

## Fuel Tax Exemptions

Consumers and activities eligible for a fuel tax exemption are provided below. The fuel tax exemption is exercised by acquiring a "[Consumer's Exemption Permit](#)" that allows the permit holder to purchase **marked** fuel exempt of fuel tax for consumption by the eligible consumer or in the eligible activity.

### ● **Department of Transportation and Infrastructure Renewal**

Vehicles and equipment **owned** by the Department may qualify for the fuel tax exemption.

### ● **City, Town, Municipality or Service Commission or Corporation operated as a Public Work**

A fuel tax exemption may apply to fuel used in vehicles and equipment **owned** by a city, town, municipality, service commission or corporation operated as a public work (e.g. Halifax Water Commission).

Fuel used in motor vehicles or equipment under lease may qualify provided the lease is with the city, town, municipality, service commission or corporation operated as a public work.

### ● **Fire Trucks and Equipment Used Solely For Fire Fighting Purposes**

Vehicles and equipment **used solely** for fire fighting may qualify for the fuel tax exemption.

This exemption is for fuel used in fire fighting vehicles and equipment. Fuel used in fire fighting vehicles and equipment operated by some industrial sites may qualify, i.e. an oil refinery, paper mill or saw mill.

Vehicles and equipment owned by volunteer fire departments that are not used to **fight fires** are **not** eligible to use marked tax exempt fuel.

### ● **Fishing Vessels**

Fuel used in commercial fishing vessels used for the purpose of fishing or harvesting marine plants may qualify for the fuel tax exemption. See [Guide 2001](#) for additional information and requirements.

Fuel used in machinery and equipment used in a commercial aquaculture operation may qualify for the fuel tax exemption. See [Guide 2005](#) for additional information and requirements.

### ● **Well Drilling for the Supply of Water**

Fuel used in well drilling equipment used to drill water wells may qualify for the fuel tax exemption.

It is common for well drilling equipment to be mounted on a truck frame and it is important to note that the fuel consumed by the **drilling equipment only** qualifies for exemption.

Fuel used in motor vehicles used to transport well drilling equipment **does not qualify** for exemption.

### ● **Commercial Ferries**

Fuel used in commercial ferries operating on a regularly scheduled route may qualify for the fuel tax exemption.

### ●Railway Locomotive

Fuel used in locomotives used both in a commercial operation or on an industrial site may qualify for the fuel tax exemption.

### ●Heating of Buildings

Fuel used in the heating of any building qualifies for the fuel tax exemption.

### ●Commercial Shipping Vessels

Fuel used commercial shipping vessels used to transport goods and supplies may qualify for the fuel tax exemption. See [Bulletin 5044](#) for additional information and requirements.

The following vessels\boats are **not** considered to be used as commercial shipping: fishing boats, work boats, charter boats, dredges, barges, diving tenders, or diving boats, tour boats, sightseeing boats, marine life excursion boats, drilling rigs, boats used for break water construction or repair.

### ●School Board

Fuel used in vehicles and equipment **owned** by a school board may qualify for the fuel tax exemption.

Fuel used in motor vehicles or equipment under lease may qualify provided the lease contract is with the School Board.

### ●Commercial Farming Operation

Fuel used in machinery and equipment **used** in a commercial farming operation by a farmer may qualify for the fuel tax exemption. See [Guide 2002](#) for additional information and requirements.

### ●Commercial Forestry Operation

Fuel used in machinery and equipment **used** in a commercial forestry operation may qualify for the fuel tax exemption. See [Guide 2003](#) for additional information and requirements.

### ●Manufacturing or Production of Goods for Sale

Fuel used in machinery and equipment **used** in the manufacture or production of goods for sale may qualify for the fuel tax exemption. The goods manufactured must be for sale and not for use of the manufacturer.

See [Guide 2004](#) and [Guide 2009](#) for additional information and requirements.

### ●Producing Electricity for Use in a Manufacturing Operation

Fuel used in machinery and equipment used to develop electricity to power machinery and equipment used in the manufacture or production of goods for sale may qualify for the fuel tax exemption.

## Consumer's Exemption Permit

To obtain an exemption at the time of purchase, an applicant must complete and forward an exemption application form to purchase tax exempt marked gasoline or diesel oil along with the applicable registration fee payable to the Minister of Finance.

Application forms for a Consumer's Exemption Permit can be obtained from your nearest Access Nova Scotia office or by calling Service Nova Scotia & Municipal Relations or on our website (See [Application form](#)).

You may also apply for this permit online via the Nova Scotia Business Registry website (See [Online Permit Application](#)).

Upon approval of the application, a Consumer's Exemption Permit, which is renewable three years from date of issue, will be issued to a qualified applicant.