

Vehicles Powered By Alternative Fuels

About this Guide

The information in this *Guide* explains the Retail Sales Tax (RST) refund available for vehicles powered by alternative fuels. Please note that this *Guide* replaces the previous version dated July 1996.

Refund Program

Eligible Vehicles

People who purchase or lease new or used vehicles licensed under the *Highway Traffic Act* (e.g., automobiles, buses, trucks, and vans) may qualify for a refund of RST if the vehicles operate or are converted to operate:

- **exclusively** on electrical energy
- **exclusively** on propane, natural gas, ethanol, methanol, or other manufactured gases; **or**
- as **dual-powered** vehicles (vehicles that use one of the alternative fuels mentioned above and that can also be powered by gasoline or diesel fuel).

Vehicles not Eligible

A refund is **not** available on vehicles using a **mixture** of an alternative fuel and gasoline or diesel fuel. The RST paid when an extended service contract or warranty is purchased is also not refundable.

Tax for Fuel Conservation

In addition to the 8% RST, the “tax for fuel conservation” (TFFC) paid on new passenger cars or new sport utility vehicles, bought or leased, may be refunded if the vehicles operate or are converted to operate **exclusively** on an alternative fuel. Further, hybrid vehicles operating on **both** gas and electricity would also qualify for the refund.

Dual-powered vehicles do not qualify for refund of the TFFC.

Dollar Limits

A refund of the 8% RST paid on vehicles powered by alternative fuels, including RST paid on any conversion costs, is limited to:

- \$750 for propane vehicles
- \$1,000 for vehicles powered by any other alternative fuel.

The above dollar limits do not include the TFFC that may be charged on the purchase of vehicles powered by alternative fuels. A refund can be claimed for the **full** TFFC paid.

The refund dollar limits do not apply to buses. Both the 8% RST and TFFC are refundable in **full**.

Time Limits A vehicle that is converted after purchase may also qualify for a refund of RST (including the TFFC). To qualify for a refund, the vehicle **must** be converted within 180 days from the date it was purchased.

The purchaser may still be entitled to a refund of the 8% RST paid on the cost of the conversion kit and labour to install the kit if the conversion is not completed within the 180 days.

Refund applications must be received **within four years from the date the RST was paid**.

Long Term Leases

Eligible leases must meet all of the above requirements and the period of the lease must be for **twelve** months or more. Subject to the refund limits above, refund claims for long-term leases may be filed:

- after the maximum amount of RST refundable has been paid;
- at the end of the lease contract; **or**
- at the end of each twelve-month period.

Completing Your Application

Mail your signed application, with the required documents to:

Ministry of Finance

Revenue Operations & Client Services Branch

Refund Unit

PO Box 630

33 King Street West

Oshawa ON L1H 8L2

For Further Information

The information contained in this publication is only a guideline. For further information, please contact the nearest Ontario Ministry of Finance Tax Office listed in the blue pages of your telephone directory, call our TAX FAX service at 1-877-4-TAX-FAX (1-877-482-9329), or visit our Web site at: www.rev.gov.on.ca/tare/html/trierst.htm.

Ce guide est disponible en français sous le nom « Véhicules fonctionnant avec des carburants de remplacement, n° 702F ». Vous pouvez obtenir un exemplaire en appelant le 1-800-668-5821.

INSTRUCTIONS FOR APPLYING FOR A REFUND

The attached RST refund application form must be completed and returned with the documents as noted below.

NOTE: *If requested, original documents will be returned after the claim has been processed.*

1. FOR VEHICLES BOUGHT TO OPERATE ON AN ALTERNATIVE FUEL

- (a) If bought from a dealer, your **original** purchase contract (bill of sale) showing the purchase price, the date of purchase and the amount of RST paid, **or**

If bought privately, your **original** Motor Vehicle Transfer form (MV-1) you received when the RST was paid at a Motor Vehicle Licence Office

- (b) A copy of your vehicle registration
- (c) A signed statement from the licensed mechanic who issued the safety Standard Certificate, on company letterhead, stating the type of power used to operate the vehicle when the inspection was done.

2. FOR VEHICLES CONVERTED TO OPERATE ON AN ALTERNATIVE FUEL

In addition to the documents required under 1. (a) and (b) above:

- (a) Your **original** conversion invoice showing the date the conversion was completed
- (b) Proof that RST was paid (e.g. a copy of the cancelled cheque, a signed receipt, or a copy of the finance agreement)
- (c) A description of the fuel system, written by the person who made the conversion.

3. FOR LEASED VEHICLES

- (a) Your **original** long-term lease contract setting out the lease payment schedule
- (b) Proof that RST has been paid (e.g. cancelled cheques, receipts or a letter from the lessor stating the amount of RST paid for the period covered by your claim).

NOTE: The date of sale in the case of a long-term lease is the date the lease started.
Time limits apply.

4. FOR CONVERSIONS ONLY (completed outside the 180 day time limit)

- (a) The documents required under 1.(b), 2.(a) and (b) above.

Please allow six to eight weeks for the Ministry to process your application. Missing documents or information will delay the processing of your claim.

Personal information is collected on the attached form under authority of subsection 48(3) of the *Ontario Retail Sales Tax Act*, R.S.O. 1990, c. R.31, and will be used to determine eligibility for an Ontario retail sales tax refund. If you have any questions about this collection or how to complete the application, or wish to obtain additional forms, please write to the above address, or call **1-800-263-7965**.



Retail Sales Tax Application for Refund - Vehicles Powered by Alternative Fuel

- Please Type or Print
- Please read instructions on the attached guide

For Ministry Use Only					
Period End					
Y			M		D

A Name and Address of Purchaser/Lessee

Last Name	First Name	Middle Initial	Telephone No. ()
Address (Number, Street, P.O. Box, R.R.#)			
City/Town	Province	Postal Code	

Complete Sections B or C if tax is claimed for both the vehicle and/or its conversion.

B Purchases and Conversions

State Fuel Type:

Vehicle Purchase Date	Tax Paid on Vehicle	Date of Conversion	Tax Paid on Conversion	Amount Claimed
	\$		\$	\$

C Leased Vehicles and Conversions

State Fuel Type:

Date Lease Started	Refund Period Claimed (From - To)	Tax Paid for Period Claimed	Date of Conversion	Tax Paid on Conversion	Amount Claimed
		\$		\$	\$

D Certification (Please sign application)

I certify that all the facts stated on this application are correct to the best of my knowledge and I understand this claim is subject to verification.

<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Name of Claimant (Print)	Title	Signature	Date

Every person who obtains or attempts to obtain a refund or rebate by fraudulent means, is guilty of an offence and on conviction is liable to a fine that is a minimum of \$500 to a maximum of double the amount of the refund or rebate obtained or sought to be obtained, or to a term of imprisonment of not more than two years, or to both.

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Amount Allowed

Net Account Balance

Cheque Amount

Date Assigned Employee No. Batch and Item

Y	M	D

Authorized Signatures Originator	
Supervisor	Date
Manager	Date