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**Annual Gas Tax
Honesty Report**

Canadian Taxpayers Federation

AUGUST 2024

Canadian
Taxpayers
Federation

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About the Canadian Taxpayers Federation

The Canadian Taxpayers Federation is a federally incorporated, not-for-profit citizens' group dedicated to lower taxes, less waste and accountable government.

The CTF was founded in Saskatchewan in 1990 when the Association of Saskatchewan Taxpayers and the Resolution One Association of Alberta joined forces to create a national organization.

The CTF maintains a federal office in Ottawa and regional offices in British Columbia, Alberta, Prairie (Saskatchewan and Manitoba), Ontario, Québec and Atlantic Canada. Regional offices conduct research and advocacy activities specific to their provinces in addition to acting as regional organizers of Canada-wide initiatives.

CTF offices field hundreds of media interviews each month, hold press conferences and issue regular news releases, commentaries, online postings and publications to advocate on behalf of CTF supporters. CTF representatives speak at functions, make presentations to government, meet with politicians and organize petition drives, events and campaigns to mobilize citizens to effect public policy change.

Any Canadian taxpayer committed to the CTF's mission

is welcome to join at no cost and receive emailed Action Updates. Financial supporters can additionally receive the CTF's flagship publication *The Taxpayer* magazine, published three times a year.

The CTF is independent of any institutional or partisan affiliations. All CTF staff, board members and representatives are prohibited from donating to or holding a membership in any political party. In 2019-20, the CTF raised \$4.8 million on the strength of 39,792 donations. Donations to the CTF are not tax deductible as a charitable contribution.



Overview

The Gas Tax Honesty Report highlights the hidden taxes Canadians pay every time we fill-up. Gas taxes include the sales taxes you see on your receipt, but also the federal excise tax, provincial excise tax and carbon taxes you don't see. In some cities, you also pay a hidden transit tax.

The federal government requires all provinces, except Quebec, to pay its mandatory minimum carbon tax rate. The federal government has raised its carbon tax every year since 2019, reaching \$80 per tonne on April 1, 2024. Ottawa plans to further increase the carbon tax by \$15 per year until it hits \$170 per tonne in 2030.

The carbon tax currently costs about 17.6 cents per litre of gasoline. By 2030, the carbon tax is expected to cost about 37.4 cents per litre of gasoline.

Quebec imposes a cap-and-trade carbon tax scheme, which charges lower amounts per tonne than the federal backstop.

All the gas and diesel price information in this report is from Kalibrate's price information for the third week of July 2024.

Canadian Gas Taxes Based on \$1.63/L



Canadian Gas Taxes

Gas Price Ranking

Newfoundland and Labrador has the highest gas prices in the country at \$1.86 per litre, with 65 cents of the total being tax. Vancouver has the second highest pump prices at \$1.82 per litre. The difference between the three regions of British Columbia is partly explained by the transit taxes in Vancouver (18.5 cents per litre) and Victoria (5.5 cents per litre).

Gas Price Ranking					
	Province/ City	Pump Price	Pre-tax Price	Tax Bill	Tax Portion
1	Newfoundland and Labrador	\$1.86	\$1.20	\$0.65	35%
2	Vancouver	\$1.82	\$1.00	\$0.81	45%
3	Victoria	\$1.81	\$1.07	\$0.74	41%
4	P.E.I.	\$1.78	\$1.18	\$0.60	34%
5	Nova Scotia	\$1.76	\$1.06	\$0.70	40%
6	Montreal	\$1.75	\$1.07	\$0.68	39%
7	New Brunswick	\$1.74	\$1.09	\$0.65	37%
8	Quebec with regular rate	\$1.70	\$1.05	\$0.65	38%
9	B.C. outside of Vancouver and Victoria	\$1.69	\$1.01	\$0.68	40%
10	Ontario	\$1.66	\$1.09	\$0.56	34%
11	Saskatchewan	\$1.57	\$1.07	\$0.50	32%
12	Alberta	\$1.53	\$1.05	\$0.48	31%
13	Manitoba	\$1.42	\$1.07	\$0.34	24%

