

PETROLEUM PRODUCTS TAX ACT

**CONSOLIDATION OF TAX REBATE REGULATIONS**

R-012-2006

In force July 12, 2006

*(Current to: October 19, 2012)*

**AS AMENDED BY:**

R-003-2008

In force February 20, 2008

R-015-2009

In force June 2, 2009

R-008-2012

In force May 1, 2012

This consolidation is not an official statement of the law. It is an office consolidation prepared for convenience only. The authoritative text of regulations can be ascertained from the *Revised Regulations of the Northwest Territories, 1990* and the monthly publication of Part II of the *Northwest Territories Gazette* (for regulations made before April 1, 1999) and Part II of the *Nunavut Gazette* (for regulations made on or after April 1, 1999).

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## GLOSSARY OF TERMS USED IN CONSOLIDATIONS

### *Miscellaneous*

c.	means "chapter".
CIF	means "comes into force".
NIF	means "not in force".
s.	means "section" or "sections", "subsection" or "subsections", "paragraph" or "paragraphs".
Sch.	means "schedule".

### *Citation of Acts*

R.S.N.W.T. 1988,c.D-22	means Chapter D-22 of the <i>Revised Statutes of the Northwest Territories, 1988</i> .
R.S.N.W.T. 1988,c.10(Supp.)	means Chapter 10 of the Supplement to the <i>Revised Statutes of the Northwest Territories, 1988</i> . (Note: The Supplement is in three volumes.)
S.N.W.T. 1996,c.26	means Chapter 26 of the 1996 Annual Volume of the Statutes of the Northwest Territories.
S.Nu. 2002,c.14	means Chapter 14 of the 2002 Annual Volume of the Statutes of Nunavut.

### *Citation of Regulations and other Statutory Instruments*

R.R.N.W.T. 1990,c.A-1	means Chapter A-1 of the <i>Revised Regulations of the Northwest Territories, 1990</i> .
R-005-98	means the regulation registered as R-005-98 in 1998. (Note: This is a Northwest Territories regulation if it is made before April 1, 1999, and a Nunavut regulation if it is made on or after April 1, 1999 and before January 1, 2000.)
R-012-2003	means the regulation registered as R-012-2003 in 2003. (Note: This is a Nunavut regulation made on or after January 1, 2000.)
SI-005-98	means the instrument registered as SI-005-98 in 1998. (Note: This is a Northwest Territories statutory instrument if it is made before April 1, 1999, and a Nunavut statutory instrument if it is made on or after April 1, 1999 and before January 1, 2000.)
SI-012-2003	means the instrument registered as SI-012-2003 in 2003. (Note: This is a Nunavut statutory instrument made on or after January 1, 2000.)

## TAX REBATE REGULATIONS

### Interpretation

1. (1) In these regulations,

"eligible petroleum products" means petroleum products used in Nunavut in qualifying equipment and machinery; (*produit pétrolier admissible*)

"harvest" means harvest within the meaning of the *Wildlife Act*; (*récolte* or *récolter*)

"mine development" means on-site activities leading directly to the commencement of the commercial extraction of minerals in a mine site; (*mise en valeur*)

"mine extraction" means the act or process of work involved in the commercial extraction of minerals in a mine site; (*extraction minière*)

"mine reclamation" means activities related to returning the mine site back to its original use after the commercial extraction of minerals is complete; (*régénération minière*)

"mine site" means the area contained within a mining lease issued under the *Northwest Territories and Nunavut Mining Regulations*, made under the *Territorial Lands Act* (Canada); (*site minier*)

"mineral exploration" means

- (a) preproduction activities of exploring or prospecting for minerals by drilling, boring, sinking shafts, driving tunnels, trenching and stripping, and conducting geological, geophysical and geochemical surveys,
- (b) transporting core samples from an exploration or prospecting site and any other activities directly related to exploring or prospecting for minerals, and
- (c) any other activity that qualifies as an exploration cost under the *Northwest Territories and Nunavut Mining Regulations*, made under the *Territorial Lands Act* (Canada); (*exploration minérale*)

"qualifying equipment and machinery" means any equipment or machinery that is used in harvesting activities, mine development, mine extraction, mine reclamation or mineral exploration, including the following equipment or machinery:

- (a) an all-terrain vehicle within the meaning of the *All-Terrain Vehicles Act*,
- (b) a boat,
- (c) specialized aircraft that is permanently fitted with mineral exploration equipment, and
- (d) equipment used to generate electricity; (*équipement et machinerie admissibles*)

"tourism operator" means

- (a) a guide within the meaning of the *Travel and Tourism Act*,
- (b) a person licensed as an outfitter under the *Outfitter Regulations*, made under the *Travel and Tourism Act*,
- (c) a person entitled, under the *Wildlife Act*,
  - (i) to act as a guide, big game guide or big game outfitter,
  - (ii) to conduct wildlife tours, or
  - (iii) to establish, offer or provide an organized activity in which wildlife is the object of interaction, manipulation or close observation, and
- (d) a person licensed as a tourism establishment operator under the *Tourist Establishment Regulations*, made under the *Travel and Tourism Act*; (*exploitant d'entreprise touristique*)

"wildlife" means wildlife within the meaning of the *Wildlife Act*. (*ressources fauniques*)

(2) For the purposes of these regulations, mine development, mine extraction and mine reclamation do not include transporting persons or supplies to or from a mine site. R-008-2012,s.2.

