

Tax and Revenue Administration (TRA)

Fuel Tax Act

Information Circular FT-3R3

Administration of the Alberta Fuel Tax Program

Last updated: November 2022

This information circular is intended to explain legislation and provide specific information. In the event of a discrepancy in interpretation between this information circular and the respective legislation, the legislation takes precedence.

The Government of Alberta recognizes that many First Nations people and communities in the province prefer not to describe themselves as Indians and bands. These terms have been used where necessary to reflect their legal meanings in the federal *Indian Act*.

Index

- [Assessment of Tax and Amounts Owed](#)
- [Assessment Periods](#)
 - [Normal Assessment Period](#)
 - [Exceptions](#)
 - [Overpayments](#)
- [Administrative Penalties](#)
- [Interest](#)
- [Waiver or Cancellation of Penalties or Interest](#)
 - [Extraordinary Circumstances](#)
 - [Administrative Delay or Error](#)
 - [Financial Hardship](#)
 - [Exclusions](#)
 - [Other Considerations](#)
 - [Application Process](#)
 - [Second Administrative Review](#)
 - [Judicial Review](#)
 - [Voluntary Disclosures](#)
- [Collection Procedures](#)
 - [Clearance Certificates](#)
 - [Transfers by Insolvent Persons](#)
 - [Set-Off](#)

TAX AND REVENUE ADMINISTRATION
9811 109 STREET NW, EDMONTON AB T5K 2L5

- Email: TRA.Revenue@gov.ab.ca
- Website: tra.alberta.ca
- Phone: 780-427-3044
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Note: for toll-free service in Alberta, call 310-0000, then enter the number.



- [Certificate of Amount Not Paid](#)
- [Amounts in Jeopardy](#)
- [Third Party Demands](#)
- [Liability of Directors](#)
- [Objections](#)
 - [Application Process](#)
 - [Extensions of Time to File](#)
 - [Review Process](#)
- [Appeals](#)
- [Investigations and Enforcement](#)
- [Offences, Fines and Sentences](#)
 - [Recipients](#)
 - [Vendors](#)
 - [Consumers](#)
 - [Returns, Documents and Records](#)
 - [Other General Offences](#)
- [Contact Information and Useful Links](#)

Assessment of Tax and Amounts Owning

1. In accordance with the *Fuel Tax Act* (Act), TRA may assess the following amounts owing by a direct remitter or other person, which may include an individual, corporation, partnership, trust or band (collectively 'person', unless otherwise stated):
 - an amount of tax owing that a person who is a direct remitter failed to remit,
 - an amount of tax owing that a person other than a direct remitter has not paid,
 - an amount by which a rebate, refund or credit provided to a person exceeds the amount to which the person was entitled,
 - an amount by which a reimbursement provided to a vendor exceeds the amount to which the vendor was entitled,
 - a benefit of a tax exemption not passed on by a vendor to a consumer who was entitled to the benefit,
 - an amount of tax otherwise payable by a consumer, and not collected by a vendor, on fuel that was sold partially or fully exempt from tax, if the consumer did not provide evidence of exemption at the time of purchase, or if the vendor knew or ought to have known that the evidence was false or the fuel would be used for an ineligible purpose,
 - an amount of tax otherwise payable by a consumer on fuel that was purchased partially or fully exempt from tax, if the fuel is subsequently used or permitted to be used by the consumer for an ineligible purpose,

- an amount of tax payable on an equal amount taxable fuel, if a person purchased marked fuel partially exempt from tax, but was not authorized to be in possession of marked fuel, and
- an amount of tax payable by a person who has not been paid by another person who has been delegated with the responsibility to remit the tax owing.

[Back to Index](#)

Assessment Periods

Normal Assessment Period

2. Normally TRA must assess a direct remitter for an amount of tax owing within four years from the end of the calendar year in which the amount of tax was to have been remitted. For other amounts owing, normally TRA must assess a person for an amount owing within four years from the end of the calendar year in which the amount owing was first owed.

