

INSTRUCTIONS FOR COMPLETION OF THE PRESCRIBED REBATE OFF-ROAD PERCENTAGES (PROP) APPLICATION - AT277

This application is used to apply for a fuel tax rebate using prescribed off-road percentages. These prescribed rebate percentages have been agreed to by Alberta Finance, Tax and Revenue Administration (TRA) and industry. To determine eligibility, complete and submit a registration form (AT341) to TRA for approval. The registration form is available from TRA or on our website. You may only claim for those categories/types of operations approved for use at the time of registration. Rebates may be granted under the PROP program if you are performing off-road activities and using equipment that the Minister has prescribed to be eligible. Eligible activities are listed on our web site. Rebates continue to be provided under the TEFU program if you are performing other commercial off-road activities not eligible under PROP. If you have activities or divisions that are eligible for PROP and other activities or divisions that do not qualify, you may claim rebates under both PROP and TEFU programs for the fuel used in these separate activities.

Instructions for completion of page 1:

- 1. Business Identification Number (BIN)** - Enter the number from the top left corner of your registration approval letter.
- 2. Full Legal Name of Corporation, Partnership or Individual** - For a corporation, use the name shown on your corporate income tax return; for an individual or a partnership, provide the surname, first name and middle initial(s) of the individual or each partner.
- 3. Business or Operating Name** - Identify any trade name that you may use.
- 4. New Mailing Address** - Enter only if your address has changed since registration or prior claim.
- 7 & 8. Claim Period** - Enter claim period start and end dates using the format indicated (YYYYMMDD). The period should be a standard calendar quarter (example: January 1, 2005 to March 31, 2005 should be shown as 2005-01-01 to 2005-03-31). Claims will not be accepted if the period is not a calendar quarter.
Note: You are not required to file claims immediately at the end of each quarter. If you prefer to calculate the rebate and submit claims once per year, you can submit four calendar quarter claims all at the same time. Claims may be filed for a fuel tax rebate up to three years after the end of the year in which the fuel was purchased.
- 9. Is this an amended claim?** - Indicate if this is an amended claim or not. If it is an amended claim, report the **total** revised amounts for this claim period. **Do not** report the net change to the original claim.

Tax Paid Clear Fuel Available for PROP Rebate:

This section is used to reconcile total clear fuel purchased for use in vehicles operated partly or entirely off-road.

15, 16, & 17. Total Clear Fuel Purchased during claim period - Indicate the volume of tax-paid fuel purchased within the claim period for use in your fleet of vehicles used partly or completely off-road.

Note: A fuel purchase record with invoices listed chronologically must be maintained for each claim. This listing must be made available upon request.

18, 19, & 20. Fuel Assigned (Purchase Invoices not in Applicant's Name) - If an employee/affiliate has purchased fuel for which you are seeking a rebate, a "Fuel Tax Rebate Agreement" must be in place. TRA may request copies of the signed Fuel Tax Rebate Agreement to support your claim. For more information, visit TRA's web site. **Example:** You may authorize your employees/affiliates to purchase fuel on your behalf for which they will be reimbursed. You must keep on record a signed agreement between both parties stating that fuel purchased in the name of the employee or affiliate was used in your commercial operation and that the initial purchaser will not claim a rebate in respect to this fuel.

21, 22, & 23. Fuel Resold - Report any fuel recorded in Total Clear Fuel Purchased (fields 15, 16, or 17) that was sold during the period. This fuel may not be claimed for rebate under PROP.

24, 25, & 26. Fuel Claimed via TEFU - Report any fuel recorded in Total Clear Fuel Purchased (fields 15, 16, or 17) that was purchased for off-road activities and the rebate claimed under the TEFU program. Fuel volumes reported must be attributable to the claim period noted in fields 7 and 8, not the TEFU claim period. If you file under both PROP and TEFU for eligible activities, use the same calendar quarter to assist in reconciling fuel correctly.

