invoices showing details of the purchaser and the destination
- pipeline reports showing that the fuel was loaded into a pipeline and the destination
- invoices or contracts that include a statement of the purchaser certifying that the fuel will be exported or used outside of Alberta

28. If a full direct remitter has remitted fuel tax to TRA on fuel that is subsequently sold to an exporting purchaser exclusive of fuel tax, the full direct remitter may adjust its return to recover the fuel tax remitted.

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Sale of Fuel Temperature Corrected

29. A full direct remitter that removes fuel, other than LPG, from a terminal must record the volumes of fuel temperature corrected to 15° Celsius.

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Returns to be Filed

Full Direct Remitter

30. A full direct remitter is required to file the “Generic Fuel Tax Return” ([Form FTD-TAX](#) for diesel and related products or [Form FTG-TAX](#) for gasoline and related products) and applicable schedules so they are received by TRA no later than 28 days after the end of the month in which the transactions occurred. The remittance must also be received by TRA by the 28th day after the end of the month. If the due date falls on a weekend or government holiday, the due date will be the next business day.

Activity-based Direct Remitter

31. Activity-based direct remitters file returns specific to their activities. In all cases, the returns and any tax to be remitted are to be received by TRA no later than 28 days after the end of the month in which the fuel activity took place. If the due date falls on a weekend or government holiday, the due date will be the next business day. The following returns are to be filed, as applicable:

- for fuel that is imported into Alberta for resale, [Form FTC-IMP TAX, “Alberta Importer Fuel Tax Return”](#) and related schedules;
- for fuel that is brought into Alberta and put into the fuel system of an internal combustion engine without first being sold or resold in Alberta, [Form AT2080, “Consumer Return”](#);
- for fuel that is rebranded in Alberta, [Form AT376, Rebrand Notification](#);

- for fuel that is used in a railway locomotive in Alberta, [Form AT363, "Locomotive Fuel User Tax Return"](#) and related schedules;
 - for LPG that is sold or delivered by a distributor into a dispensing system in Alberta (other than a bulk storage tank) that is used to dispense LPG for use as motive fuel, [Form AT360, "Propane Tax Return"](#) and related schedule; or
 - for bunker fuel, kerosene, methanol or condensate that is used to generate motive power in an internal combustion or turbine engine, [Form AT2080, "Consumer Return"](#).
32. An activity-based remitter is not required to file a return if, in a particular month, the activity-based remitter:
- does not use bunker fuel, kerosene, methanol or condensate to generate motive power in an internal combustion or turbine engine, or
 - does not bring fuel into Alberta and put it into the fuel system of an internal combustion engine without being resold.

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Records

33. A seller of fuel, including a person who sells fuel in Alberta to a consumer, must keep complete and accurate records of the litres of each type and grade of fuel:
- purchased,
 - refined or manufactured,
 - sold,
 - used by the seller for the seller's own personal purposes, and,
 - in inventory at the end of each month.

Complete and accurate records of other transactions in fuel must be kept showing separately the amount in litres of each type and grade of fuel.

34. A seller of fuel, including a person who sells fuel in Alberta to a consumer, must keep complete and accurate records on a daily basis of the litres of each type and grade of aviation fuel, LPG, or marked fuel that the seller:
- produces,
 - transfers to another seller,

- delivers outside Alberta, or
 - marks.
35. A seller of bunker fuel, kerosene, methanol, or condensate, including a person who sells such fuels in Alberta to a consumer, must keep complete and accurate records of:
- the number of litres of each type of fuel sold, and
 - the purchasers of each type of fuel and the number of litres of each type of fuel purchased by each purchaser.
36. Records are to be retained for a period of six years from the end of the calendar year in which the record was created. Application may be made to TRA for destruction of the records before the end of the retention period. TRA can, before the expiration of the period for retaining records, require a person to retain the records for a longer period.
37. Records must be kept at the person's place of business or residence in Alberta or at any other place, provided written permission has been received from TRA. Where records are created electronically, the person required to keep the records must ensure any system that enables the records to be read and printed is also maintained.

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Invoices

38. A direct remitter that sells clear taxable fuel in Alberta to a consumer must prepare an invoice showing the name and address of the direct remitter, the date of the sale, and the amount in litres of each type of fuel sold.
39. A direct remitter that sells tax-exempt fuel in Alberta to a consumer must prepare an invoice showing the name and address of the direct remitter, the name of the purchaser, the date of sale, the amount in litres of each type of fuel sold, the total selling price, and a statement that the selling price does not include fuel tax.
40. A direct remitter must retain one copy of an invoice or documentation prepared and provide a copy to the purchaser of the fuel.

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Contact Information and Useful Links

Contact Tax and Revenue Administration (TRA):	Email: TRA.Revenue@gov.ab.ca
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TRA Client Self-Service (TRACS):	tra.alberta.ca/tracs

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