Notes:

- Numbers do not reflect the second carbon tax rates outside of B.C. and Atlantic provinces as the federal government has yet to clarify the cost to consumers.
- Totals may be off due to rounding

Gas Tax Ranking

Gas Tax Ranking					
	Province/ City	Tax	Pre-Tax Price	Pump Price	Tax
1	Vancouver	\$0.81	\$1.00	\$1.82	45%
2	Victoria	\$0.74	\$1.07	\$1.81	41%
3	Nova Scotia	\$0.70	\$1.06	\$1.76	40%
4	B.C. outside of Vancouver and Victoria	\$0.68	\$1.01	\$1.69	40%
5	Montreal	\$0.68	\$1.07	\$1.75	39%
6	Quebec with regular rate	\$0.65	\$1.05	\$1.70	38%
7	New Brunswick	\$0.65	\$1.09	\$1.74	37%
8	Newfoundland and Labrador	\$0.65	\$1.20	\$1.86	35%
9	P.E.I.	\$0.60	\$1.18	\$1.78	34%
10	Ontario	\$0.56	\$1.09	\$1.66	34%
11	Saskatchewan	\$0.50	\$1.07	\$1.57	32%
12	Alberta	\$0.48	\$1.05	\$1.53	31%
13	Manitoba	\$0.34	\$1.07	\$1.42	24%

Note: Numbers do not reflect the second carbon tax rates outside of B.C. and Atlantic provinces as the federal government has yet to clarify the cost to consumers.

Tax Changes Since Last Year

The federal carbon tax increased from 14.3 to 17.6 cents per litre of gasoline, raising taxes on drivers in Alberta, Saskatchewan, Manitoba, Ontario, New Brunswick, Nova Scotia, Prince Edward Island and Newfoundland and Labrador.

B.C.'s provincial carbon tax also increased from 14.3 to 17.6 cents per litre of gasoline this year.

The federal government imposes a minimum carbon tax on every province, except Quebec. B.C. charges its own provincial carbon tax that reflects the rate of the federal tax.

The federal government increased its carbon tax to \$80 per tonne from \$65 on April 1, 2024. The federal carbon tax will increase from the current \$80 per tonne to \$95 in 2025, and by a further \$15 every year until it reaches \$170 per tonne in 2030. By 2030, the \$170 per tonne carbon tax will cost about 37.4 cents per litre of gasoline. The federal government refuses to disclose if the carbon tax will keep increasing after 2030.

On Jan. 1, 2024, the Manitoba government [cut its 14 cent-per-litre provincial gas tax](#) for six months. In Budget 2024, it extended the cut for another three months. This means that Manitobans will be saving \$8.96 on every 64-litre fill up.

The Newfoundland and Labrador government cut its provincial gas tax by 8.05 cents per litre in June 2022, and as of March 2024 has [extended](#) the cut until March 31st, 2025. This means Newfoundlanders will save \$5.15 on every 64-litre fill up.

The Ontario government cut the province's gas tax by 6.4 cents per litre on July 1st, 2022. The cut has been [extended](#) until December 31st, 2024. The average two-car Ontario family has saved more than \$700 since the tax cut took effect.

The provincial fuel tax in Alberta was previously suspended. On Jan. 1, 2024 the Alberta government partially reinstated its provincial fuel tax back up to nine cents per litre of gasoline and diesel. On April 1, 2024, the Alberta government put the provincial fuel tax back up to full strength at 13 cents per litre of gasoline and diesel.