[Back to Index](#)

Exceptions

3. Notwithstanding the normal assessment period that otherwise applies to direct remitters and other persons, TRA may issue an assessment at any time if a direct remitter or other person, as the case may be, has made a misrepresentation that is attributable to neglect, carelessness or wilful default, or has committed a fraud in making a return, in supplying information, or in omitting to disclose any information.
4. The normal assessment period may also be extended if a direct remitter or other person files a waiver of the time limit within four years from the end of the calendar year in which tax was to have been remitted or an amount owing was first owed, respectively. A waiver ensures that the direct remitter or person does not lose the right to have an adjustment made if the normal assessment period otherwise expires, for example, in the event additional time is needed to respond to an audit proposal. A waiver may impose conditions under which the normal assessment period is waived, and a waiver may be revoked at any time. Once a waiver has been revoked, TRA must issue an assessment, if any, within six months of receipt of the revocation. For additional information on filing or revoking a waiver, or to request the forms to be used, [contact TRA](#).

[Back to Index](#)

Overpayments

5. Where TRA has reason to believe that a person has paid more tax than was required, TRA may, within four years after the overpayment was made, assess the person for the correct amount and issue a credit or refund for the difference.

[Back to Index](#)

Administrative Penalties

6. If a person fails to submit a return or report as and when required, TRA may assess a penalty against the person in the amount that is the greater of \$25 for each day of default and five per cent of any unpaid tax, to a maximum penalty of \$1,000.
7. If all or a portion of an amount assessed against a person is attributable to neglect, carelessness, wilful default, fraud or evasion, TRA may, in addition to the amount owing under the assessment, assess a penalty against the person in the amount of 50 per cent of the amount so attributable.
8. For information on reporting requirements, refer to [Information Circular FT-2, Information for Direct Remitters, Fuel Sellers and Other Recipients](#).

[Back to Index](#)

Interest

9. Interest is payable on any amounts assessed or owing. For tax owing, interest is payable from the day on which the tax was to be remitted until the day TRA receives the tax. For other amounts owing (such as unpaid penalties), interest is payable from the day the amount was first owed until the day TRA receives the amount owing.
10. Interest payable is simple interest calculated at the respective prescribed interest rate posted on the [Tax, levy, and prescribed interest rates](#) page of TRA's website.
11. TRA does not pay interest on refunds or any other amounts payable by TRA.

[Back to Index](#)

Waiver or Cancellation of Penalties or Interest

12. TRA is authorized to waive or cancel all or any portion of a penalty or interest payable under the Act. Waivers of penalties or interest are intended to provide relief in extraordinary circumstances not covered by the Act or administrative policy. Waivers are to be used as a last resort and requests for relief are treated as such. Penalties that relate to false statements made knowingly or through negligence, carelessness, or wilful default generally will not be waived.

13. If a disputed liability relates to the application of the Act, a Notice of Objection should be filed, rather than a waiver. For information on filing a Notice of Objection, refer to the '[Objections](#)' section.

[Back to Index](#)

Extraordinary Circumstances

14. TRA may waive penalties or interest if extraordinary circumstances prevented a person or agent from complying with the Act. Examples of such circumstances include
- natural disasters, such as floods or fires,
 - personal tragedies, such as a serious illness, accident, or death of the person (or in the family of the person) who oversees and ensures compliance with the Act,
 - civil disturbances or disruptions in services, and
 - public health emergencies.
15. A postal strike is not normally sufficient reason for TRA to waive interest on a late payment because payments can be made electronically. For information on how to remit fuel tax to TRA, refer to the '[Making payments to Tax and Revenue Administration](#)' page of the Government of Alberta website.
16. In all cases, TRA must be satisfied that, despite the extraordinary circumstances, the person made all reasonable efforts to comply with the Act. Doing so includes filing returns and remitting tax on time. If a person fails to file a return or remit tax by the due date, and the extraordinary circumstances leading to the request for a waiver of penalties or interest did not occur until after the due date, TRA will generally not waive the penalties or interest.

