

Notice to Fuel Sellers in the Victoria Regional Transit Service Area (VRTA) – Fuel Inventory

Motor Fuel Tax Act

Overview

Effective April 1, 2018, the motor fuel tax rate in the Victoria Regional Transit Area (VRTA) is increasing from 3.5¢ to 5.5¢ per litre on clear gasoline and clear diesel.

This notice explains the responsibilities of deputy collectors (wholesale dealers) and retail dealers who both purchase and sell clear gasoline and/or clear diesel within the VRTA. You must calculate and pay the additional security due on your fuel inventory as a result of this rate change.

You are a deputy collector or retail dealer for fuel purchased in BC for resale on which you have paid, or will be paying, security to your supplier.

The Victoria regional transit service area includes all incorporated areas of the Capital Regional District and unincorporated areas of the Capital Regional District that are part of the Juan de Fuca Electoral Area, excluding the Malahat and Renfrew Land Districts. The islands within these areas, including Salt Spring Island and the Outer Gulf Islands, are not included in the Victoria regional transit service area. For a map of the Victoria regional transit service area, see [BC Transit's website](#).

Fuel Inventory as of April 1, 2018

If you are a deputy collector or retail dealer for clear gasoline and clear diesel you must determine the amount of fuel you own at 12:01 am on April 1, 2018, report it as inventory and pay the additional security due on that inventory. You must include all fuel you own, or are deemed to own, for resale purposes.

You are deemed to own fuel at 12:01 am on April 1, 2018, if:

- you entered into an agreement to buy fuel (at the lower tax rate) and the agreement provides that you own the fuel at 12:01 am on April 1, 2018,
- you have not received delivery of the fuel before that time, and
- you have not entered into an agreement with another person that provides the other person owns the fuel on April 1, 2018.

Note: If you entered into an agreement to sell fuel (at the lower tax rate) to another fuel seller and the agreement provides they own that fuel at 12:01 am on April 1, 2018, you do not report that fuel even if you have not delivered that fuel to the other fuel seller before that time. In this case, the buyer reports the volume on their inventory return.

Paying security

You must pay as security an amount equal to 2¢ multiplied by the volume of clear gasoline and clear diesel inventory, in litres, on hand at 12:01 am on April 1, 2018.

Filing the inventory return

You use the *April 1, 2018 British Columbia Transit Tax Return (Victoria) - Inventory (FIN 102)* to report your inventory and calculate the amount of additional security due. If you own, or are deemed to have owned, inventory on April 1, 2018, you **must** file this inventory return. The inventory return and payment are due on **April 16, 2018**. The inventory return (FIN 102) is available on our [website](#) (go to the Motor Fuel and Carbon Tax Forms page).

Further Information

Online: gov.bc.ca/salestaxes

Toll free in Canada: 1 877 388-4440

Email: FuelTax@gov.bc.ca

Subscribe to our [What's New](#) page to receive email updates when information changes.

The information in this notice is for your convenience and guidance and is not a replacement for the legislation.