

THE HONOURABLE CAROLINE WAWZONEK
MINISTER OF FINANCE

Carbon Tax Revenues and Rebates

Mr. Speaker, I have a Return to Written Question asked by the Member for Range Lake on February 9, 2024 regarding carbon tax revenues and rebates.

Net carbon tax revenues from the September 1, 2019 start to the end of the 2022-2023 fiscal year are \$12,686,000 after the non-large emitter carbon tax rebate for heating fuel, large emitter rebate, the carbon tax rebate for fuel used in electrical generation for community distribution, the Cost of Living Offset and administration costs are deducted from gross carbon tax revenue.

Total carbon tax rebates paid to resource sector large emitters are \$45,409,000 for the same period.

Total cost of living offset payments to Northwest Territories residents from 2019 to March 2023 are \$30,184,000.

At this time no carbon tax revenue has been shared with community governments through grants. The first community government carbon tax revenue sharing grant disbursements will happen in June 2024 for the 2023-2024 fiscal year and projected to total \$1.5 million. This amount will be dispersed to each community government consisting of a base amount equal 0.5 per cent of the total plus an additional amount based on the community population.

After the carbon tax rebate for diesel heating fuel is implemented, the average Zone A household using diesel will save about \$308 annually in carbon tax. All households receive the same Cost of Living Offset, or COLO, amount regardless of heating fuel type. Taking into account the COLO and the fact that diesel is taxed at a higher rate than propane, the net

carbon tax paid by the average Zone A household using diesel is about \$178 less than a similar household using propane.

The average Zone B households using diesel will save about \$604 annually in carbon tax. After considering COLO, the net carbon tax paid by the average Zone B household using diesel is \$350 less than a similar household using propane and \$431 less than a household using natural gas.

Zone C households use diesel for heating exclusively.

Thank you, Mr. Speaker.