[Back to Index](#)

Administrative Delay or Error

17. TRA may waive penalties or interest if the person requesting the waiver can establish that TRA's actions were in error or were the primary cause of the delay. Examples of such actions include
- processing delays by TRA that result in a person not being informed within a reasonable time of an amount owing,
 - unreasonable delays in resolving objections or appeals, or in completing an audit,
 - incorrect advice or action in response to a person's enquiry or request,

- Tax and Revenue Administration Client Self-Service secure online portal ([TRACS](#)) outages that prevented a person from filing a return as and when required,
- errors in information provided by TRA in publications or forms, and
- new interpretations of tax law by TRA after a return was filed in reliance on a previous interpretation.

[Back to Index](#)

Financial Hardship

18. TRA will consider waiving interest when substantial interest has accumulated or is expected to accumulate for a person confirmed to be unable to pay all amounts owing.
19. TRA will also consider waiving interest accumulated over the course of an extended payment agreement that was based on the person's inability to pay. The waiver will apply only if the person maintains its payment schedule and complies with the Act.
20. Penalties will generally be waived only for a person experiencing extreme financial difficulty for which enforcing payment of penalties would jeopardize its continued operation, the jobs of its employees, or the welfare of the community as a whole.
21. Prior to approving an application for a waiver of penalties or interest on the basis of financial hardship, TRA requires full financial disclosure from the applicant, including a statement of income and expenses, and a statement of assets and liabilities.

[Back to Index](#)

Exclusions

22. The Alberta fuel tax program operates on a self-assessing system that depends on voluntary compliance. Persons are responsible for correctly calculating, reporting, and remitting tax as and when required by the Act. Interest or penalties may be assessed when TRA detects and corrects errors in filed returns. This may not occur until a post-assessment review of the return is made, which could be several months or years after the initial assessment. In these cases, the assessed penalties or interest may not be waived on account of the delay unless the delay was considered to be unreasonable.
23. Penalties or interest will generally not be waived for errors or delays caused by the person or its representatives, including errors or delays on account of lack of knowledge, misrepresentation, or misapplication of the provisions of the Act.

[Back to Index](#)

Other Considerations

24. Before an application for a waiver of penalties or interest is approved, TRA considers how the applicant has conducted business with TRA, including the person's history of compliance with the Act, efforts made to prevent the liability or take corrective action, and the amount of care taken in conducting its affairs under the self-assessing system.
25. An applicant should not seek relief from penalties or interest by more than one means at any one time. If an applicant has filed a Notice of Objection, has appealed to the Court of King's Bench, or has otherwise requested a reassessment, that applicant should not concurrently seek a waiver of penalties or interest on the same issue.

[Back to Index](#)

Application Process

26. To request a waiver of penalties or interest, complete the [Request for a Waiver of Penalties and Interest \(Form AT4764\)](#) found on TRA's website. The request should include reasons why the penalties or interest should be waived, supported by a chronology of events (as applicable), as well as a description of all previous contacts with TRA or other areas of Alberta Treasury Board and Finance on the matter.
27. The completed form or a written request may be emailed to tra.revenue@gov.ab.ca to the attention of the Tax Services Branch, or it may be mailed to

ALBERTA TREASURY BOARD AND FINANCE
TAX AND REVENUE ADMINISTRATION
TAX SERVICES BRANCH
9811 109 STREET NW
EDMONTON AB T5K 2L5

28. An application for a waiver of penalties or interest must be submitted to TRA within four years from the end of the calendar year in which the penalty or interest was assessed.
29. Before an application for a waiver of penalties or interest is approved, TRA may contact the applicant and ask for additional information or documentation to be provided.
30. TRA will review the application in detail and consider all relevant factors. The applicant will be informed of the decision in writing.

31. Any resulting changes to penalties or interest will be made through an adjustment to the person's account, or through reassessment. Interest will not be paid on refunded amounts.

