

---

**Title** Sales Between Fuel Distributors

---

**Overview** Yukon fuel distributors may sell fuel to one another. Sales between distributors are typically in the form of bulk fuel transfers, but may also be in the form of “own use” purchases, via cardlock. The reporting requirements for these two types of sales are detailed in this bulletin.

---

**Legislation or Regulation** *Fuel Oil Tax Act* Sections 3, 12 and 15  
*Fuel Oil Tax Regulations* Section 12

---

**Definitions** **Distributor:** means a person who imports into the Yukon, manufactures, or sells fuel oil to a seller for resale.

**Generic Fuel Tax Return:** means monthly fuel tax return forms as prescribed under the *Fuel Oil Tax Act and Regulations*.

Includes the following supporting schedules cited in this bulletin:

- FTG-2 and FTD-2 – Acquisitions within Jurisdiction from Licensed Collectors
- FTG-4 and FTD-4 - Dispositions within Jurisdiction to Licensed Collectors
- YTG-5 and YTD-5 – Distributor and Vendor Exempt Sales
- YTG-6 and YTD-6 – Breakdown of Sales

**Own use:** means fuel consumed by a distributor in the course of doing business.

**Tax:** means the tax imposed by the *Fuel Oil Tax Act*

---

**Requirements** Registered Yukon fuel distributors may purchase fuel from other Yukon fuel distributors. These usually take the form of the following transactions:

---

## 1. Bulk Fuel Transfers

### Seller

Yukon fuel distributors that sell fuel to other registered Yukon fuel distributors will report these sales on the generic fuel tax return by recording the bulk fuel transfer on Schedule FTG-4/FTD-4 as a disposition to a licensed collector within the jurisdiction. The fuel will be sold tax-out and reporting the fuel on this schedule has the effect of transferring the tax responsibility to the purchasing fuel distributor.

### Purchaser

The purchaser, as a licensed Yukon fuel distributor, is required to record the fuel purchased from the other fuel distributor on Schedule FTG-2/FTD-2 as an acquisition within jurisdiction from a licensed collector. The result is that the fuel is added to the purchaser's inventory and the purchaser is then responsible for remittance of tax on any sales made from this inventory.

**Note:** even if the purchase is intended for immediate resale to a specific customer it must be recorded on Schedule FTG-2/FTD-2 as an acquisition and then recorded as a sale on Schedule YTG-6/YTD-6 (as well as on Schedule YTG-5/YTD-5 if applicable).

## 2. Cardlock Sales / Own Use Purchases

### Seller

If a fuel distributor sells fuel to another fuel distributor for the distributor's own use (i.e. into the tank of a road vehicle) via cardlock then the sales must be taxed and are reported in the seller's direct sales figure on Schedule YTG-6/YTD-6 (as well as on Schedule YTG-5/YTD-5 if applicable – see Bulletin FOTA005).

### Purchaser

Taxes are charged on own use purchases at any distributor's cardlock. The purchasing distributor will not record these purchases in its inventory, nor will it report the own use fuel on its fuel tax return.

---

**For further information  
contact:**

Finance – Taxation

*Mailing Address*

Government of Yukon  
Box 2703  
Whitehorse, Yukon  
Canada Y1A 2C6

*Street Address*

Yukon Government Administration Building  
3rd Floor - Finance  
2071 Second Avenue  
Whitehorse, YT

Phone: (867) 667-5343

Fax: (867) 456-6709

E-mail: [yk.taxreturns@gov.yk.ca](mailto:yk.taxreturns@gov.yk.ca)

---

The information in this bulletin is for your convenience and guidance and is not a replacement for the legislation. The Act and regulations are on our website at: <http://www.gov.yk.ca/legislation/>.