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Page 1 of 10

Guide
for Completing the Application for Refund Summary and Schedule - Auxiliary Power Take Off Equipment (PTO activity prior to July 1, 2017)
Published: June, 2017

The information in this guide will help you complete the Application for Refund Auxiliary Power Take Off (PTO) Equipment (PTO activity prior to July 1, 2017) [PDF - 1274 [KB]]. The guide also provides information about supporting documents, records retention, time limit for applying for a refund, direct bank deposit, and will help you to determine whether you are eligible to claim a refund. The information in this guide is provided as a guideline only and does not replace the law found in the Gasoline Tax Act and the Fuel Tax Act and related regulations.

Who May Use This Form?
The refund is available to owners or operators of Auxiliary Power Take Off (PTO) equipment.

A refund of the tax paid is available on gasoline, propane or clear fuel consumed in the operation of auxiliary PTO equipment provided:

• it was used for business, industrial or institutional purposes;

• the operation took place in Ontario;

• the equipment used was attached to a licensed motor vehicle;

• the equipment used received its power from the transmission of the motor vehicle, a split shaft PTO, a crankshaft PTO or a front crank pulley PTO; or

• the PTO equipment is equipped with its own engine and the fuel consumed in the PTO operation was drawn from the fuel tank [1] of the motor vehicle to which the PTO is attached.

Note: An auxiliary power take off unit equipped with its own engine and fuel tank (which is separate and distinct from the fuel tank of the motor vehicle), is not considered an auxiliary PTO operation for the purpose of gasoline or fuel tax refund.

No refund is available:

• if the PTO equipped motor vehicle was used for pleasure, personal or recreational purposes, or for the transportation of passengers, whether for hire or not; or

• if the PTO equipment was designed or used for the propulsion of a motor vehicle on a highway.

Refunds will be paid upon Ministry of Finance (ministry) approval of the Application for Refund.

You may apply to the ministry for an allowance not already established. Requests must be made in writing and should describe the unit and its operation. The manufacturer's specifications showing the fuel consumption of the PTO while operating should also be provided.

[1] Fuel tank of a motor vehicle means that part of a motor vehicle in which fuel for generating power in the motor vehicle is kept.
Supporting Documents

The following information and documentation must accompany your refund application:

- All claimants must complete the following documentation:
  - Application for Refund – Summary
  - Application for Refund – Schedule
- Non-Interjurisdictional Carriers must complete additional documentation:
  - Application for Refund – Worksheet 1
- Interjurisdictional Carriers must complete additional documentation:
  - Application for Refund – Worksheet 1
  - Application for Refund – Worksheet 2B
  - Application for Refund – Worksheet 2A
- All relevant purchase invoices, receipted by your supplier, as evidence of the payment of the tax and the date of payment.

The invoices must show:

- the name and address of the vendor and of the purchaser
- the selling price per litre
- the amount of tax charged
- the quantity of product sold
- the date of the sale
- the location where title to the product changed from the vendor to the purchaser

The date of invoice payment should be provided and confirmed with copies of cancelled cheques and/or a statement of account.

If any biodiesel blended product purchased is included as part of your claim, the invoices submitted to support these volumes must identify the per cent of biodiesel blended i.e. B10.

If an auxiliary power take unit is equipped with a fuel metering device that accurately measures the fuel consumption supporting documentation should be provided for the claim period.

If you are an interjurisdictional carrier registered under the International Fuel Tax Agreement (IFTA) provide the appropriate Refund Claim Worksheet for Interjurisdictional Carriers (IJC).

If you are an interjurisdictional carrier based in a jurisdiction other than Ontario, please enclose a copy of your IFTA Return that coincides with your claim period.

Copies of invoices supporting previous claims must not be included in this claim unless you are claiming an adjustment for a previous refund claim.

Claims under $500

If your annual claim total is less than $500, you are not required to send the supporting documentation to the ministry with your refund application. However, you must retain the supporting documentation noted in the above section, for a period of seven years and provide the information to the ministry upon request.
Change of Information (Preprinted Application Only)

When completing a preprinted form please make any required corrections by hand on the refund application before submitting.

Tax Rates

The Ontario tax rates are found on the tax rate table provided on the Application for Refund Auxiliary Power Take Off (PTO) Equipment.

When completing the Application for Refund online the Ontario tax rates are automatically provided on the schedules.

Identification Number

Provide your federal business number or your MFTT reference number as your Identification No. on the Application. When communicating with the ministry, include your identification number on all correspondence and forms.

