



Canadian Taxpayers Federation

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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. At the end of 2020, the CTF had over 235,000 supporters nationwide.

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. Each week CTF offices send out Let's Talk Taxes commentaries to more than 800 media outlets and personalities across Canada.

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.



Canadian Taxpayers Federation

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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. Despite the pandemic and high inflation, the federal government raised its carbon tax every year since 2019, reaching \$65 per tonne on April 1, 2023. 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 14.3 cents per litre of gasoline. By 2030, the carbon tax is expected to cost about 37.4 cents per litre of gasoline.

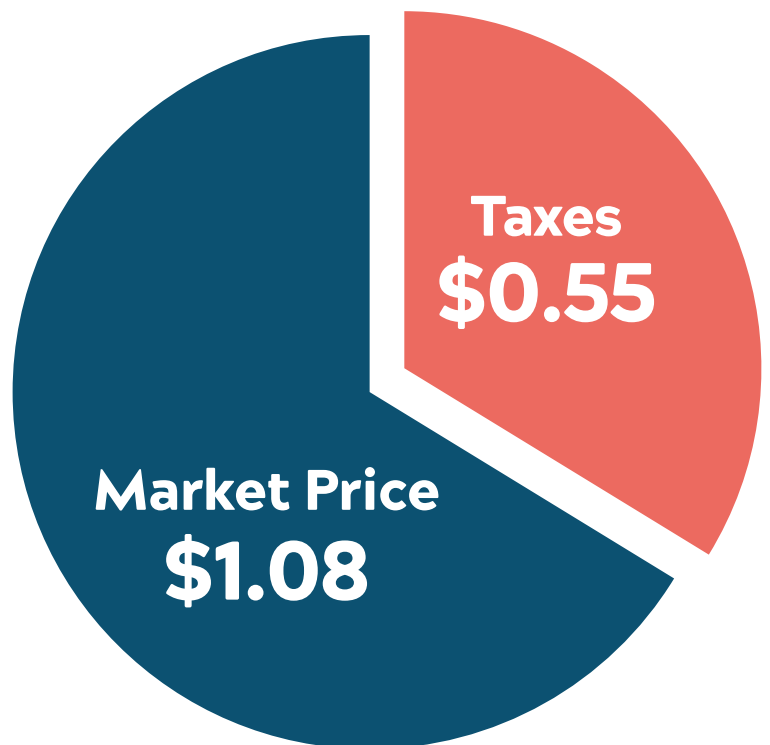
Quebec imposes a cap-and-trade carbon tax scheme, which charges lower amounts per tonne than the federal backstop.

On July 1, 2023, the federal government imposed its carbon tax on New Brunswick, Nova Scotia, Prince Edward Island and Newfoundland and Labrador.

In Alberta, the entire tax bill at the pumps is federal.

All the gas and diesel price information in this report is from Kalibrate's price information for the third week of July 2023.

Canadian Gas Taxes
Based on \$1.63/L



Canadian Gas Taxes

Gas Price Ranking

Victoria has the highest gas prices in the country at \$1.95 per litre (third week of July average), with 71 cents of the total being tax. Vancouver has the second highest pump prices at \$1.94 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	Victoria	\$1.95	\$1.24	\$0.71	36%
2	Vancouver	\$1.94	\$1.17	\$0.78	40%
3	Newfoundland and Labrador	\$1.78	\$1.18	\$0.59	33%
4	Nova Scotia	\$1.76	\$1.09	\$0.67	38%
5	P.E.I.	\$1.76	\$1.16	\$0.60	34%
6	New Brunswick	\$1.72	\$1.05	\$0.67	39%
7	Montreal	\$1.70	\$1.04	\$0.66	39%
8	Quebec with regular rate	\$1.70	\$1.09	\$0.60	36%
9	B.C. outside of Vancouver and Victoria	\$1.69	\$1.05	\$0.64	38%
10	Ontario	\$1.59	\$1.08	\$0.52	32%
11	Manitoba	\$1.58	\$1.12	\$0.46	29%
12	Saskatchewan	\$1.55	\$1.09	\$0.47	30%
13	Alberta	\$1.39	\$1.08	\$0.31	22%

Notes:

- Numbers do not reflect the second carbon tax rates outside of B.C. and the 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	\$0.78	\$1.17	\$1.94	40%
2	Victoria	\$0.71	\$1.24	\$1.95	36%
3	New Brunswick	\$0.67	\$1.05	\$1.72	39%
4	Nova Scotia	\$0.67	\$1.09	\$1.76	38%
5	Montreal	\$0.66	\$1.04	\$1.70	39%
6	B.C. outside of Vancouver and Victoria	\$0.64	\$1.05	\$1.69	38%
7	Quebec with regular rate	\$0.60	\$1.09	\$1.70	36%
8	P.E.I.	\$0.60	\$1.16	\$1.76	34%
9	Newfoundland and Labrador	\$0.59	\$1.18	\$1.78	33%
10	Ontario	\$0.52	\$1.08	\$1.59	32%
11	Saskatchewan	\$0.47	\$1.09	\$1.55	30%
12	Manitoba	\$0.46	\$1.12	\$1.58	29%
13	Alberta	\$0.31	\$1.08	\$1.39	22%

