



Service Nova Scotia and
Municipal Relations
Program Management and
Corporate Services
Provincial Tax Commission

Maritime Centre
8th Floor, South
1505 Barrington Street
PO Box 1003
Halifax, Nova Scotia
B3J 2X1

Bus: 902-424-6300
Fax: 902-424-7434
Toll Free 1-800-565-2336

Email:
Taxcommission@gov.ns.ca

Tax Information

Bulletin 5043

Bulletin: 5043 R3
Date: February 2, 2012
Subject: Fuel Tax- Exempt Purchases Made by Status Indians on Reserve Lands

This Bulletin is intended for the use of Status Indians who qualify under the Nova Scotia Indian Fuel Tax Exemption Program (NSIFTEP). It provides information for Status Indians who wish to purchase gasoline or diesel oil exempt from provincial fuel tax from **participating service stations located on Nova Scotia reserves**. Please note that this exemption program does **not** apply to the harmonized sales tax (HST).

The purpose of the NSIFTEP is to allow a provincial fuel tax exemption to Status Indians for purchases of gasoline and diesel oil on reserve at the time of purchase. The benefit of this program is that it will allow a Status Indian registered under the NSIFTEP to use their Nova Scotia Driver's Licence to obtain the exemption and the retailer to process it without the burden of processing detailed paper work at the time of sale. This is possible because the retailer has a special electronic point of sale system.

What are the Current Rates for Provincial Fuel Tax on Gasoline and Diesel Oil?

Gasoline - 15.5 cents per litre
Diesel Oil - 15.4 cents per litre

Who is eligible for the Nova Scotia Indian Fuel Tax Exemption Program?

A Status Indian, as defined in the *Indian Act* (Canada), who holds a valid Nova Scotia Driver's Licence that is not under suspension.

Incorporated entities located on or off a reserve are **not** eligible for the NSIFTEP.

How do You Apply To Join the Nova Scotia Indian Fuel Tax Exemption Program?

1. Applicants who belong to a Nova Scotia Band are required to submit an application to their Band Registrar along with their Nova Scotia Driver's Licence and their Certificate Of Indian Status Card. Application forms can be obtained from your nearest Access Nova Scotia office, at Band Council Offices, at on-reserve service stations, by calling Service Nova Scotia & Municipal Relations or on our website (See [Application Form](#)).
2. The Band Registrar is required to certify the application and forward it to Service Nova Scotia and Municipal Relations.
3. Upon approval, Service Nova Scotia and Municipal Relations will notify the applicant. After this approval, the Driver's Licence may be used to obtain the tax exemption.

"Tax Information Bulletins are published by the Program Management and Corporate Services Division for the sole purpose of providing information and to announce changes in the *Revenue Act or Sales Tax Act and Regulations*. Tax Information Bulletins do not replace the law found in the Act or regulations. Bulletins are provided for reference purposes only. For legislative approved text of provisions of the *Revenue Act or Sales Tax Act and Regulations*, see official volumes." **Should you require further information, please contact us.**

How do You Apply If You Received a Temporary Confirmation of Registration Document?

1. Applicants who receive a Temporary Confirmation of Registration Document may apply to join the Nova Scotia Indian Fuel Tax Exemption Program using their Temporary Confirmation of Registration Document issued by Aboriginal and Northern Development Canada.
2. You may bring your completed application form, your valid Nova Scotia Driver's Licence and your Temporary Confirmation of Registration Document to:
 - Your local Access Nova Scotia office during regular business hours;
 - or**
 - You may call (902) 424-6717 to arrange for an appointment with the Nova Scotia Indian Fuel Tax Administrator, Maritime Centre, 10th Floor North, 1505 Barrington Street, Halifax, Nova Scotia.
3. Your Temporary Confirmation of Registration Document must be the original with the raised seal.
4. Upon approval, Service Nova Scotia and Municipal Relations will notify the applicant. After this approval, the Driver's Licence may be used to obtain the tax exemption.