Direct Bank Deposit

To enrol for Direct Deposit, please complete the Direct Deposit section of the Application.

If you want to cancel direct deposit, please send a letter to the Ministry of Finance requesting a cancellation.

Records Retention and Time Limit

The refund application must be received, by the ministry within four years from the date of payment of the tax. All records, documents and receipts pertaining to your tax refund claim must be kept for seven years for audit purposes.

For further information regarding records retention, please refer to the publication entitled Retention/Destruction of Books and Records. Copies are available at ontario.ca/recordretention or by calling the ministry at 1-866-ONT-TAXS (1-866-668-8297).

Freedom of Information

Personal information contained within the Application for Refund is collected under the authority of the Gasoline Tax Act, R.S.O. 1990, c.G.5, and Fuel Tax Act, R.S.O. 1990, c.F.35, and will be used for the purposes of the Gasoline Tax Act and Fuel Tax Act. Questions about this information collection should be directed to:

Senior Manager, Account Management and Collections Branch
Ministry of Finance
33 King Street West, PO Box 625
Oshawa ON  L1H 8H9

Mailing Address and Enquiries

Ministry of Finance
Account Management and Collections Branch
33 King Street West, PO Box 625
Oshawa ON  L1H 8H9

Toll free 1-866-ONT-TAXS (1-866-668-8297)
Hours of Service Monday to Friday 8:30am to 5:00pm
Teletypewriter (TTY) 1-800-263-7776
Fax 905-433-5680
Website: ontario.ca/finance
Please Note

A separate Application for Refund for each product type – gasoline, propane or clear fuel must be prepared.

The Application for Refund is comprised of an Application for Refund – Summary, an Application for Refund – Schedule and the appropriate Application for Refund – Worksheet(s) for either the current claim or for previous claim adjustments.

When completing the refund application online, you will be automatically taken from the application summary to the schedule(s) and to the worksheet(s) and then returned back to the schedule and summary. The calculations of your entries and carry forward of totals will usually be performed automatically.

When completing the refund application by hand, carry forward the totals from the schedule(s) to the Application for Refund - Summary form.

The DETAILED INSTRUCTIONS section provides step by step instructions on how the Summary, Schedule and Worksheets are to be completed and the sequence in which they are to be completed.

All claimants must complete:

1. Application for Refund – Summary
   The Summary form is to identify the claimant by legal name, identification number along with the product type and schedule number for which the claim is being submitted. The Summary form also identifies the start and end dates of the current claim or the adjustment to a previous refund claim being made and the amounts of the claim. The Summary requires the certification content boxes/laces to be completed before the refund claim is mailed to the ministry.

2. Application for Refund – Schedule
   The Schedule identifies whether the claim will be for an IFTA or Non-IFTA vehicle and whether it will be a current claim or an adjustment to a previous claim.

3. Worksheets
   Worksheet to be completed for Non-IFTA Vehicles
   Application for Refund – Worksheet 1

   a. When completing the worksheet online, the upper portion of the Application for Refund – Worksheet 1 will automatically be filled in with your legal name and address, and identification number. When completing the worksheet by hand please record this information in the upper portion of the Application for Refund – Worksheet 1.

   b. Once you have provided all required information for Non-IFTA vehicles go to the Application for Refund - Schedule. You will be automatically be forwarded to this worksheet when completing the application online.

   Worksheets to be completed for IFTA Vehicles
   Application for Refund – Worksheet 1

   c. When completing the worksheet online, the upper portion of the Application for Refund – Worksheet 1 will automatically be filled in with your legal name and address, and identification number. When completing the worksheet by hand please record this information in the upper portion of the Application for Refund – Worksheet 1.

   d. Once you have provided all required information for IFTA vehicles go to the Application for Refund – Worksheet 2A. You will be automatically be forwarded to this worksheet when completing the application online.
Application for Refund – Worksheet 2A

e. When completing the worksheet online, the upper portion of the Application for Refund – Worksheet 2A will automatically be filled in with your legal name and address, and identification number. When completing the worksheet by hand please record this information in the upper portion of the Application for Refund – Worksheet 2A.

f. Once you have provided all required information for IFTA vehicles go to the Application for Refund – Worksheet 2B. You will be automatically be forwarded to this worksheet when completing the application online.