Current Carbon Taxes		
Province/ City	Per Tonne	Per Litre of Gas
British Columbia	\$80	\$0.1761
Quebec*	\$53	\$0.1255
Federal Minimum	\$80	\$0.1761

*Final sale price in primary auctions from May 2024

Federal Minimum Carbon Tax

Year	Carbon Tax per Tonne	Carbon Tax on Gasoline (per litre)
2024	\$80	\$0.176
2025	\$95	\$0.209
2026	\$110	\$0.242
2027	\$125	\$0.275
2028	\$140	\$0.308
2029	\$155	\$0.341
2030	\$170	\$0.374

Second Carbon Tax

The federal government also imposed a second carbon tax through fuel regulations that will add up to 17 cents per litre of gasoline in 2030, according to the Parliamentary Budget Officer. All together, Canadians will pay up to 54.4 cents per litre of gasoline in carbon taxes alone by 2030. The cost of this second carbon tax in 2024 is unclear in some provinces, but due to the centrally-regulated fuel prices in [New Brunswick](#), [Nova Scotia](#), and [Newfoundland and Labrador](#), it has been announced that the tax will be charged at a rate between about three and six cents per litre in those three provinces. The following table shows the current second carbon tax rates in Atlantic Canada as of July 2024.

Cost of Second Carbon Tax 2024 (per litre)

Province	Regular	Diesel
Newfoundland and Labrador	\$0.054	\$0.060
Nova Scotia	\$0.035	\$0.039
New Brunswick	\$0.031	\$0.038

Drivers in B.C. already pay a second carbon tax through provincial fuel regulations, which increases the price of gasoline by about 18 cents per litre, according to Canadians for Affordable Energy.

Tax On Tax

Every time you buy gasoline, you are charged a tax-on-tax. That's because some governments calculate sales taxes after all the per-litre taxes are added. That means you pay taxes on all the per-litre taxes governments added to the price. The tax-on-tax costs the average Canadian driver an extra 4.5 cents per litre of gasoline, on average.

Tax-On-Tax (per litre)			
Province/City	Federal Tax-on-Tax	Provincial Tax-on-Tax	Total Tax-on-Tax
Vancouver	\$0.036	\$0.000	\$0.036
Victoria	\$0.033	\$0.000	\$0.033
B.C. outside of Vancouver and Victoria	\$0.030	\$0.000	\$0.030
Alberta	\$0.020	\$0.000	\$0.020
Saskatchewan	\$0.021	\$0.000	\$0.021
Manitoba	\$0.014	\$0.000	\$0.014
Ontario	\$0.018	\$0.029	\$0.048
Montreal	\$0.022	\$0.045	\$0.067
Quebec with regular rate	\$0.021	\$0.042	\$0.063
New Brunswick	\$0.021	\$0.042	\$0.062
P.E.I.	\$0.018	\$0.036	\$0.054
Nova Scotia	\$0.023	\$0.047	\$0.070
Newfoundland and Labrador	\$0.020	\$0.057	\$0.077
Canada	\$0.021	\$0.024	\$0.045

Gasoline Tax Breakdown

Gas taxes account for up to 45 per cent of the pump price. You won't see all the taxes on your receipt, but you may be paying up to seven different taxes. This is the tax breakdown you won't see on your receipt:

Gasoline Tax Breakdown (\$/L)								
Province/City	Provincial Excise Tax	Carbon Tax	Transit Tax	Provincial Sales Tax	Federal Excise Tax	Federal Sales Tax	Total Tax	Tax-On-Tax
B.C. outside of Vancouver and Victoria	\$0.145	\$0.356	\$0.000	\$0.000	\$0.100	\$0.080	\$0.681	\$0.030
Vancouver	\$0.085	\$0.356	\$0.185	\$0.000	\$0.100	\$0.086	\$0.812	\$0.036
Victoria	\$0.145	\$0.356	\$0.055	\$0.000	\$0.100	\$0.086	\$0.742	\$0.033
Alberta	\$0.130	\$0.176	\$0.000	\$0.000	\$0.100	\$0.073	\$0.479	\$0.020
Saskatchewan	\$0.150	\$0.176	\$0.000	\$0.000	\$0.100	\$0.075	\$0.501	\$0.021
Manitoba	\$0.000	\$0.176	\$0.000	\$0.000	\$0.100	\$0.068	\$0.344	\$0.014
Ontario	\$0.090	\$0.176	\$0.000	\$0.117	\$0.100	\$0.079	\$0.562	\$0.048
Quebec with regular rate	\$0.192	\$0.125	\$0.000	\$0.148	\$0.100	\$0.081	\$0.646	\$0.063
Montreal	\$0.192	\$0.125	\$0.030	\$0.152	\$0.100	\$0.084	\$0.683	\$0.067
New Brunswick	\$0.109	\$0.207	\$0.000	\$0.151	\$0.100	\$0.083	\$0.649	\$0.062
P.E.I.	\$0.085	\$0.176	\$0.000	\$0.155	\$0.100	\$0.085	\$0.601	\$0.054
Nova Scotia	\$0.155	\$0.211	\$0.000	\$0.153	\$0.100	\$0.084	\$0.704	\$0.070
Newfoundland and Labrador	\$0.075	\$0.230	\$0.000	\$0.161	\$0.100	\$0.088	\$0.655	\$0.077
Canada	\$0.121	\$0.191	\$0.016	\$0.089	\$0.100	\$0.079	\$0.596	\$0.045

Notes:

- Numbers do not reflect the second carbon tax amounts outside of B.C. and Atlantic provinces.
- BC carbon tax figures are the costs of the provincial carbon tax combined with the Low Carbon Fuel Standard (second carbon tax).
- Carbon tax includes second carbon tax in New Brunswick, Nova Scotia and Newfoundland and Labrador.
- As of July, Montreal drivers pay seven different taxes because of the second federal carbon tax.

Diesel Tax Breakdown (\$/L)								
Province/City	Provincial Excise Tax	Carbon Tax	Transit Tax	Provincial Sales Tax	Federal Excise Tax	Federal Sales Tax	Total Tax	Tax-On-Tax
B.C. outside of Vancouver and Victoria	\$0.150	\$0.397	\$0.000	\$0.000	\$0.040	\$0.086	\$0.673	\$0.029
Vancouver	\$0.090	\$0.397	\$0.185	\$0.000	\$0.040	\$0.090	\$0.802	\$0.036
Victoria	\$0.150	\$0.397	\$0.055	\$0.000	\$0.040	\$0.088	\$0.730	\$0.032
Alberta	\$0.130	\$0.214	\$0.000	\$0.000	\$0.040	\$0.079	\$0.463	\$0.019
Saskatchewan	\$0.150	\$0.214	\$0.000	\$0.000	\$0.040	\$0.081	\$0.485	\$0.020
Manitoba	\$0.000	\$0.214	\$0.000	\$0.000	\$0.040	\$0.076	\$0.330	\$0.013
Ontario	\$0.090	\$0.214	\$0.000	\$0.115	\$0.040	\$0.078	\$0.537	\$0.045
Quebec with regular rate	\$0.202	\$0.158	\$0.000	\$0.154	\$0.040	\$0.085	\$0.639	\$0.060
Montreal	\$0.202	\$0.158	\$0.000	\$0.155	\$0.040	\$0.085	\$0.641	\$0.060
New Brunswick	\$0.155	\$0.252	\$0.000	\$0.154	\$0.040	\$0.084	\$0.685	\$0.067
P.E.I.	\$0.142	\$0.214	\$0.000	\$0.161	\$0.040	\$0.088	\$0.645	\$0.059
Nova Scotia	\$0.154	\$0.253	\$0.000	\$0.157	\$0.040	\$0.086	\$0.691	\$0.067
Newfoundland and Labrador	\$0.095	\$0.274	\$0.000	\$0.164	\$0.040	\$0.090	\$0.663	\$0.061
Canada	\$0.125	\$0.229	\$0.013	\$0.089	\$0.040	\$0.081	\$0.577	\$0.043

Tax Per Fill-Up

The average tax on a 64-litre fill-up in Canada is \$38.11, with \$2.90 of the bill being tax-on-tax.