Note: Numbers do not reflect the second carbon tax rates outside of B.C. and the 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 11.1 to 14.3 cents per litre of gasoline, raising taxes on drivers in Alberta, Saskatchewan, Manitoba, Ontario, New Brunswick, Nova Scotia, P.E.I. and Newfoundland and Labrador.

B.C.'s provincial carbon tax also increased from 11.1 to 14.3 cents per litre of gasoline this year.

The federal government imposes a minimum carbon tax on all the provinces, except Quebec. Should provincial governments have carbon taxes lower than the federal minimum, it imposes its own carbon tax. B.C. charges its own provincial carbon tax that matches the rate of the federal tax.

The federal government increased its carbon tax to \$65 per tonne from \$50 on April 1, 2023. On July 1, 2023, it also imposed its own carbon tax on New Brunswick, Nova Scotia, P.E.I. and Newfoundland and Labrador, raising the tax on gas in Atlantic Canada by as much as 12 cents per litre above the previous provincial tax rate.

The federal carbon tax will increase from the current \$65 per tonne to \$80 in 2024, and then 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.

Current Carbon Taxes		
Province/ City	Per Tonne	Per Litre of Gas
British Columbia	\$65	\$0.1431
Quebec*	\$42	\$0.0990
Federal Minimum	\$65	\$0.1431

*Final sale price in primary auctions from May 2023.

Federal Minimum Carbon Tax

Year	Carbon Tax per Tonne	Carbon Tax on Gasoline (per litre)
2023	\$65	\$0.143
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

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. 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 2023 is unclear in some provinces, but due to the centrally-regulated fuel prices in [New Brunswick](#), [Nova Scotia, P.E.I.](#), and [Newfoundland and Labrador](#), it has been [announced](#) that the tax will initially be between about four and eight cents per litre in Atlantic Canada. Here are the current second carbon tax rates in Atlantic Canada as of July 2023.

Atlantic Second Carbon Taxes

Cost of Second Carbon Tax 2023 (per litre)		
Province	Regular	Diesel
New Brunswick	\$0.080	\$0.080
P.E.I.	\$0.040	\$0.033
Nova Scotia	\$0.037	\$0.042
Newfoundland and Labrador	\$0.037	\$0.042

Drivers in B.C. already pay a second carbon tax through provincial fuel regulations, which increases the price of gasoline by about 17 cents per litre.

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 4.1 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	\$0.034	\$0.000	\$0.034
Victoria	\$0.031	\$0.000	\$0.031
B.C. outside of Vancouver and Victoria	\$0.028	\$0.000	\$0.028
Alberta	\$0.012	\$0.000	\$0.012
Saskatchewan	\$0.020	\$0.000	\$0.020
Manitoba	\$0.019	\$0.000	\$0.019
Ontario	\$0.017	\$0.027	\$0.043
Montreal	\$0.021	\$0.042	\$0.063
Quebec with regular rate	\$0.020	\$0.039	\$0.059
New Brunswick	\$0.022	\$0.043	\$0.065
P.E.I.	\$0.018	\$0.037	\$0.055
Nova Scotia	\$0.022	\$0.044	\$0.065
Newfoundland and Labrador	\$0.018	\$0.036	\$0.053
Canada	\$0.019	\$0.022	\$0.041