Application for Refund – Worksheet 2B

g. When completing the worksheet online, the upper portion of the Application for Refund – Worksheet 2B will automatically be filled in with your legal name and address, and identification number. When completing the worksheet by hand please record this information in the upper portion of the Application for Refund – Worksheet 2B.

h. Once you have provided all required information for IFTA vehicles go to the Application for Refund – Schedule. You will be automatically be forwarded to this Schedule when completing the application online.

An authorized person is to sign the Application for Refund - Summary and mail it with all supporting documentation to the ministry.

**Detailed Instructions**

**Step 1 – Completing the Upper Portion of the Application for Refund – Summary**

- In the space provided, enter your legal name and address and your identification number.
- Indicate the product type (gasoline, propane or clear fuel) for which the claim is being submitted.
- Indicate the required schedule type (Schedule 1 – Gasoline, Schedule 2 – Propane or Schedule 3 – Fuel) for which the claim is being submitted.
- Once completed go to the Application for Refund – Schedule. You will be automatically be forwarded to the Application for Refund – Schedule when completing the application online.

**Note:** The Application for Refund – Summary Certification information and signature is to be completed once the schedule and required worksheet(s) are complete.

**Step 2 – Application for Refund – Schedule**

- When completing the Application for Refund - Schedule online the upper portion will automatically be filled in with your legal name and address, and identification number. When completing the Schedule by hand please enter your legal name and address and your identification number.
- If you selected Schedule 1 Gasoline on the Application for Refund - Summary and if there is any gasoline-ethanol blended product purchased prior to January 1, 2007 included as part of your claim, identify the percent of gasoline-ethanol blend and the number of litres of ethanol excluded in the calculation of refundable litres in the claim.
- If you selected Schedule 3 on the Application for Refund - Summary and any biodiesel blend is included as part of your claim, identify the per cent of biodiesel blend purchased that is being claimed and the number of litres of biodiesel excluded in the calculation of refundable litres in the claim.
- Indicate if you are making a refund claim for any PTO equipment for which a claim has not been submitted before.
- Indicate whether you travelled interjurisdictionally during the claim period and, if so, advise of the name and account of the IFTA registrant responsible for IFTA reporting.
Section [A] Current Claim Calculation or Section [B] Previous Claim Adjustment Calculation

Mark either the IFTA vehicle box or the non-IFTA vehicle box.

**NOTE: Lines 1 to 10** apply to either an IFTA vehicle or a Non-IFTA vehicle. Depending upon which one you have indicated you will be directed to the proper worksheets when completing the application online.

Claimants for IFTA vehicles must complete the following worksheets:

- Application for Refund – Worksheet 1
- Application for Refund – Worksheet 2A
- Application for Refund – Worksheet 2B

Claimants for Non-IFTA vehicles must complete the following worksheets:

- Application for Refund – Worksheet 1

**Lines 1 to 10** on the Application for Refund - Schedule are completed once you have filled in the worksheets.

### Step 3 – Claims for Interjurisdictional Carrier Vehicles

**Refer to STEP 6 for Non-Interjurisdictional Carrier Vehicles**

**Application for Refund - Worksheet 1**

Product claimed on this worksheet must have been used in power take off (PTO) equipment attached to a vehicle used for interjurisdictional travel.

- Record your legal name and address, and identification number. When completing the application online, this information will automatically be inserted.

- Provide the Vehicle and PTO equipment Information:
  - Company Unit No. refers to the vehicle number as determined by the applicant's company numbering system.
  - When claiming an allowance for PTO equipment not previously claimed, provide a copy of the manufacturer's equipment specifications that will assist in the establishment of a consumption rate. Include with the specifications a note stating for which PTO equipment they apply.
  - Complete the calculations for your refund by referring to the PTO allowances as per the ministry guidelines or the manufacturer's specifications, whichever is less, unless your PTO unit is equipped with a fuel metering device. Show your calculations in the space provided at the bottom of the worksheet.

- It is the applicant's responsibility to provide proof of actual fuel consumption by the PTO unit. The ministry will not accept allowances, percentage factors or estimates previously approved for other clients as a means of determining fuel consumption rates or hours of operation.

- Actual records of PTO usage must be maintained by the applicant for seven years for audit purposes. Demand for repayment of tax refunded will be made at the time of audit for claims not eligible for refund or not supported by required records.

- In the Refundable Litres column, list the volume of fuel being claimed during claim period. The worksheet provides space at the bottom of the form to calculate the refundable litres.

- A 'Calculation of Refundable Litres' section is available at the bottom of the worksheet in a free-form format for your use.