27, 28, & 29. AB IFTA Adjustment - An adjustment to net fuel available for PROP may be required if you are claiming a rebate for a vehicle registered under the International Fuel Tax Agreement (IFTA). The adjustment information is obtained from the Quarterly IFTA Fuel Type Schedule AT2060 row AB, column 6. From this IFTA schedule, a credit amount would decrease and a debit amount would increase total fuel purchases listed on the PROP claim. This value may require a further adjustment if not all of the IFTA licensed vehicles are used in off road operations. Such adjustments should reflect the proportional use of fuel tracked and consumed to vehicles being claimed under PROP versus vehicles used exclusively on-road.

30, 31, & 32. Net Fuel Available for PROP - Calculate Net Fuel Available by adding fuel purchased and assigned, deducting fuel resold and TEFU fuel, and adjusting for IFTA. The "Total Litres Consumed in Eligible Off-Road Vehicles" (on reverse) for all vehicles under PROP should not exceed the "Net Fuel Available for PROP".

Instructions for completion of page 2:

40, 50, & 60. Category/ Type of Operation - Enter only approved categories (from your registration approval letter) for the prescribed activities performed during the claim period. If you are performing an activity that has not been approved during the PROP registration process, you may not obtain a rebate for this additional activity until you submit a new updated registration form to TRA and it is approved.

41, 51, & 61. Total # of Vehicles per Category (used in period) - Indicate the total number of vehicles actively used during the period for each Category/Type of Operation. For service rig packages, enter the total number of actual vehicles in this category. Do not include vehicles that were not used during the claim period.

Note: TRA may periodically request updates of the registration information.

42, 52, & 62. Prescribed Off-Road Percentages - The Approved Percentages applicable for the claim period are posted on TRA's web site. You may only use those percentages approved by TRA at the time of registration.

43, 53, & 63. Total Litres Consumed in Eligible Off-Road Vehicle - Report fuel consumed in each of the categories eligible for rebate. Eligible off-road vehicles are those used primarily for performing the prescribed off-road activities under the PROP program. Fuel records must track purchases, assigned fuel, resold fuel, and IFTA adjustments to specific vehicles (or service rig packages). These amounts are then consolidated into the eligible vehicle categories. The "Total Litres Consumed in Eligible Off-road Vehicles" for all vehicles claimed under PROP should not exceed the "Net Fuel Available for PROP".

Note: Bulk fuel storage tanks-Fuel dispensed from bulk storage tanks must be tracked to individual vehicles (consistent with IFTA requirements) or service rig packages. Inventory records must also be maintained to account for bulk fuel.

45. Fuel Tax Rebate Amount - Calculate this amount by multiplying "Prescribed Off-Road Percentage", "Total Litres Consumed in Eligible Off-Road Vehicles", and "Fuel Tax Rate".

46, 56, & 66. Total Clear (Diesel/Gasoline/Propane) Claimed \$ - Add Fuel Tax Rebate Amounts for each fuel type and report the totals in these boxes.

70. Total Amount Claimed - Add Total Clear (Diesel/Gasoline/Propane) Claimed \$ from boxes 46, 56, and 66.

Certification Section - Sign and date the Rebate Application. Retain a copy and relevant documents for your records and audit purposes.

Enquiries: For forms or additional information, you may phone TRA at 427-3044, or call toll free in Alberta at 310-0000/780/427-3044. You may email us at tra.revenue@gov.ab.ca. Further information on PROP program details, publications, information circulars, approved percentages, etc, are available on our web site:

www.finance.gov.ab.ca/publications/tax_rebates/index.html

http://www.finance.gov.ab.ca/publications/tax_rebates/fuel/fuel10.html

http://www.finance.gov.ab.ca/publications/tax_rebates/fuel/prop_percentages.html

NOTE: A TRA developed web site for submitting your claims via the Internet will be ready later in 2005. Claims filed via the Internet will be processed faster than those filed by paper. The Internet filing will complete your approved vehicle categories, percentages and applicable tax rates. You will provide number of vehicles, fuel purchases and fuel consumption information. The system will then calculate your claim. Check our web site for updates.