Gasoline Tax Breakdown

Gas taxes account for up to 40 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	\$0.313	\$0.000	\$0.000	\$0.100	\$0.080	\$0.638	\$0.028
Vancouver	\$0.085	\$0.313	\$0.185	\$0.000	\$0.100	\$0.093	\$0.776	\$0.034
Victoria	\$0.145	\$0.313	\$0.055	\$0.000	\$0.100	\$0.093	\$0.706	\$0.031
Alberta	\$0.000	\$0.143	\$0.000	\$0.000	\$0.100	\$0.066	\$0.309	\$0.012
Saskatchewan	\$0.150	\$0.143	\$0.000	\$0.000	\$0.100	\$0.074	\$0.467	\$0.020
Manitoba	\$0.140	\$0.143	\$0.000	\$0.000	\$0.100	\$0.075	\$0.458	\$0.019
Ontario	\$0.090	\$0.143	\$0.000	\$0.113	\$0.100	\$0.070	\$0.516	\$0.043
Quebec with regular rate	\$0.192	\$0.099	\$0.000	\$0.147	\$0.100	\$0.074	\$0.612	\$0.059
Montreal	\$0.192	\$0.099	\$0.030	\$0.148	\$0.100	\$0.074	\$0.643	\$0.063
New Brunswick	\$0.109	\$0.223	\$0.000	\$0.149	\$0.100	\$0.075	\$0.656	\$0.065
P.E.I.	\$0.085	\$0.183	\$0.000	\$0.153	\$0.100	\$0.076	\$0.597	\$0.055
Nova Scotia	\$0.155	\$0.180	\$0.000	\$0.153	\$0.100	\$0.076	\$0.665	\$0.065
Newfoundland and Labrador	\$0.075	\$0.180	\$0.000	\$0.154	\$0.100	\$0.077	\$0.587	\$0.053
Canada	\$0.111	\$0.160	\$0.016	\$0.087	\$0.100	\$0.074	\$0.548	\$0.041

Notes:

- Numbers do not reflect the second federal carbon tax amounts outside of B.C. and the Atlantic provinces.
- Carbon tax number includes second carbon tax in B.C. and the Atlantic provinces.
- As of July 1, 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	\$0.359	\$0.000	\$0.000	\$0.040	\$0.079	\$0.628	\$0.027
Vancouver	\$0.090	\$0.359	\$0.185	\$0.000	\$0.040	\$0.087	\$0.760	\$0.034
Victoria	\$0.150	\$0.359	\$0.055	\$0.000	\$0.040	\$0.085	\$0.689	\$0.030
Alberta	\$0.000	\$0.174	\$0.000	\$0.000	\$0.040	\$0.065	\$0.279	\$0.011
Saskatchewan	\$0.150	\$0.174	\$0.000	\$0.000	\$0.040	\$0.071	\$0.435	\$0.018
Manitoba	\$0.140	\$0.174	\$0.000	\$0.000	\$0.040	\$0.073	\$0.426	\$0.018
Ontario	\$0.090	\$0.174	\$0.000	\$0.109	\$0.040	\$0.073	\$0.485	\$0.039
Quebec with regular rate	\$0.202	\$0.113	\$0.000	\$0.147	\$0.040	\$0.081	\$0.583	\$0.053
Montreal	\$0.202	\$0.113	\$0.000	\$0.148	\$0.040	\$0.081	\$0.585	\$0.053
New Brunswick	\$0.155	\$0.254	\$0.000	\$0.151	\$0.040	\$0.083	\$0.682	\$0.067
P.E.I.	\$0.142	\$0.207	\$0.000	\$0.152	\$0.040	\$0.083	\$0.625	\$0.058
Nova Scotia	\$0.154	\$0.216	\$0.000	\$0.150	\$0.040	\$0.082	\$0.642	\$0.061
Newfoundland and Labrador	\$0.095	\$0.216	\$0.000	\$0.153	\$0.040	\$0.084	\$0.587	\$0.053
Canada	\$0.116	\$0.189	\$0.013	\$0.085	\$0.040	\$0.076	\$0.518	\$0.038

Tax Per Fill-Up

The average tax on a 64-litre fill-up in Canada is \$35.05, with \$2.65 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	\$67.05	\$9.28	\$11.54	\$20.04	\$1.79	\$40.86	\$107.90
Vancouver	\$74.82	\$17.28	\$12.32	\$20.04	\$2.19	\$49.64	\$124.46
Victoria	\$79.55	\$12.80	\$12.34	\$20.04	\$1.96	\$45.18	\$124.73
Alberta	\$68.92	\$0.00	\$10.62	\$9.16	\$0.78	\$19.78	\$88.70
Saskatchewan	\$69.58	\$9.60	\$11.14	\$9.16	\$1.26	\$29.90	\$99.48
Manitoba	\$71.58	\$8.96	\$11.20	\$9.16	\$1.23	\$29.32	\$100.91
Ontario	\$68.88	\$12.98	\$10.91	\$9.16	\$2.77	\$33.04	\$101.92
Quebec with regular rate	\$69.96	\$21.70	\$11.12	\$6.34	\$3.75	\$39.16	\$109.11
Montreal	\$66.83	\$23.66	\$11.14	\$6.34	\$4.03	\$41.13	\$107.96
New Brunswick	\$67.25	\$16.54	\$11.18	\$14.28	\$4.15	\$42.01	\$109.26
P.E.I.	\$74.17	\$15.21	\$11.29	\$11.72	\$3.53	\$38.22	\$112.38
Nova Scotia	\$69.64	\$19.71	\$11.29	\$11.56	\$4.18	\$42.55	\$112.20
Newfoundland and Labrador	\$75.78	\$14.69	\$11.34	\$11.56	\$3.41	\$37.59	\$113.36
Canada	\$69.40	\$13.70	\$11.11	\$10.23	\$2.65	\$35.05	\$104.45