[Back to Index](#)

Second Administrative Review

32. If an application for a waiver of penalties or interest was partially approved or denied, the applicant cannot object in order to dispute TRA's decision. However, if the applicant believes that TRA's discretion has not been properly exercised within the intent of the Act, the person may request that TRA reconsider the original decision and review the situation again. During the second review, the applicant will have the opportunity to make additional representations to TRA for consideration.
33. A written request for a second administrative review may be sent to TRA by email or regular mail at the addresses set out in the '[Application Process](#)' section.
34. Tax Services Branch staff not involved in the review of the first application for a waiver of penalties or interest will perform the second administrative review to ensure impartiality.
35. The applicant will be informed of the second decision in writing.

[Back to Index](#)

Judicial Review

36. If the person disagrees with either of TRA's decisions in respect of a waiver of penalties or interest, an application for judicial review may be filed with the Court of King's Bench within six months from the day TRA notified the person of the decision. The person should obtain professional advice or contact the Court of King's Bench for information on how to make an application for judicial review.

[Back to Index](#)

Voluntary Disclosures

37. TRA encourages self-assessment of tax and welcomes submissions that show intent to voluntarily correct previous contraventions of the Act. Through the Voluntary Disclosure Program, taxpayers can make an application to correct inaccurate or incomplete information, or to disclose information not previously reported. Under this program, TRA has the authority to grant relief from any penalty or interest imposed under the Act. For additional information on Voluntary Disclosures, refer to [Information Circular TRA-3, Voluntary Disclosures](#).

[Back to Index](#)

Collection Procedures

38. Fuel tax, penalties, interest and other amounts owing under the Act are debts recoverable by Alberta in an action in debt. Because amounts owing under the Act are not subject to particular limitation periods, such debts remain outstanding until paid in full, and interest will accrue on all unpaid balances.
39. Normally a person assessed under the Act has 30 days to pay the assessed amount, and TRA may send a reminder notice within that 30-day time period. If the person does not pay the assessed amount in full, or does not otherwise make satisfactory arrangements for payment, a demand may be sent to the person by TRA. A demand informs the person that legal action may result if payment, or satisfactory arrangements for payment, is not made by a particular date, or within a particular time period, as specified in the demand.
40. A person who is unable to pay as and when required, and seeks an extension of time to pay, must contact the Filing Compliance and Collections unit of TRA. An extension may be granted if TRA agrees that immediate payment is not feasible or would result in extreme financial hardship. To assess a person's ability to pay, TRA may request additional information, including bank statements, financial statements or other relevant documents.
41. If a person is unable to make an immediate payment in full, TRA may accept security if doing so is considered advisable in the particular circumstances. The cost of providing security is borne by the person. The acceptance of security by TRA does not relieve the person from the obligation to pay amounts owing in accordance with any arrangements agreed to by TRA, nor does it relieve interest from continuing to accrue on all unpaid balances.
42. A request for the return of security held by TRA must be made in writing. Security may be returned only to the extent that its value exceeds amounts owing by the person.

[Back to Index](#)

Clearance Certificates

43. A trustee in bankruptcy, assignee, liquidator, administrator, receiver, receiver-manager or any similar person (responsible representative) who administers, winds up, controls or otherwise deals with the property or business of a person who owes an amount under the Act (debtor) must obtain a clearance certificate from TRA before distributing property over which the responsible representative has control.

44. A clearance certificate certifies that all amounts
- for which the debtor is liable under the Act up to the date of the certificate, and
 - for the payment of which the responsible representative is or can reasonably be expected to become liable in the capacity as a responsible representative,
- have been paid or that security for the payment of the amounts has been accepted by TRA.
45. The amounts certified on a clearance certificate include fuel tax and other amounts owing, including interest and penalties.
46. If a responsible representative distributes property without obtaining a clearance certificate, the responsible representative is personally liable to a penalty equal to the value of the property distributed, and TRA may assess the responsible representative for the amount.

