



INFORMATION NOTICE – FUEL 23-01

FUEL TAX HOLIDAY

THE FUEL TAX ACT

Issued: December 2023

This information notice provides an overview of the fuel tax holiday that will be in effect from January 1, 2024 to June 30, 2024.

SECTION 1 – NON-TAXABLE AND TAXABLE FUELS:

Non-taxable Fuels:

Effective January 1, 2024 to June 30, 2024, the following fuel products are not taxable:

- All purchases of unmarked gasoline and diesel. The fuel tax rate will be reduced from 14¢/L to 0¢/L.
- Natural gas used in operating a motor vehicle. The fuel tax rate will be reduced from 10¢ per cubic meter to 0¢ per cubic meter.
- Marked gasoline bought by qualified purchasers. The fuel tax rate will be reduced from 3¢/L to 0¢/L. Marked diesel also continues to be non-taxable to qualified purchasers.

All fuel tax collectors and retailers are to discontinue collecting fuel tax on the sale of these fuel products as of January 1, 2024.

Taxable Fuels:

All other fuel products remain taxable and existing fuel tax rates apply. These include:

- Aviation fuels;
- Locomotive fuels;
- Propane;
- Bunker and diesel heating fuels.

SECTION 2 – FUEL RETAILERS REFUNDS, PAYMENTS AND TAX RETURNS:

Fuel tax retailers that have fuel tax paid gasoline, diesel or marked gasoline inventory at the end of business on December 31, 2023 can apply for a fuel tax refund.

To apply for the fuel tax holiday refund, fuel retailers will be able to log into their sales tax account on [TAXcess](#) as of January 1, 2024 and select the Fuel Tax Holiday Refund link to access the online application form and information. Fuel retailers applying for a fuel tax holiday refund will be required to provide their fuel volumes at the end of business on December 31, 2023 by fuel type and upload supporting documentation.

At the end of the fuel tax holiday, fuel retailers will be required to file and pay fuel tax on their inventory of non-tax paid gasoline, diesel or marked gasoline via their [TAXcess](#) account.

Fuel tax collectors will be required to continue to file fuel tax returns to report volumes on all fuel products sold and remit taxes on fuel products not subject to the fuel tax holiday.

SECTION 3 – COMMON CARRIERS:

During the fuel tax holiday, common carriers that are part of the International Fuel Tax Agreement (IFTA) will not be required to pay tax on their fuel used in Manitoba.

In addition, the single trip permit requirement will also be suspended during the fuel tax holiday.

FURTHER INFORMATION:

This bulletin is intended to serve as a guideline and is not all-inclusive. For the specific wording of the law, please refer to The Retail Sales Tax Act and Regulation. Further information may be obtained from:

Manitoba Finance
101 - 401 York Avenue
Winnipeg, Manitoba R3C 0P8
Telephone: 204-945-5603
Manitoba Toll-Free: 1-800-782-0318
Fax: 204-945-0896
E-mail: MBTax@gov.mb.ca
Web Site: <https://www.manitoba.ca/finance/taxation/>

ONLINE SERVICES:

Our Web site [here](#) provides tax forms and publications about taxes administered by Manitoba Finance, and a link to Manitoba's laws and regulations. Forms and publications can also be obtained by contacting Manitoba Finance.

TAXcess, our online service, taxcess.gov.mb.ca provides a simple, secure way to apply for, and to file, pay and view your Manitoba tax accounts.