- If additional entries are required beyond the current worksheet use additional worksheets. If you are completing the application online, activate the 'Go to Next Page' button.
Step 4 – Application for Refund – Worksheet 2A

- Product reported on this worksheet must have been used in power take off (PTO) equipment attached to a vehicle used for interjurisdictional travel.
- Record your legal name and address and identification number. If you are completing the application online, this information will automatically be inserted.
- Provide a description of the PTO equipment.
- Provide the ‘from’ and ‘to’ dates for each claim IFTA Return Period for which a PTO refund is being submitted.
- For each return period record:
  - the volume of either Fuel or Gasoline Purchased for interjurisdictional travel
  - the kilometres travelled in Ontario
  - the kilometres travelled in other jurisdictions
- If additional entries are required beyond the current worksheet use additional worksheets. If you are completing the application online, activate the ‘Go to Next Page’ button.
- If all entries have been made go to IJC Worksheet 2B. If you are completing the application online, activate the ‘Go to IJC Worksheet 2B’ button.

Step 5 – Step 5 Application for Refund – Worksheet 2B

- Product claimed on this worksheet must have been used in power take off (PTO) equipment attached to a vehicle used for interjurisdictional travel.
- Record your legal name and address and identification number. If you are completing the application online, this information will automatically be inserted.

Line 3. Total Distance Travelled in All Jurisdictions
Enter the total distance travelled in ALL jurisdictions. This is the total of all kilometres travelled in Ontario and the total of all kilometres travelled in other jurisdictions from lines 1 and 2 on the Application for Refund – Worksheet 2A.

Box A – Total PTO Consumption in Ontario
Record the total PTO consumption in Ontario. This number will come from your business records.

Box B – % of Travel in Ontario
Bring forward the total kilometres travelled in Ontario from the grand total line 1 on the Application for Refund – Worksheet 2A and divide by the total of all kilometres travelled in all jurisdictions from line 3 Total Distance Travelled in All Jurisdictions above.

Box C – Refundable PTO Litres
Multiply box A Total PTO Consumption in Ontario by box B % of Travel in Ontario and enter this amount in box C.

Box C’s content is to be carried forward to the Application for Refund – Schedule’s line 2 or line 7 depending upon whether a current claim calculation or a previous claim adjustment calculation is being submitted for payment. If you are completing the application online, activate the ‘Return to Schedule Page when Completed’ button to automatically insert this information.
Step 6 – Claims for Non-Interjurisdictional Carrier Vehicles

(Refer to STEP 3 for Interjurisdictional Carrier Vehicles)

Application for Refund - Worksheet 1

- Product claimed on this worksheet must have been used in power take off (PTO) equipment attached to a vehicle used for non-interjurisdictional travel.

- When completing the form by hand please record your legal name and address and identification number. If you are completing the application online, this information will automatically be inserted.

- Provide a vehicle and PTO equipment information:
  - Company Unit No. refers to the vehicle number as determined by the applicant's company numbering system.
  - When claiming an allowance for PTO equipment not previously claimed, provide a copy of the manufacturer's fuel consumption specifications. This should include the unit's fuel consumption per hour while operating under PTO conditions. Include with the specifications a note stating for which PTO equipment they apply.
  - Complete the calculations for your refund by referring to the PTO allowances as per the ministry guidelines or the manufacturer's specifications, whichever is less, unless your PTO unit is equipped with a fuel metering device. Show your calculations in the space provided at the bottom of the worksheet.
  - It is the applicant's responsibility to provide proof of actual fuel consumption by the PTO unit. The ministry will not accept allowances, percentage factors or estimates previously approved for other clients as a means of determining fuel consumption rates or hours of operation.
  - Actual records of PTO usage must be maintained by the applicant for seven years for audit purposes. Demand for repayment of tax refunded will be made at the time of audit for claims not eligible for refund or not supported by required records.
  - In the Refundable Litres column, list the volume of fuel being claimed during claim period. The worksheet provides space at the bottom of the form to calculate the refundable litres.
  - A 'Calculation of Refundable Litres' section is available at the bottom of the worksheet in a free-form format for your use.
  - If additional entries are required beyond the current worksheet use additional worksheets. If you are completing the application online, activate the 'Go to Next Page' button.
  - Once all entries have been made Return to Schedule Page. If you are completing the application online, activate the 'Return to Schedule Page when Completed' button.

Completion of Application for Refund – Schedule (Lines 1-10)

Step 7– [A] Current Claim Calculation

Either the IFTA vehicle box or the non-IFTA vehicle box should be marked. Complete the related column. Your refund must be based on the actual tax paid per litre at the rate in effect at the time of purchase.