Tax on a 64 Litre Fill-Up							
Province/City	Before Tax	Provincial Taxes	Federal Taxes	Carbon Taxes	Tax-on-Tax	Total Tax	Total
B.C. outside of Vancouver and Victoria	\$64.36	\$9.28	\$11.54	\$22.78	\$1.92	\$43.61	\$107.97
Vancouver	\$64.16	\$17.28	\$11.93	\$22.78	\$2.32	\$52.00	\$116.16
Victoria	\$68.34	\$12.80	\$11.92	\$22.78	\$2.10	\$47.50	\$115.84
Alberta	\$67.38	\$8.32	\$11.07	\$11.26	\$1.30	\$30.65	\$98.04
Saskatchewan	\$68.22	\$9.60	\$11.17	\$11.26	\$1.36	\$32.04	\$100.26
Manitoba	\$68.80	\$0.00	\$10.72	\$11.26	\$0.88	\$21.99	\$90.78
Ontario	\$69.98	\$13.26	\$11.45	\$11.26	\$3.05	\$35.97	\$105.95
Quebec with regular rate	\$67.49	\$21.73	\$11.58	\$8.03	\$4.00	\$41.34	\$108.83
Montreal	\$68.53	\$23.95	\$11.75	\$8.03	\$4.29	\$43.72	\$112.26
New Brunswick	\$69.57	\$16.64	\$11.69	\$13.23	\$3.99	\$41.56	\$111.13
P.E.I.	\$75.54	\$15.35	\$11.83	\$11.26	\$3.47	\$38.44	\$113.98
Nova Scotia	\$67.81	\$19.73	\$11.77	\$13.53	\$4.48	\$45.04	\$112.84
Newfoundland and Labrador	\$76.88	\$15.13	\$12.06	\$14.72	\$4.92	\$41.91	\$118.78
Canada	\$68.22	\$14.43	\$11.44	\$12.25	\$2.90	\$38.11	\$106.33

Notes:

- Numbers do not reflect the second carbon tax amounts outside of B.C. and Atlantic provinces.
- BC carbon tax figures are the costs of the provincial carbon tax combined with the Low Carbon Fuel Standard (second carbon tax).
- Carbon tax includes second carbon tax in New Brunswick, Nova Scotia and Newfoundland and Labrador.

Taxes in 2030

The Trudeau government is increasing the federal carbon tax by \$15 per tonne every year until 2030. By then, it will reach \$170 per tonne, or 37.4 cents per litre of gasoline.

In 2030, Quebec's cap-and-trade carbon tax will [be about 23 cents per litre](#), or roughly 14 cents lower than the carbon tax in the rest of Canada.

In 2030, the second federal carbon tax will also add up to 17 cents per litre to the price of gasoline, according to the Parliamentary Budget Officer. Altogether, Canadians will pay up to 54.4 cents per litre of gasoline in carbon taxes. Drivers in B.C. already pay a second carbon tax through provincial fuel regulations, which adds about 18 cents per litre to the price of gasoline, according to Canadians for Affordable Energy.

The breakdown below shows the total tax bill Canadians can expect to pay in 2030. This assumes that the pre-tax gas price remains the same as it was during the third week of July 2024. In 2030, Canadians will pay 98 cents per litre of gasoline in taxes alone, on average.

