
Title	Taxation of Fuel Sold at Cardlock Locations
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Overview	Fuel sold at unmanned cardlock locations is fully taxable. However, if the cardlock is manned, and the appropriate controls have been implemented, point-of-sale fuel tax exemptions may be provided to valid Yukon tax exempt permit holders.
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Legislation or Regulation	<i>Fuel Oil Tax Act</i> Sections 3, 4, 6, 13, 20 and 27 <i>Fuel Oil Tax Regulations</i> Section 12
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Definitions	<p>Manned: Means having a human operator or attendant present at the cardlock location to process and authorize an exempt sale transaction</p> <p>Point-of-sale: Means the location where sales transaction occurs</p> <p>Tax exempt permit holder: Means the holder of a permit issued under section 6 of the <i>Fuel Oil Tax Act</i></p> <p>Tax: Means the tax imposed by the <i>Fuel Oil Tax Act</i></p>
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Requirements	Cardlock sales can occur through unmanned or manned locations. Taxation of fuel sold at these locations varies: <ol style="list-style-type: none">1. Cardlock Sales at Unmanned Locations All fuel sold at unmanned cardlock locations is fully taxable. Even if the purchaser is the holder of a valid tax-exempt permit. An exemption cannot be processed at an unmanned cardlock location as the seller is not present to witness that the exemption is warranted (i.e., that the fuel is not dispensed into the tank of a road vehicle or into ineligible equipment).
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The fuel purchaser may be able to obtain a refund of fuel taxes paid if the fuel was used for an exempt purpose. The purchaser must submit a refund claim form directly to the Department of Finance along with satisfactory supporting documentation that the fuel was used for an exempt purpose.

2. Cardlock Sales at Manned Locations

Cardlock sales at manned locations can either be taxable or exempt depending on whether the fuel sale transaction has been witnessed by the cardlock attendant.

- Un-witnessed fuel sales are treated as unmanned sales (as described in #1 above) and are therefore fully taxable
- Witnessed sales can be exempt of the Yukon fuel tax, but only if the fuel seller has determined that an exemption is warranted by ensuring that:
 - a valid tax-exempt permit exists
 - the fuel is sold for exempt use and is not dispensed into an ineligible piece of equipment (i.e., that the fuel is not dispensed into the tank of a road vehicle)

Prior to providing exempt sales through a manned cardlock location the seller must have first contacted Tax Administration to discuss control requirements and seller responsibilities. The seller must implement adequate controls to ensure taxable and exempt sales are differentiated for reporting and invoicing purposes.

For further information contact:

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