#### Eligibility for Tax Rebates

**2.** (1) A person who harvests wildlife is eligible to apply for a tax rebate on eligible petroleum products used in the harvesting activities.

(2) A group or organization that conducts or sponsors a community organized harvest is eligible to apply for a tax rebate on eligible petroleum products used in the harvest.

(3) A corporation incorporated or registered under the *Business Corporations Act* that possesses a commercial harvesting licence under the *Wildlife Act* and conducts a commercial organized harvest is eligible to apply for a tax rebate on eligible petroleum products used in the harvest.

(4) A tourism operator is eligible to apply for a tax rebate on eligible petroleum products used in guiding, outfitting or other outdoor recreational services for a client who contracts such services. R-003-2008,s.1.

**3.** A person who quarries rock for the purpose of carving, whether or not the person has a lease issued under the *Territorial Quarrying Regulations*, made under the *Territorial Lands Act* (Canada), is eligible to apply for a tax rebate on eligible petroleum products used directly in the quarrying activities, including transportation to and from the quarry site.

- 4.** A person who engages in mineral exploration and has a license to prospect issued under the *Northwest Territories and Nunavut Mining Regulations*, made under the *Territorial Lands Act* (Canada), is eligible to apply for a tax rebate on eligible petroleum products used directly in mineral exploration. R-008-2012,s.3.
- 5.** A corporation incorporated or registered under the *Business Corporations Act* that engages in a particular mine development, mine extraction or mine reclamation is eligible to apply for a tax rebate on eligible petroleum products used directly for the purposes of that mine development, mine extraction or mine reclamation if the corporation has entered into and is in compliance with a development partnership agreement with the Government of Nunavut. R-015-2009,s.1; R-008-2012,s.4.
- 6.** (1) The tax rebate applies to petroleum products purchased in or brought into Nunavut on or after April 1, 2006, under section 2 or 5, respectively, of the *Petroleum Products Tax Act*.
- (2) Gasoline or diesel oil used in a motor vehicle on a public road is not eligible for a tax rebate.

#### Tax Rebates

- 7.** (1) Where an applicant meets all the requirements of these regulations and has paid tax on eligible petroleum products, the Minister shall pay that person a rebate equal to the amount of the petroleum products tax paid.
- (2) No applicant is eligible for a tax rebate if the amount of the rebate that would otherwise be payable is less than \$10.
- (3) Despite subsection (1), an applicant referred to in section 5 is eligible for a tax rebate not exceeding the lesser of
- (a) the maximum amount as determined in the development partnership agreement; or
  - (b) the percentage of petroleum products tax paid specified in the development partnership agreement.
- R-008-2012,s.5.

#### Application

- 8.** (1) An application for a tax rebate must be completed in the form approved by the Minister and must include receipts for petroleum products purchased in or brought into Nunavut and evidence showing that they were eligible petroleum products.
- (2) An application made by a person referred to in section 4 must also include the following:
- (a) a copy of the licence to prospect;

- (b) documents, records or other evidence showing that the applicant engaged in mineral exploration activities during the period;
- (c) documents, records or other evidence showing that the petroleum products were used solely in qualifying equipment and machinery and directly in mineral exploration.

(3) An application made by a person referred to in section 5 must also include the following:

- (a) a copy of the development partnership agreement;
- (b) a copy of the mining lease;
- (c) documents, records or other evidence showing that the applicant engaged in mine development, mine extraction or mine reclamation activities during the period;
- (d) documents, records or other evidence showing that the petroleum products were used solely in qualifying equipment and machinery and directly in mine development, mine extraction or mine reclamation.

(4) An application for a tax rebate must be submitted within one year after the petroleum products were purchased in or brought into Nunavut, and may be submitted every six months.

(4.1) Despite subsection (4), an application made by a person referred to in section 5 must be submitted on or before March 31 in respect of eligible petroleum products purchased in or brought into Nunavut in the preceding year.

(5) The Minister may, at the time an application is made or at any subsequent time, require an applicant to supply any additional information necessary to determine whether the eligibility requirements have been met.

(6) Where the Minister requires additional information under subsection (5), the applicant shall supply that information within the time specified by the Minister.  
R-008-2012,s.6.

**9.** A person who receives a tax rebate shall retain complete and accurate records of petroleum products purchases and imports for four years after the end of the year in which the tax rebate is paid.

#### Overpayment

**10.** (1) Where a tax rebate is paid under these regulations and, in the opinion of the Minister, the petroleum products were used for an ineligible use or the recipient knowingly provided false or misleading information or was otherwise ineligible for the tax rebate, the Minister may declare the amount of the tax rebate paid to be an overpayment.

(2) Where a tax rebate is paid under these regulations and the recipient fails to supply information requested under subsection 8(5), the Minister may declare the amount of the tax rebate paid to be an overpayment.

(3) Any overpayment made under these regulations is a debt due to the Government of Nunavut and may be recovered in the manner authorized by the *Financial Administration Act* or any other manner authorized by law.

(4) A person who received an overpayment referred to in subsection (1) or (2) is ineligible, without the Minister's permission, to apply for a tax rebate for a period of five years from the end of the year in which the overpayment was made.