[Back to Index](#)

Transfers by Insolvent Persons

47. If a debtor transfers property to another person (transferee) with whom the debtor does not deal at arm's length at the time of the transfer, and the debtor is
- insolvent, or
 - becomes insolvent as a result of the transfer, or
 - becomes insolvent because of the transfer together with one or more other transactions with the transferee,
- the transferee is jointly and severally liable with the debtor to pay the amount owing to TRA, to the extent that the fair market value of the property transferred exceeds the consideration given for the property.
48. Joint and several liability also applies to back-to-back transfers of property between non-arm's length persons. A transferee cannot avoid liability merely by transferring property to another non-arm's length person. However, in order for joint and several liability to apply, it must be reasonable to conclude that the subsequent transfer was undertaken to avoid payment of an amount owing to TRA. If so, each non-arm's length person in the series of transfers will become jointly and severally liable with the debtor to pay the amount owing to TRA.

[Back to Index](#)

Set-Off

49. If a person has a fuel tax refund owing from TRA, and that person also has a debt owing to TRA or to another Alberta government department, TRA may apply all or part of the refund to reduce the person's debt, rather than issuing the refund to the person.

[Back to Index](#)

Certificate of Amount Not Paid

50. If an amount owing under the Act has not been paid or has been paid only in part, TRA may issue a certificate stating the unpaid amount and file it in the Court of King's Bench. The certificate has the same force and effect as if it were a judgment of the Court. Once a certificate is filed, TRA may proceed to enforce payment of the amount owing including, for example, registering a Writ of Enforcement and seizing the debtor's assets.
51. All reasonable costs payable in respect of the filing of a certificate, including interest, are recoverable from the debtor in addition to the unpaid amount.

[Back to Index](#)

Amounts in Jeopardy

52. If there are reasonable grounds for TRA to believe that the collection of all or part of an assessed amount would be jeopardized by a delay in the collection of it, TRA may make an application to the Court of Kings's Bench seeking authorization to file a certificate before the 30 day time period normally permitted for paying assessed amounts has elapsed. Unless the Court directs otherwise, an authorization granted by the Court must be served by TRA by personal service on the debtor within 72 hours after it is granted.

[Back to Index](#)

Third Party Demands

53. If TRA has knowledge or suspects that a third party is or will be, within one year, liable to make a payment to a debtor, TRA may require (demand) that the third party pay to TRA the amount that otherwise would be payable to the debtor.
54. If TRA has knowledge or suspects that within 90 days a bank, credit union, trust corporation, loan corporation or other similar person (institution) will lend or advance money to, or make a payment on behalf of, or make a payment in respect of a negotiable instrument issued by, a person that is indebted to the institution and has granted security in respect of the indebtedness, TRA may demand that the institution pay to TRA all or part of the amount that would otherwise be lent, advanced, or paid by the institution to the person.

55. If TRA has knowledge or suspects that within 90 days a person other than an institution (lender) will lend or advance money to, or make a payment on behalf of, a debtor that TRA knows or suspects

- is employed by the lender, or is engaged in providing services or property to the lender, or will be within 90 days so employed or engaged, or
- is not dealing at arm's length with a lender that is a corporation,

TRA may demand that the lender pay to TRA all or part of the amount that would otherwise be lent, advanced, or paid by the lender to the debtor.

56. To intercept amounts under a demand, TRA must serve a written notice on the third party, institution or lender demanding that the money be sent to TRA. Such a demand may be served by TRA by personal service, fax or other form of electronic transmission (including email), registered or regular mail.

57. Amounts payable under a garnishee issued pursuant to a judgment of the Court are paid to the Court. However, under a third party demand, the amounts must be paid directly to TRA, and TRA does not share the amounts received with judgment creditors. If a third party, institution or lender fails to pay the amounts to TRA, and makes a payment to someone else, the third party, institution or lender is liable for the amount that should have been paid to TRA and will be required to retrieve the money that was paid to the other party in error.

58. After service of a demand notice, a third party or institution is not entitled to set off any amount payable under the demand against an amount otherwise payable to the third party or institution.

[Back to Index](#)

Liability of Directors

59. If corporation does not remit its tax payable, the directors of the corporation (at the time the corporation was required to remit the tax) are jointly and severally liable, together with the corporation, to pay the tax owing and any related penalties or interest (the debt).

