

Notice to Coloured Fuel Sellers and Users

Motor Fuel Tax Act

Effective February 22, 2006, the authorized uses of coloured fuel are expanded to include all motor vehicles not licensed to operate on a highway. In addition, the partial refund for tax paid on clear fuel used in stationary motor vehicles to operate equipment for prescribed purposes is expanded.

Coloured Fuel Use

Historically, coloured fuel was authorized for specified vehicles and for specified uses such as farm tractors, family farm trucks, industrial machines, road building machines and logging trucks when used off highway. These eligible uses remain unchanged except that authorized coloured fuel uses are now extended to include all motor vehicles not licensed to operate on a highway.

Examples of motor vehicles now authorized to use coloured fuel include the following.

- All unlicensed snowmobiles and ATVs that are used off highway.
- All unlicensed cars and trucks that are used off highway.

A licensed motor vehicle is defined as being licensed for use on a public roadway according to conditions set out in the licence. Generally, licensing includes the attachment of correct number plates to the vehicle, the presence of a correct validation decal on a number plate, the *Owner's Certificate of Insurance and Vehicle Licence*, or a Temporary Operating Permit correctly displayed or carried in the vehicle. Motor vehicles without any of the above are considered unlicensed.

A highway is defined as any public road, street, lane or right of way (road allowances) in British Columbia. Off-road areas, such as logging, drilling or mine sites, and private roads maintained by industry, such as designated logging roads, are considered off highway.

Coloured fuel pump labels and the *Coloured Fuel Account Certification* form ([FIN 438](#)) will be revised to reflect these changes. Purchasers of coloured fuel "on account" do not need to update their *Coloured Fuel Account Certification* if they have already provided one to their fuel supplier.

Refunds for Clear Fuel used in Stationary Engines

Historically, refunds for the difference between the clear and coloured fuel tax rate for fuel used in stationary motor vehicles were limited to specific purposes such as pumping petroleum products or dry cement. Refund provisions for these purposes are expanded to include the following.

- Pumping or dispensing liquids or other materials to or from a commercial motor vehicle, which does not include the use of a hydraulic arm (unless it is on a logging truck) or a hydraulic cylinder. Examples of liquids and materials include water, milk, flour, syrups, fertilizers or fuel.

Over...

- Operating a drilling unit that is operated by a power take-off unit.
- Operating temperature control equipment to preserve goods in an insulated cargo box on a commercial motor vehicle. To qualify for this refund, the vehicle engine must be used to operate the temperature control equipment for a significant period of time, such as when parking overnight.

Refunds must be claimed within six years from the date the tax was paid on the fuel.

Further Information

If you have any questions about unlicensed motor vehicles or fuel tax refunds, or to obtain an *Application for Refund of Fuel Tax* form (**FIN 440**), please contact us toll free at 1 877 388-4440, or in Vancouver call 604 660-4524. Forms are available on the web at www.sbr.gov.bc.ca/ctb

You may also find our coloured fuel website at www.sbr.gov.bc.ca/ctb/ColouredFuel.htm helpful, as well as our **Bulletin MFT 003**, *Bulk Agents: Coloured Fuel*, which is also available on the web.