
Title Fuel Tax Exemptions for Generators

Overview

According to Section 6(1) of the FOTA, Fuel Tax Exempt Permits may also be issued for “stationary generators of electricity”. These generator permits may be issued only if the generator meets four criteria (listed below in the requirements section).

Fuel Tax Exempt Permits may also be issued for certain commercial purposes outlined in Section 6(2) of the *Fuel Oil Tax Act* (FOTA). Generators used under any of these commercial purposes will be approved as part of the equipment list for the permit.

Legislation or Regulation *Fuel Oil Tax Act*, Sections 1, 4(5) and 6

Definitions

Within the meaning of FOTA Section 6(1), the following definitions apply:

Generator: means a generator of electricity which is permanently located on land or in a building and intended to so remain located and does not include a generator used for temporary service work or temporary supply of electricity.

Stationary: not portable and not designed or altered to be used in more than one location and easily moved between them.

Permanently located: sited to provide power in a single location with no expectation that it will ever be used elsewhere.

Requirements

Section 6(1) of the FOTA provides a fuel tax exempt permit to be issued to persons who use stationary generators for the generation of electricity. These stationary generators must meet certain criteria in order for a permit to be issued under the generator category.

Effective January 1, 2012 a fuel tax exempt permit may

only be issued for a stationary generator of electricity if the generator meets the following four criteria:

1. The generator is stationary.
2. The generator is permanently located on land or in a building.
3. The generator is intended to remain so located.
4. The generator is used neither for temporary service work nor for the temporary supply of electricity.

Determination of Generator Eligibility

All applicants for exempt permits under the generator category must certify that the permit meets the four criteria listed above. Site visits may be conducted.

For further information contact:

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