Line 1. Litres Purchased

Record the number of litres purchased for consumption during the claim period in the vehicles listed on the Application for Refund – Worksheet 1 and attach supporting invoices to this application.
**Line 2. Refundable PTO Litres**
Enter the number of litres used in Auxiliary PTO equipment:
For IFTA vehicles, use the amount from box C on the Application for Refund – Worksheet 2B.
For Non-IFTA vehicles, use the amount from the Grand Total line of the Application for Refund - Worksheet 1.

**Line 3. Ontario Tax Rate**
Enter the applicable tax rate per litre. This is the Ontario tax rate in effect during the tax refund period. Refer to the tax rate table found on the first page of the Application for Refund. If you are completing the application online the tax rate is provided automatically.

**Line 4. Subtotal ($)**
Multiply Refundable PTO Litres (line 2) by Ontario Tax Rate (line 3).

**Line 5. Current Refund Claim Amount**
Add subtotal from each of the IFTA vehicle and Non-IFTA vehicle columns to determine the amount of your refund entitlement.
Carry forward this **Current Refund Claim Amount** to Line C of the Application for Refund – Summary. If you are completing the application online return to Summary Page by activating the 'Return to Summary Page' button and Line C will be filled automatically.

**Step 8 – [B] Previous Claim Adjustment Calculation**

Only use this section to adjust your previous refund claim for which you have already received payment. Adjustments must be made within four years.

**For example:**
- an invoice was not included or was incorrectly stated on your previous claim; and
- product was consumed in auxiliary PTO equipment.

Either the IFTA vehicle box or the non-IFTA vehicle box should be marked. Complete the related column. Your refund must be based on the actual tax paid per litre at the rate in effect at the time of purchase.

**Line 6. Litres Purchased**
Record the number of litres purchased for consumption during the claim period in the vehicles listed on the Application for Refund – Worksheet 1 and attach supporting invoices to this application.

**Line 7. Refundable PTO Litres**
Enter the number of litres used in Auxiliary PTO equipment:
For IFTA vehicles, use the amount from box C on the Application for Refund – Worksheet 2B.
For Non-IFTA vehicles, use the amount from the Grand Total line of the Application for Refund - Worksheet 1.

**Line 8. Ontario Tax Rate**
Enter the applicable Ontario tax rate per litre. This is the tax rate in effect during the tax refund period. Refer to the current tax rate table found on the first page of the Application for Refund. If you are completing the application online the tax rate is provided automatically.

**Line 9. Subtotal ($)**
Multiply Refundable PTO Litres (line 7) by Ontario Tax Rate (line 8).

**Line 10. Previous Refund Claim Amount**
Add subtotal from each of the IFTA vehicle and Non-IFTA vehicle columns to determine the amount of your refund entitlement.
Carry forward this **Previous Refund Claim Amount** to Line D of the Application for Refund – Summary. If you are completing the application online return to the Summary Page by activating the 'Return to Summary Page' button and Line D will be filled automatically.
Step 9 – Completing the Lower Portion of the Application for Refund – Summary

Once the Application for Refund – Schedule and Application for Refund – Worksheet(s) have been completed return to the Application for Refund – Summary.

Please complete the 'from' and 'to' Claim period dates of line A Current refund claim and/or line B Adjustment to previous refund claim.

**Line C**'s content is carried forward from the Current Refund Claim Amount on the Application for Refund - Schedule's line 5. If you are completing the application online, this information will automatically be inserted.

**Line D**'s content is carried forward from the Current Refund Claim Amount on the Application for Refund - Schedule's line 10. If you are completing the application online, this information will automatically be inserted.

**Line E** should be the total of line C plus line D. If you are completing the application online, this information will automatically be inserted.

If you are completing the application online you can activate the 'Print Completed Package' button at the bottom of the page. The Summary, Schedule and all Worksheets will be printed.

When completing the application online print 2 copies of the Application for Refund – Summary and Application for Refund – Schedule.

Complete the **Certification** section of the Application for Refund – Summary including an authorized signature and date.

Mail one completed Application for Refund – Summary and Schedule along with all supporting documentation to the ministry at the address shown at the top of the Application for Refund – Auxiliary Power Take Off (PTO) Equipment.

Maintain one copy for your records.

Please retain this guide for future reference. If you require additional copies, visit [ontario.ca/fueltax](http://ontario.ca/fueltax) or call 1-866-ONT-TAXS (1-866-668-8297).