60. A director is not liable for the debt unless

- a certificate for the amount of the debt has been filed in the Court (see the [‘Certificate of Amount Not Paid’](#) section) and execution for the debt has been returned unsatisfied in whole or in part,
- the corporation has commenced liquidation or dissolution proceedings, or has been dissolved, and a claim for the debt has been proved within six months after the earlier of the date of commencement of proceedings and the date of dissolution,

- the corporation has made an assignment, or a receiving order has been made against it under the federal *Bankruptcy and Insolvency Act*, and a claim for the amount of the debt has been proved within six months after the date of the assignment or receiving order, or
 - a compromise or arrangement has been proposed under the federal *Companies' Creditors Arrangement Act* in respect of the corporation.
61. In all cases, a director that exercised due diligence in attempting to ensure that the corporation remitted the tax is not liable for the debt.
62. TRA cannot take action to collect the debt from a director until
- TRA has made all reasonable efforts to collect the debt from the corporation, and
 - the director has been notified in writing of the director's liability within two years after ceasing to be a director.

[Back to Index](#)

Objections

Application Process

63. A person who disagrees with an assessment or other notice under the Act should first contact TRA for an explanation, as many disputes can be resolved through discussion or exchange of additional information. However, if the dispute cannot be resolved through discussion with TRA and the person still disagrees with the basis of the assessment or other notice, the person may formally object to the assessment or other notice by filing a [Notice of Objection \(Form AT4762\)](#) within 90 days from the date of mailing of the assessment or other notice. An objection may be filed on paper or through the [TRACS](#).
64. If an objection is sent by registered mail, the date of registering the mail must be within the 90-day deadline referred to in the immediately preceding paragraph. The date TRA receives the objection applies when the objection is filed by any other means of service, including through [TRACS](#).
65. A person is entitled to object to a
- notice of assessment (or reassessment) of fuel tax, interest or penalties,
 - notice of refusal to issue a fuel tax exemption certificate,
 - notice of disallowance of a refund or credit,
 - notice of disallowance of a rebate for fuel used for prescribed purposes,

- notice of cancellation of a fuel tax exemption certificate, or
 - notice of refusal, suspension or cancellation of a registration under the Act.
66. A separate Notice of Objection must be filed for each notice to which an objection is made.
67. The [Notice of Objection \(Form AT4762\)](#) is available on TRA's website. The completed form may be emailed to tra.revenue@gov.ab.ca to the attention of the Tax Services Branch, or may be mailed to

ALBERTA TREASURY BOARD AND FINANCE
TAX AND REVENUE ADMINISTRATION
TAX SERVICES BRANCH
9811 109 STREET NW
EDMONTON AB T5K 2L5

[Back to Index](#)

Extensions of Time to File

68. If a person has not filed a Notice of Objection within 90 days from the date of mailing of the assessment or other notice, the Act allows the person to apply for an extension of time to file an objection. The application for an extension of time must be accompanied by a copy of the objection and served on TRA within one year from the expiration of the 90-day deadline for serving the objection.
69. An application for an extension of time must set out the reasons why the Notice of Objection was not served within the 90-day deadline and demonstrate that
- within the time limit for filing the objection, the person was unable to act or to instruct another to act in the person's name, or that the person intended in good faith to object,
 - given the reasons set out in the application for the extension and the circumstances, it would be just and equitable for TRA to grant the extension, and
 - the application was made as soon as circumstances permitted.
70. An application for an extension of time may be sent to TRA by email or regular mail at the addresses set out in the '[Objections](#)' section. If the application is sent by registered mail, the date of registering the mail must be within the specified time period (within one year from the expiration of the 90-day deadline for serving the objection). The date TRA receives the application applies when the application is served by any other means.

71. If an application for an extension of time has been refused, or TRA has not replied to the request within 90 days of being served, the Act allows a person to apply to the Court of King's Bench to have the application granted.

