

### Alberta's Carbon Levy

As of January 1, 2017 a carbon levy is charged on all fuels that give off greenhouse gases when they are burned. The carbon levy applies to various kinds of transportation and heating fuels, including

- gasoline
- diesel
- propane
- natural gas

### Exemptions for First Nations Individuals and Band

- Eligible First Nations individuals and bands do not pay the carbon levy when **buying transportation fuel on reserve**.
- Natural gas is exempt if it is delivered to an address on reserve
  - for **personal use**
  - for **band use** in band management activities
  - for **real property** on reserve

The above exemptions apply only to First Nations individuals and bands defined under the federal Indian Act as an Indian or Indian band.

Eligible First Nations individuals can use the same forms of identification currently used to receive on-reserve exemptions from GST and the fuel tax.

### Eligibility

To be eligible for the **transportation fuel exemption**, you must

- present your **Alberta Indian Tax Exemption card** at time of purchase and;;
- have purchased the fuel from an exempt-sale vendor located on reserve, the Garden River settlement or Heart Lake.

To be eligible for the **heating fuel exemption**, you must

- present a federal ID card (Treaty card) to the natural gas company.
- First Nations bands must present an original certificate to the company.

**Note:** Natural gas companies may use an existing copy of a federal ID card or original certificate (i.e., for providing GST exemption) to provide carbon levy exemptions.

For further information on the carbon levy exemption for natural gas and the original certificate, please visit the natural gas exemption guide at:

[http://finance.alberta.ca/publications/tax\\_rebates/carbon-levy/CL-NG-3.html](http://finance.alberta.ca/publications/tax_rebates/carbon-levy/CL-NG-3.html)

## Carbon Levy Rebates

These rebates are intended to help lower and middle-income Albertans offset costs associated with the carbon levy.

- Alberta started providing rebates in January 2017
- To be eligible for a carbon levy rebate, you must
  - be an Alberta resident
  - have filed a 2015 tax return
  - meet the income requirements (see table below)

		2017	2018
<b>Rebate amounts</b>	First adult	\$200	\$300
	Spouse/Equivalent to spouse	\$100	\$150
	Each child (maximum 4)	\$30	\$45
<b>Maximum income threshold to receive full rebate (Family Net Income)</b>	Single	\$47,500	\$47,500
	Couple	\$95,000	\$95,000
	Families	\$95,000	\$95,000
<b>Phase-out rates over maximum income thresholds to receive partial rebate</b>	Single	2.67%	2.67%
	Couple	4.00%	4.00%
	Families	4.00%	4.00%

Source: Alberta Treasury Board and Finance

## Need assistance to access carbon levy rebates?

- There are a number of supports available:
  - Free tax preparation clinics are available throughout Alberta and generally offered between February and April of every year.
  - Canada Revenue Agency (CRA) also has a Community Volunteer Income Tax Program. CRA can arrange for surplus computers to run the program and train volunteers to work with individuals and families.
  - Information on clinics and the volunteer program is available at:  
<http://www.cra-arc.gc.ca/tx/ndvdl/vlntr/menu-eng.html>
- The rebate is not included in income and will therefore not impact entitlements under the AISH program.

## Additional Resources

- For further information on carbon levy exemptions, including the delivery of fuels other than natural gas, visit the online exemption guide at:  
[http://finance.alberta.ca/publications/tax\\_rebates/carbon-levy/forms/CL-Exemption-Guide.pdf](http://finance.alberta.ca/publications/tax_rebates/carbon-levy/forms/CL-Exemption-Guide.pdf)
- For further information on the Alberta Indian Tax Exemption, visit:  
[http://finance.alberta.ca/publications/tax\\_rebates/aite/overview.html](http://finance.alberta.ca/publications/tax_rebates/aite/overview.html)