The program application requires the applicant to authorize:

- the Department of Service Nova Scotia and Municipal Relations to provide the information on the Nova Scotia Driver's Licence to participating service stations who sell fuel on Indian reserves, for the purpose of administering exemptions from gasoline and diesel oil tax.
- the Department of Service Nova Scotia and Municipal Relations to provide the information on this form to the Department of Aboriginal Affairs and Northern Development Canada for the purpose of confirming the Certificate of Indian Status Card information.
- the Department of Aboriginal Affairs and Northern Development Canada to release the Certificate of Indian Status Card information to the Department of Service Nova Scotia and Municipal Relations.
- the Department of Service Nova Scotia and Municipal Relations to use the Nova Driver's Licence information for the purpose of administering exemptions from gasoline and diesel oil tax.

Use of Nova Scotia Driver's Licence

The Nova Scotia Driver's Licence will be used as proof of identity and as a mechanism for a Status Indian to acquire provincial fuel tax exempt fuel from participating service stations **located on Nova Scotia reserves**.

If a Driver's Licence has not been registered under the NSIFTEP or it has been cancelled, suspended or has expired, an exemption will not be triggered by the system. Further, a Driver's Licence cannot be left with a retailer for future use and a person cannot use another person's Driver's Licence to make an exempt purchase.

"Tax Information Bulletins are published by the Program Management and Corporate Services Division for the sole purpose of providing information and to announce changes in the *Revenue Act or Sales Tax Act and Regulations*. Tax Information Bulletins do not replace the law found in the Act or regulations. Bulletins are provided for reference purposes only. For legislative approved text of provisions of the *Revenue Act or Sales Tax Act and Regulations*, see official volumes." **Should you require further information, please contact us.**

Point of Sale Fuel Tax Exemption - How to Purchase Provincial Fuel Tax Exempt Fuel?

Each time you wish to purchase provincial fuel tax exempt gasoline or diesel oil, you must present your Driver's Licence to a participating service station at the beginning of the transaction. The service station attendant will verify the picture on the Licence and upon confirmation, swipe your Licence or key-in your Licence master number into the computer terminal. The information recorded on the Licence will automatically be checked against the information stored in the computer system. Upon validation of the Licence, the provincial fuel tax will be deducted from the sale.

Monthly Base Amount of Provincial Fuel Tax Exempt Gasoline and Diesel Oil

Status Indians registered under this program may purchase up to 400 litres (base amount) of gasoline or diesel oil per month exempt of provincial fuel tax or a combination of these products up to this quantity. In cases where persons registered under this exemption program require an increase in the monthly exemption base amount, they may submit an application to Service Nova Scotia and Municipal Relations. Application forms for this request can be obtained from your nearest Access Nova Scotia office, at Band Council Offices, by calling Service Nova Scotia & Municipal Relations or on our website (See [Application Form](#)).

In the case of a person who has reached the base amount before the end of a particular month, the point of sale system will not provide a provincial fuel tax exemption beyond the base amount. In such a case, the person may submit a refund claim for the provincial fuel tax paid. If an increase to the base amount is required for the future, then an application may be filed as indicated above.

What if a Driver's Licence is Rejected by the Point of Sale System?

If a Status Indian registered under the NSIFTEP presents their Nova Scotia Driver's Licence and the point of sale system rejects the tax exemption, Service Nova Scotia and Municipal Relations may be contacted at (902) 424-6717 to determine the reason for the rejection.

Penalty for Violations of the Nova Scotia Indian Fuel Tax Exemption Program

Persons who participate in any activities that are not permitted under the NSIFTEP and the *Revenue Act* may be subject to a fine.

A person who sells gasoline or diesel oil to a vendor or a purchaser without holding a permit as required under the *Revenue Act Regulations* is liable, on summary conviction, to a fine of:

- not less than \$1,500.00 for a first offence;
 - not less than \$2,500.00 for a second offence;
 - not less than \$5,000.00 for a third offence;
- and**
- a fine equal to two times the amount of tax that should have been collected, remitted or paid as determined by the *Revenue Act*;
- or**
- to imprisonment for a term not exceeding one year;
- or**
- to both fine and imprisonment.

"Tax Information Bulletins are published by the Program Management and Corporate Services Division for the sole purpose of providing information and to announce changes in the *Revenue Act or Sales Tax Act and Regulations*. Tax Information Bulletins do not replace the law found in the Act or regulations. Bulletins are provided for reference purposes only. For legislative approved text of provisions of the *Revenue Act or Sales Tax Act and Regulations*, see official volumes." **Should you require further information, please contact us.**