[Back to Index](#)

Review Process

72. A complete Notice of Objection received by TRA within the required deadline is assigned to a Tax Analyst of the Tax Services Branch with no previous involvement in the matter to ensure impartiality. The Tax Analyst will review the objection and make a recommendation for how it should be resolved. During the review, the Tax Analyst may contact the person who filed the objection and ask for additional information or documentation to be provided.
73. A Director of the Tax Services Branch will consider the recommendation made by the Tax Analyst and will
- confirm, vary or vacate the assessment or disallowance,
 - serve a new notice of assessment or give a new notice of disallowance,
 - issue a fuel tax exemption certificate or a notice confirming the refusal to issue the certificate,
 - revoke the cancellation of a fuel tax exemption certificate, issue a new certificate or new notice confirming the cancellation of the certificate, or
 - confirm the refusal, cancellation or suspension of a registration, register the applicant, renew the registration or revoke the suspension or cancellation.
74. TRA will notify the person who filed the Notice of Objection of the decision in writing. A new notice may be issued due to the resolution of the objection.

[Back to Index](#)

Appeals

75. If a person indicates in a Notice of Objection the desire to appeal to the Court of King's Bench immediately, and waives reconsideration of the action by TRA, then TRA may file a copy of the Notice of Objection with the court clerk and notify the person in writing.

76. A person who has served a Notice of Objection on TRA may appeal to the Court of King's Bench to have the assessment or disallowance vacated or varied, or a licence issued, or the refusal, cancellation or suspension of a registration revoked, after TRA has
- confirmed the assessment or disallowance, or served a new notice of assessment, or given a new notice of disallowance,
 - given a new notice confirming the refusal to issue, or cancellation of, a fuel tax exemption certificate, or
 - confirmed the refusal, cancellation or suspension of a registration.
77. An appeal to the Court of King's Bench must be made within 90 days from the day TRA notified the person of the decision in respect of the objection. However, a person may also appeal to the Court of King's Bench if 90 days have passed after the person served the Notice of Objection and TRA has not issued a notice of the decision on the matter.
78. An appeal to the Court of King's Bench is made by filing a Notice of Appeal with the court clerk and serving a copy of the filed Notice of Appeal on TRA by registered mail, together with a copy of the respective Notice of Objection.
79. The Court of King's Bench may
- dismiss the appeal,
 - allow the appeal and
 - vacate or vary the assessment or disallowance,
 - restore the assessment or disallowance,
 - refer the assessment or disallowance back to TRA for reconsideration,
 - order TRA to issue a fuel tax exemption certificate,
 - order TRA to revoke the cancellation of a fuel tax exemption certificate or issue a new certificate, or
 - order TRA to register the applicant or renew the registration, or revoke the cancellation or suspension of the registration.

[Back to Index](#)

Investigations and Enforcement

80. TRA is authorized to conduct inspections, audits or examinations of records to determine whether fuel tax has been properly paid and remitted, and whether benefits and rebates have been properly provided and claimed. Persons or entities selected for inspection, audit or examination are required to make their records available to TRA on request.
81. Staff and officers from TRA, the Royal Canadian Mounted Police, various municipal police services, the Alberta Gaming, Liquor and Cannabis Commission (AGLC), fish and wildlife officers, and transport officers enforce the provisions of the Act. Enforcement activities include sampling fuel to ensure eligible use of marked fuel, and investigating cases of suspected fuel tax evasion.

[Back to Index](#)

Offences, Fines and Sentences

82. A person convicted of an offence under the Act is liable to a fine, imprisonment or both. Fines and sentences are court-imposed, but subject to certain maximum amounts and terms, respectively, depending on the nature of the offence.

[Back to Index](#)

Recipients

83. A recipient, other than a consumer, who does not register or pay tax as and when required under the Act, or does not account for the receipt, possession and disposition of the recipient's marked fuel, is guilty of an offence and liable
- for a first offence, to a fine of not more than \$10,000, a term of imprisonment of not more than six months, or both, and
 - for a subsequent offence, to a fine of not more than \$25,000, a term of imprisonment of not more than one year, or both.

