

Ontario Tire Stewardship Fees

About this Notice	This notice explains how Retail Sales Tax (RST) applies to environmental fees passed on to consumers under the Used Tires Program (UTP).
Background	<p>The UTP is a province-wide scrap tire solution for all tires supplied into the Ontario market. The objective of the program is to stop burning used tires for fuel and to divert used tires away from landfill sites. Efforts to reduce used tire waste will include the 3R strategies – reduce, reuse and recycle.</p> <p>On September 1, 2009, the UTP will begin under the direction of the Ontario Tire Stewardship (OTS). This Ontario waste-diversion initiative is being lead by the Ministry of the Environment and ensures the effective and environmentally sound management of used tires.</p>
Fees Payable Under the Used Tires Program	<p>To cover the cost of the program, a tire stewardship fee is imposed by the OTS on industry stewards (brand owners and first importers) for every tire they supply into the Ontario market.</p> <p>RST does not apply to the fee payable to the OTS as the charge by the organization is not in respect of taxable goods or services.</p>
Fees passed on to Retailers	If industry stewards choose to recover this cost by passing it on to retailers who purchase tires for resale, it forms part of the fair value of the products sold. Retailers purchasing tires for resale may purchase them exempt from RST by providing their suppliers with a Purchase Exemption Certificate.
Fees charged by Retailers	If retailers choose to recover this cost by passing it on to their customers in the form of higher prices or as a separate charge on the customer's invoice, it forms part of the fair value of the taxable product and/or service provided and is subject to RST at a rate of 8 per cent. Retailers are required to charge, collect and remit RST on the total selling price of any taxable goods and/or services sold.

More Information

If you need more information on this topic, please contact us:

- ① Telephone:
1 866 ONT-TAXS (1 866 668-8297)
Teletypewriter (TTY) 1 800 263-7776
- 🖱 Online:
To obtain the most current version of this publication, visit our website at ontario.ca/revenue and enter **2788** in the find page field at the bottom of the webpage, or visit the OTS website at ontariotirestewardship.org.
- ✉ Written Interpretation:
To obtain a written interpretation on a specific situation not addressed in this publication, please send your request in writing to:

Ministry of Revenue
Tax Advisory Services Branch
Retail Sales Tax Section
33 King Street West, 3rd Floor
Oshawa ON L1H 8H5

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