

The Freehold Coal Production Tax Regulations

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Saskatchewan Regulations 39/84 (effective January 1, 1984) as amended by Saskatchewan Regulations 95/84, 97/88, 108/93, [82/2013](#), [65/2017](#) and [135/2020](#).

NOTE:

This consolidation is not official. Amendments have been incorporated for convenience of reference and the original statutes and regulations should be consulted for all purposes of interpretation and application of the law. In order to preserve the integrity of the original statutes and regulations, errors that may have appeared are reproduced in this consolidation.

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SASKATCHEWAN REGULATION 39/84

The Mineral Taxation Act, 1983 – Section 46

Short Title and Interpretation

Short title

1 These regulations may be cited as *The Freehold Coal Production Tax Regulations*.

Construction

2 Subject to section 3, these regulations shall be construed with reference to the terms and interpretation of *The Mineral Taxation Act, 1983*.

19 Apr 84 SR 39/84 s2.

Interpretation

3 In these regulations:

- (a) “**Act**” means *The Mineral Taxation Act, 1983*;
- (b) “**Schedule**” means *The Freehold Coal Production Tax Schedule*.

19 Apr 84 SR 39/84 s3.

Prescribed Rates

Rate of tax

4 For the purposes of section 7 of the Schedule, a rate of tax of 7 per cent is prescribed for each quarter commencing on or after January 1, 1984 in respect of the mineral production taxes imposed by the Act on the production of freehold coal.

19 Apr 84 SR 39/84 s4.

Saskatchewan resource credit

4.1(1) Subject to subsection (3), the producer may deduct from the mineral production taxes imposed by the Act on the production of freehold coal the Saskatchewan resource credit, which is equal to:

- (a) for the quarter commencing on July 1, 1988 and for each subsequent quarter up to and including the quarter ending on March 31, 2013, 1% of the producer’s net value of freehold coal for the quarter; and
- (b) for the quarter commencing on April 1, 2013 and for each subsequent quarter, 0.75% of the producer’s net value of freehold coal for the quarter.

(2) For the purposes of subsection (1), the ex-mine cost allowance determined pursuant to section 5 of the Schedule shall not be deducted in determining the net value of freehold coal pursuant to section 4 of the Schedule.

(3) Subsection (1) does not apply to a producer that is also a Saskatchewan Crown corporation.

10 Nov 88 SR 97/88 s2; 7 Jan 94 SR 108/93 s2;
25 Oct 2013 SR 82/2013 s2.

Rate of interest

5(1) For the purposes of subsection 22(1) of the Act, the interest rate on the amount of mineral production taxes not paid or remitted for each month and for any portion of a month that the amount is outstanding is to be calculated in accordance with *The Mineral Taxation Late Payment Interest Charges Regulations*.

(2) For the purposes of subsection 22(2) of the Act, the rate of interest with respect to the mineral production taxes imposed by the Act on the production of freehold coal is the rate equal to the prime lending rate of the bank holding the general revenue fund.

7 Jly 2017 SR 65/2017 s2; 24 Dec 2020 SR
135/2020 s2.

Penalty on audit assessments

5.1(1) For the purposes of section 26.1 of the Act, every producer shall pay to the minister a penalty at the rate set out in subsection (2) on any tax that is not paid or remitted as and when required by the Act or these regulations.

(2) For the purposes of subsection (1), the penalty is 10% of the tax that is not paid or remitted as and when required by the Act or these regulations.

7 Jly 2017 SR 65/2017 s2.

Interest on audit assessments

5.2(1) For the purposes of section 26.1 of the Act, every producer shall pay interest pursuant to subsection 22(1) of the Act at the rate set out in subsection (2).

(2) For the purposes of subsection (1), the rate of interest per annum with respect to any tax that is not paid or remitted as and when required by these regulations is the rate equal to the sum of:

- (a) the prime lending rate of the bank holding the general revenue fund as determined and adjusted in accordance with this section; and
- (b) 3%.

(3) The interest rate set out in this section is to be determined on June 15 and December 15 in each year and:

- (a) the interest rate as determined on June 15 applies to any tax that is not paid or remitted as mentioned in subsection (1) on or after July 1; and
- (b) the interest rate as determined on December 15 applies to any tax that is not paid or remitted as mentioned in subsection (1) on or after January 1 of the following year.

7 Jly 2017 SR 65/2017 s2.

Refunds

5.3(1) Subject to subsections (2) and (3), if a producer has made an overpayment of tax, the minister:

- (a) shall refund the amount of the overpayment to the producer; and
- (b) may pay interest at the rate and in the manner set out in subsection (6).

(2) If a producer owes any taxes to the minister pursuant to the Act or these regulations at the time the minister determines that an overpayment has been made:

- (a) the minister shall retain the amount of the overpayment, or as much of the overpayment as is required, and apply it to the taxes owing; and
- (b) the minister shall notify the producer of the set-off mentioned in clause (a).

(3) No refund is payable if the fact of the overpayment did not come to the attention of the minister within three years after the date on which the overpayment occurred.

(4) Notwithstanding *The Limitations Act*, no action may be brought to recover an overpayment after the expiration of three years after the date on which the overpayment occurred.

(5) The refund of an overpayment of tax is to be made in a manner approved by the minister.

(6) The rate of interest per annum to be paid on a refund of an overpayment of tax pursuant to subsection (1) is equal to the prime lending rate of the bank holding the general revenue fund, and subsection 5.2(3) applies, with any necessary modification.

7 Jly 2017 SR 65/2017 s2.

General**Forms**

6 The forms authorized by the minister from time to time are prescribed for the purposes of the mineral production taxes imposed by the Act on the production of freehold coal.

19 Apr 84 SR 39/84 s6.

Delegation to Deputy Minister

7 All powers and duties of the minister pursuant to the Act and these regulations in respect of the mineral production taxes imposed by the Act on the production of freehold coal are delegated to the Deputy Minister of Energy and Mines.

19 Apr 84 SR 39/84 s7.