Gasoline Tax Breakdown 2030 (\$/L)								
Province/City	Provincial Excise Tax	Carbon Tax	Transit Tax	Provincial Sales Tax	Federal Excise Tax	Federal Sales Tax	Total Tax	Tax-On-Tax
B.C. outside of Vancouver and Victoria	\$0.145	\$0.544	\$0.000	\$0.000	\$0.100	\$0.090	\$0.879	\$0.039
Vancouver	\$0.085	\$0.544	\$0.185	\$0.000	\$0.100	\$0.096	\$1.010	\$0.046
Victoria	\$0.145	\$0.544	\$0.055	\$0.000	\$0.100	\$0.096	\$0.940	\$0.042
Alberta	\$0.130	\$0.544	\$0.000	\$0.000	\$0.100	\$0.091	\$0.865	\$0.039
Saskatchewan	\$0.150	\$0.544	\$0.000	\$0.000	\$0.100	\$0.093	\$0.887	\$0.040
Manitoba	\$0.140	\$0.544	\$0.000	\$0.000	\$0.100	\$0.086	\$0.870	\$0.032
Ontario	\$0.147	\$0.544	\$0.000	\$0.147	\$0.100	\$0.097	\$1.035	\$0.095
Quebec with regular rate	\$0.192	\$0.400	\$0.000	\$0.175	\$0.100	\$0.095	\$0.962	\$0.104
Montreal	\$0.192	\$0.400	\$0.030	\$0.180	\$0.100	\$0.097	\$0.999	\$0.108
New Brunswick	\$0.109	\$0.544	\$0.000	\$0.185	\$0.100	\$0.100	\$1.037	\$0.113
P.E.I.	\$0.085	\$0.544	\$0.000	\$0.192	\$0.100	\$0.103	\$1.024	\$0.109
Nova Scotia	\$0.155	\$0.544	\$0.000	\$0.187	\$0.100	\$0.101	\$1.086	\$0.120
Newfoundland and Labrador	\$0.145	\$0.544	\$0.000	\$0.193	\$0.100	\$0.104	\$1.086	\$0.124
Canada	\$0.149	\$0.511	\$0.016	\$0.108	\$0.100	\$0.095	\$0.979	\$0.081

Note: This assumes the current temporary tax cuts expire in Manitoba, Ontario and Newfoundland and Labrador, and the full provincial excise taxes are charged

In 2030, the average tax paid on a 64-litre fill-up will be \$62.63, with \$5.18 of the bill being tax-on-tax.

Tax on a 64 Litre Fill-Up 2030							
Province/City	Before Tax	Provincial Taxes	Federal Taxes	Carbon Taxes	Tax-on-Tax	Total Tax	Total
B.C. outside of Vancouver and Victoria	\$64.36	\$9.28	\$12.14	\$34.82	\$2.52	\$56.24	\$120.60
Vancouver	\$64.16	\$17.28	\$12.53	\$34.82	\$2.92	\$64.63	\$128.79
Victoria	\$68.34	\$12.80	\$12.52	\$34.82	\$2.70	\$60.13	\$128.47
Alberta	\$67.38	\$8.32	\$12.25	\$34.82	\$2.48	\$55.38	\$122.77
Saskatchewan	\$68.22	\$9.60	\$12.35	\$34.82	\$2.54	\$56.77	\$124.99
Manitoba	\$68.80	\$8.96	\$11.90	\$34.82	\$2.06	\$55.68	\$124.47
Ontario	\$69.98	\$18.79	\$12.62	\$34.82	\$6.11	\$66.23	\$136.21
Quebec with regular rate	\$67.49	\$23.48	\$12.46	\$25.60	\$6.63	\$61.54	\$129.03
Montreal	\$68.53	\$25.70	\$12.62	\$25.60	\$6.92	\$63.92	\$132.46
New Brunswick	\$69.57	\$18.80	\$12.77	\$34.82	\$7.23	\$66.39	\$135.96
P.E.I.	\$75.54	\$17.71	\$13.01	\$34.82	\$7.00	\$65.53	\$141.07
Nova Scotia	\$67.81	\$21.86	\$12.84	\$34.82	\$7.67	\$69.51	\$137.32
Newfoundland and Labrador	\$76.88	\$21.62	\$13.06	\$34.82	\$7.94	\$69.50	\$146.37
Canada	\$68.22	\$17.49	\$12.46	\$31.63	\$5.18	\$62.63	\$130.85

Note: This assumes the current temporary tax cuts expire in Manitoba, Ontario and Newfoundland and Labrador, and the full provincial excise taxes are charged.

Methodology Notes

Prices are based on Kalibrate data for the third week of July 2024:

<https://charting.kalibrate.com/>