[Back to Index](#)

Vendors

84. A vendor who
- does not pass on the benefit of a tax exemption to an eligible consumer,
 - sells marked fuel in the absence of sufficient evidence that the consumer is eligible to purchase marked fuel,

- sells marked fuel in circumstances where the vendor knows or ought to have known that the evidence of eligibility presented by the consumer is false, or that the marked fuel will not be used for an eligible purpose or use, or
- sells clear fuel exempt from tax in the absence of sufficient evidence that the consumer is eligible to purchase clear fuel exempt from tax

is guilty of an offence and liable

- for a first offence, to a fine of not more than \$10,000, a term of imprisonment of not more than six months, or both, and
- for a subsequent offence, to a fine of not more than \$25,000, a term of imprisonment of not more than one year, or both.

[Back to Index](#)

Consumers

85. A consumer who

- does not pay or remit tax as and when required under the Act,
- marks or otherwise identifies fuel as marked fuel in contravention of the Act,
- adds anything to marked fuel, or puts marked fuel through a process that affects or changes the marked fuel so it is no longer coloured or identifiable as marked fuel,
- sells, or passes off, as marked fuel any fuel that is not marked fuel,
- sells, or passes off, as clear fuel any fuel that is not clear fuel,
- purchases marked fuel to be used for farming operations in Alberta, then sells it to another consumer for a purpose or use other than farming operations in Alberta,
- purchases and uses marked fuel for an ineligible purpose, or
- possesses marked fuel in contravention of the Act

is guilty of an offence and liable

- for a first offence, to a fine of not more than \$1,000, and
- for a subsequent offence, to a fine of not more than \$5,000, a term of imprisonment of not more than six months, or both.

[Back to Index](#)

Returns, Documents and Records

86. A person who does not submit a return or report, or does not provide information or a document as and when required under the Act or the Regulations is guilty of an offence and liable to a fine of \$50 for each day of default.
87. A person who does not maintain records and books of account when required by TRA is guilty of an offence and liable to a fine of \$50 for each day from the day the person receives notification of the requirement to the day the person complies with the requirement.
88. A person who
- makes, participates in, agrees to, or allows the making of false or deceptive statements in an application, return, statement, record, report, or document delivered or made under the Act,
 - destroys, alters, mutilates, or disposes of records required to be kept under the Act,
 - makes, agrees to, or allows the making of false or deceptive entries, or omits, agrees to, or allows the omitting of information in records required to be kept under the Act,
 - wilfully evades, or attempts to evade, compliance with the Act or the Regulations, or
 - conspires with another person to commit any offence noted above
- is guilty of an offence and, in addition to any penalty provided for by the Act, is liable to
- a fine of not more than 300 per cent of
 - the tax evaded or sought to be evaded,
 - the difference between the amount that should have been remitted and the amount remitted, or
 - the refund, credit, allowance, reimbursement or rebate obtained or sought to be obtained,
- or to the fine noted above and a term of imprisonment of not more than two years.

[Back to Index](#)

Other General Offences

89. A person, other than a consumer, who

- introduces into any fuel a substance or thing for the purpose of, or having the effect of, colouring or identifying the fuel in contravention of the Act,
- adds anything to marked fuel, or puts marked fuel through a process that affects or changes the marked fuel so that it is no longer coloured or identifiable as marked fuel,
- sells, or passes off, as marked fuel any fuel that is not marked fuel,
- sells, or passes off, as clear fuel any fuel that is not clear fuel, or
- possesses marked fuel in contravention of the Act

is guilty of an offence and liable

- for a first offence, to a fine of not more than \$10,000, a term of imprisonment of not more than six months, or both, and
- for a subsequent offence, to a fine of not more than \$25,000, a term of imprisonment of not more than one year, or both.

90. A person who is in contravention of any provision of the Act for which a penalty is not otherwise provided is guilty of an offence and liable

- for a first offence, to a fine of not more than \$1,000, a term of imprisonment of not more than one month, or both, and
- for a subsequent offence, to a fine of not more than \$5,000, a term of imprisonment of not more than six months, or both.

[Back to Index](#)

Contact Information and Useful Links

Email TRA:	TRA.Revenue@gov.ab.ca
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[Back to Index](#)