

Tax and Revenue Administration (TRA)

Carbon Levy Administration

Information Circular CL-AV-1

Aviation Fuels – Registration, Payable, Filing and Remittance

Last updated: December 2, 2016

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.

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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).

Aviation Fuels – Registration, Payable, Filing and Remittance

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



Definitions

1. The term “aviation fuels” is not defined in the [Climate Leadership Act](#) (the Act) or [Regulation](#) (the Regulation). It is a term used by TRA to represent aviation gas and aviation jet fuel.
2. In respect of aviation fuels, a direct remitter is a person required to remit the carbon levy payable to TRA according to the Act and the Regulation when conducting various activities in Alberta, including:
 - Selling or removing aviation fuels from a refinery or terminal;
 - importing aviation fuels into Alberta for the purpose of sale or resale;
 - importing aviation fuels into Alberta that, without first having been sold or resold in Alberta, are put, in Alberta, into a fuel system that produces heat or energy;
 - using aviation fuels for any flight or segment of a flight that began at a location in Alberta and arrived at a location in Alberta, regardless of where the aviation fuels were purchased including where the aviation fuels are purchased outside of Alberta;
 - selling aviation fuels purchased exempt from the carbon levy as a holder of a licence for carbon levy exemption (for information on carbon levy exemptions and licences, please see [Information Circular CL-AV-3, Aviation Fuels – Exemptions and Licences](#));
 - producing, processing or refining aviation fuels;
 - rebranding aviation fuels; and
 - selling aviation fuels that were purchased exempt from the carbon levy as a holder of a carbon levy exemption certificate or other evidence of exemption (for information on carbon levy exemptions and licences, please see [Information Circular CL-AV-3, Aviation Fuels – Exemptions and Licences](#)).

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Registration as a Direct Remitter

1. Generally, an entity must register with TRA as a direct remitter where the remittance of carbon levy is to be made directly to TRA.
2. A person who is already registered as a direct remitter under the [Fuel Tax Act](#) must also register as a direct remitter under this Act and Regulation.

3. To register as a direct remitter for aviation fuels under the Act and the Regulation, apply to TRA by completing the [Transportation and Other Fuels Carbon Levy Direct Remitter Registration \(AT5100\)](#).
4. If you are involved in numerous activities that require registration, you need to register for each activity, but only one registration form is required.
5. TRA will review your application for registration and may request additional information before making a decision
6. If your application has been approved, TRA will send you a written notification of your registration as a direct remitter and the activities you are permitted to conduct.
7. TRA may refuse to register an applicant as a direct remitter, 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 Act, or the Regulation, another Alberta law, or a law of another jurisdiction governing the collection and payment of tax and levy.
8. TRA may refuse to register an applicant or to renew 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.
9. 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 remitter;TRA will provide to the person a notice of refusal, suspension or cancellation and provide the reasons for the action.
10. Where the person is not satisfied with TRA's decision, a Notice of Objection may be filed.

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Registration as an Exempt-Sale Vendor

11. An exempt-sale vendor is a person that is registered under the Act and the Regulation to sell aviation fuels exempt from the carbon levy.
12. Persons who are registered as an exempt-sale vendor under the *Fuel Tax Act* and the Fuel Tax Regulation on or before January 1, 2017 will not be required to make a separate application to register as an exempt-sale vendor for aviation

fuels under the Act. TRA will automatically register you as an exempt-sale vendor under the Act and the Regulation based on your existing registration under the *Fuel Tax Act* and the Fuel Tax Regulation. However, if you intend to sell aviation fuels exempt from the carbon levy at additional locations not previously specified in your fuel tax registration, please notify TRA immediately. Also, you will need to be informed of your additional responsibilities under the Act and the Regulation.

13. Persons who are not already registered as an exempt-sale vendor under the *Fuel Tax Act* and the Fuel Tax Regulation, and who would like to sell aviation fuels exempt from the carbon levy, must register with TRA as an exempt-sale vendor prior to January 1, 2017 for each location where the sale of aviation fuels exempt from the carbon levy is intended. You must also identify the type of aviation fuel(s) you intend to sell exempt from the carbon levy.
14. TRA will review your application for registration as an exempt-sale vendor and may request additional information before making a decision.
15. If your application has been approved, TRA will register you as an exempt-sale vendor and will register each location where you intend to sell aviation fuels exempt from the carbon levy. TRA will also identify the type of aviation fuel(s) you may sell exempt from the carbon levy.

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Duty of Registrants to Notify TRA

16. Under the Act and the Regulation, all registrants must notify TRA immediately in circumstances including where:
 - the registrant ceases to carry on business or carry on that part of the registrant's business that the registrant was registered for;
 - the registrant is the subject of proceedings relating to bankruptcy, insolvency or receivership;
 - the registrant:
 - amalgamates with another corporation;
 - is wound up, liquidated or dissolved; or
 - is subject to any proceedings under the *Companies' Creditors Arrangement Act* (Canada);
- or
- the registrant is a partnership and there is a change in the partners of the partnership.