Notes:

- Numbers do not reflect the second federal carbon tax amounts outside of B.C. and the Atlantic provinces
- Carbon tax number includes second carbon tax in B.C. and the Atlantic provinces

Taxes in 2030

The Trudeau government is planning on 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, according to the Parliamentary Budget Officer. Altogether, Canadians will pay up to 54.4 cents per litre of gasoline in carbon taxes alone. Drivers in B.C. already pay a second carbon tax through provincial fuel regulations, which adds about 17 cents per litre to the price of gasoline.

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 2023. In 2030, Canadians will pay 97 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	\$0.092	\$0.881	\$0.039
Vancouver	\$0.085	\$0.544	\$0.185	\$0.000	\$0.100	\$0.104	\$1.018	\$0.046
Victoria	\$0.145	\$0.544	\$0.055	\$0.000	\$0.100	\$0.104	\$0.948	\$0.042
Alberta	\$0.130	\$0.544	\$0.000	\$0.000	\$0.100	\$0.086	\$0.860	\$0.032
Saskatchewan	\$0.150	\$0.544	\$0.000	\$0.000	\$0.100	\$0.094	\$0.888	\$0.040
Manitoba	\$0.140	\$0.544	\$0.000	\$0.000	\$0.100	\$0.095	\$0.879	\$0.039
Ontario	\$0.147	\$0.544	\$0.000	\$0.145	\$0.100	\$0.091	\$1.026	\$0.095
Quebec with regular rate	\$0.192	\$0.400	\$0.000	\$0.177	\$0.100	\$0.089	\$0.958	\$0.104
Montreal	\$0.192	\$0.400	\$0.030	\$0.178	\$0.100	\$0.089	\$0.989	\$0.108
New Brunswick	\$0.109	\$0.544	\$0.000	\$0.182	\$0.100	\$0.091	\$1.025	\$0.113
P.E.I.	\$0.085	\$0.544	\$0.000	\$0.189	\$0.100	\$0.094	\$1.012	\$0.109
Nova Scotia	\$0.155	\$0.544	\$0.000	\$0.189	\$0.100	\$0.095	\$1.083	\$0.120
Newfoundland and Labrador	\$0.145	\$0.544	\$0.000	\$0.191	\$0.100	\$0.095	\$1.075	\$0.108
Canada	\$0.150	\$0.512	\$0.016	\$0.108	\$0.100	\$0.091	\$0.977	\$0.081

Note: This assumes the current temporary tax cuts expire in Alberta, 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 \$62.54, with \$5.16 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	\$67.05	\$9.28	\$12.28	\$34.82	\$2.52	\$56.37	\$123.42
Vancouver	\$74.82	\$17.28	\$13.06	\$34.82	\$2.92	\$65.16	\$139.98
Victoria	\$79.55	\$12.80	\$13.08	\$34.82	\$2.70	\$60.69	\$140.25
Alberta	\$68.92	\$8.32	\$11.91	\$34.82	\$2.06	\$55.04	\$123.96
Saskatchewan	\$69.58	\$9.60	\$12.42	\$34.82	\$2.54	\$56.84	\$126.42
Manitoba	\$71.58	\$8.96	\$12.49	\$34.82	\$2.51	\$56.26	\$127.85
Ontario	\$68.88	\$18.68	\$12.19	\$34.82	\$6.11	\$65.68	\$134.56
Quebec with regular rate	\$69.96	\$23.62	\$12.08	\$25.60	\$6.63	\$61.31	\$131.26
Montreal	\$66.83	\$25.58	\$12.10	\$25.60	\$6.92	\$63.28	\$130.11
New Brunswick	\$67.25	\$18.60	\$12.21	\$34.82	\$7.23	\$65.62	\$132.87
P.E.I.	\$74.17	\$17.52	\$12.44	\$34.82	\$7.00	\$64.78	\$138.95
Nova Scotia	\$69.64	\$22.03	\$12.46	\$34.82	\$7.67	\$69.30	\$138.95
Newfoundland and Labrador	\$75.78	\$21.49	\$12.51	\$34.82	\$6.90	\$68.82	\$144.59
Canada	\$69.40	\$17.54	\$12.24	\$31.63	\$5.16	\$62.54	\$131.95

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

Methodology Notes

Prices are based on Kalibrate and P.E.I. Regulator and Appeals Commission data for the third week of July 2023:

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

[Current Petroleum Prices \(irac.pe.ca\)](https://www.irac.pe.ca/)