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Communication of Registrant Information

17. The Act and the Regulation allow disclosure of information about a registrant or other person when it is required to ensure compliance. TRA may disclose to a registrant information about:
 - another registrant;
 - a person holding a carbon levy exemption certificate or licence; or
 - a person whose registration or carbon levy exemption certificate or licence has been suspended or cancelled.
18. The following information about a registrant may be published on [Tax and Revenue Administration Client Self-Service \(TRACS\)](#) secure portal:
 - the name of the registrant;
 - the address of the registrant;
 - the type of registration;
 - the effective date of the registration;
 - if a registration has been cancelled or suspended, the end date of the registration;
 - the registrant's operating name, if different from the registrant's legal name; and
 - the registrant's business contact information.

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When Carbon Levy is Payable

19. Carbon levy is payable, and is to be remitted to TRA including in circumstances as described under paragraph 2, unless the aviation fuel is purchased by a person holding a licence, an exemption certificate or other evidence of exemption which allows the person to purchase aviation fuels exempt from carbon levy.
20. In particular, a consumer, including a domestic or foreign air transport service operator that purchases aviation fuels exempt from carbon levy using an exemption certificate or other evidence of exemption will have to file a carbon levy return and pay carbon levy for flights, or segments of flights, that began at a location in Alberta and arrived at a location in Alberta unless the landing in Alberta is due to an emergency. The carbon levy is payable regardless of where the fuel was purchased including purchase of the aviation fuels outside of Alberta.

21. To enable you to file the carbon levy return, you must register with TRA and will receive a separate Tax and Revenue Administration Client Self-Service (TRACS) enrolment invitation letter. Visit the [TRACS website](#) for more information.
22. View the [current carbon levy rates for aviation fuels](#).

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When Carbon Levy is Not Payable

23. A consumer that provides at the time of purchase a valid carbon levy exemption certificate, a foreign air transport service operator that provides the federal documentation establishing eligibility to purchase aviation fuels exempt of excise tax for international flights or a valid carbon levy exemption certificate, and a carbon levy licence holder may purchase aviation fuels exempt from the carbon levy.
24. No carbon levy is payable on aviation fuels purchased in Alberta and used for a flight or segment of a flight made for commercial purposes;
 - that departs from a location in Alberta if the first scheduled arrival of the flight is located outside of Alberta; or
 - that arrives at a location in Alberta if the flight is arriving from a location outside of Alberta.
25. Commercial purpose means the regular:
 - Transport of members of the public or goods for a fee; or
 - Provision of services for a fee.

A recipient that had paid carbon levy under paragraph 27 is entitled to a refund of the carbon levy paid.

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Carbon Levy Returns to be Filed

Direct Remitter Returns

26. A direct remitter of aviation fuels, including a licence holder and a consumer that purchases aviation fuel exempt from carbon levy but regularly uses aviation fuel for any flight or segment of a flight that began at a location in Alberta and arrived at a location in Alberta (e.g., domestic airlines with regularly scheduled flights within Alberta), is required to file a monthly carbon levy return with TRA on the carbon levy payable using the [Tax and Revenue Administration Client Self-Service \(TRACS\)](#) system. The monthly carbon levy return must be received by TRA through TRACS no later than 28 days after the end of the month in which the transactions occurred.
27. The reporting period for a direct remitter is a calendar month.

Self-Assessing Consumer Returns

28. A consumer who purchased aviation fuels without the carbon levy and used the aviation fuels for an occasional flight or segment of a flight that began at a location in Alberta and arrived at a location in Alberta, must report and remit the carbon lev on aviation fuels used in that flight or segment of a flight. Examples include a consumer who is a foreign air transport service or a consumer purchases aviation fuels outside of Alberta, but uses the aviation fuel for a flight that departs from a location in Alberta and arrives at a location in Alberta. In these cases, the consumer must file a self-assessing aviation fuel user return in [TRACS](#) and remit the carbon levy payable for the reporting period no later than 28 days after the end of the month in which the transactions or activities occurred.
29. A self-assessing consumer return must be completed for any month where carbon levy is payable.

Remitting the Carbon Levy

30. A recipient, other than a direct remitter, generally remits the carbon levy payable to the person that supplied the recipient with the aviation fuel. Where the supplier is a direct remitter, the direct remitter must remit the carbon levy payable to TRA.
31. The carbon levy payable as reported on the carbon levy return for a reporting period must be received by TRA by the 28th day after the end of the month. If the payment due date falls on a weekend or government holiday, the due date will be the next business day.
32. For a self-assessing consumer as described in paragraph 31 who purchases aviation fuel without the carbon levy with an exemption certificate or other evidence of exemption, the consumer must remit the carbon levy directly to TRA no later than 28 days after the end of the month in which the transactions or activities occurred.
33. There are several options for remitting the carbon levy payment to TRA including:
 - pay online using electronic payment through your financial institution;
 - pay using wire transfer; or
 - pay by mail, courier or in person for cheques and money orders (payable to the Government of Alberta).

See more information on [making payments to TRA](#).

Penalties

34. If you do not submit a return as, and when required, TRA may assess a penalty against you.

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Interest

35. If a payment is late or insufficient, you will be charged interest on the amount that is not paid.

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Contact Information and Useful Links

Contact Tax and Revenue Administration (TRA):	Email: TRA.CarbonLevy@gov.ab.ca
Visit our website:	tra.alberta.ca
Subscribe to receive email updates:	tra.alberta.ca/subscribe.html
TRA Client Self-Service (TRACS):	tra.alberta.ca/tracs