



Canada Carbon Rebate for Small Businesses Payment Amounts, 2019-20 to 2023-24

From: [Department of Finance Canada](#)

Background

October 1, 2024

The federal government is delivering on its commitment to return proceeds from the price on pollution to small- and medium-sized businesses. In Budget 2024, the government announced an accelerated and automated return process to directly return over \$2.5 billion to small- and medium-sized businesses in the provinces where the federal fuel charge applies through the new Canada Carbon Rebate for Small Businesses.

By the end of this year, a portion of fuel charge proceeds from 2019-20 through 2023-24 will be returned to approximately 600,000 Canadian-controlled private corporations with 1 to 499 employees through this new refundable tax credit.

Table 1

Specified Amounts to be Returned to Small- and Medium-Sized Businesses, by province, 2019-20 to 2023-24¹

(\$ millions)

	2019-20²	2020-21	2021-22	2022-23	2023-24	Total
Alberta*	n/a	159.2	142.1	179.5	237.4	718.2
Saskatchewan	27	64.7	61.9	82.3	64.7	300.6
Manitoba	13.2	27	22.4	28.3	53	143.9
Ontario	81.4	205.9	239.7	299.9	509.3	1,336.2
New Brunswick*	n/a	n/a	n/a	n/a	17.1	17.1
Nova Scotia*	n/a	n/a	n/a	n/a	28.5	28.5
Prince Edward Island*	n/a	n/a	n/a	n/a	4.4	4.4
Newfoundland and Labrador*	n/a	n/a	n/a	n/a	20.1	20.1
Total	121.6	456.8	466.1	590	934.5	2,569

* As the federal fuel charge only came into effect as of January 1, 2020 in Alberta, and as of July 1, 2023 in New Brunswick, Nova Scotia, Prince Edward Island, and Newfoundland and Labrador, small businesses in these provinces will receive payments for proceeds collected after those respective dates.

¹ The table reflects the specification of the Minister of Finance announced on November 22, 2022, and updated on June 30, 2023. Totals may not add up due to rounding.

² This column includes the remaining 2019-20 proceeds that have not yet been disbursed through previous federal programming. There are no remaining fuel charge proceeds to be returned to Alberta in respect of the 2019-20 fuel charge year. Most of these proceeds were already returned to small- and medium-sized businesses via previous federal programming run by Environment and Climate Change Canada. The remaining amounts were added to the proceeds to be returned in respect of 2020-21.

The tax credit amount in respect of an eligible corporation for an applicable fuel charge year will be determined for each applicable province in which the eligible corporation had employees in the calendar year in which the fuel charge year begins. For instance, eligibility for receiving a payment in respect of the 2022-23 fuel charge year will be based on the number of persons employed by the eligible corporation for the 2022 calendar year. The tax credit amount will be equal to the number of persons employed by the eligible corporation in the province in that calendar year multiplied by a payment rate specified by the Minister of Finance for the province for the corresponding fuel charge year.

The Minister of Finance is using her authority under the *Income Tax Act* to specify payment rates, on a per employee basis, for the 2019-20 to 2023-24 fuel charge years, and the designated provinces in which these payment rates will apply:

Table 2

Specified Payment Rates Per Employee for the Canada Carbon Rebate for Small Businesses, 2019-20 to 2023-24

	2019-20	2020-21	2021-22	2022-23	2023-24
Alberta*	n/a	\$147	\$123	\$140	\$181
Saskatchewan	\$110	\$271	\$244	\$298	\$233
Manitoba	\$48	\$99	\$77	\$89	\$168
Ontario	\$26	\$68	\$75	\$86	\$146

* As the federal fuel charge only came into effect as of January 1, 2020 in Alberta, and as of July 1, 2023 in New Brunswick, Nova Scotia, Prince Edward Island, and Newfoundland and Labrador, small businesses in these provinces will receive payments for proceeds collected after those respective dates.

	2019-20	2020-21	2021-22	2022-23	2023-24
New Brunswick*	n/a	n/a	n/a	n/a	\$87
Nova Scotia*	n/a	n/a	n/a	n/a	\$119
Prince Edward Island*	n/a	n/a	n/a	n/a	\$82
Newfoundland and Labrador*	n/a	n/a	n/a	n/a	\$179

* As the federal fuel charge only came into effect as of January 1, 2020 in Alberta, and as of July 1, 2023 in New Brunswick, Nova Scotia, Prince Edward Island, and Newfoundland and Labrador, small businesses in these provinces will receive payments for proceeds collected after those respective dates.

The price on pollution is revenue neutral for the federal government; all proceeds are returned in the jurisdiction where they were collected. Payment amounts vary between jurisdictions due to differences in the amount of fuel charge proceeds collected in that province and the number of employees that eligible corporations that will receive payments had in that province. Additionally, as indicated in Table 2, Atlantic provinces are receiving one year of payment, as the federal fuel charge only began applying there in the 2023-24 fuel charge year.

For example, a small business in Ontario that had 10 employees throughout 2019 to 2023 will receive \$4,010 in respect of the 2019-20 to 2023-24 fuel charge years. A business in Saskatchewan that had 50 employees throughout 2019 to 2023 will receive \$57,800 in respect of the 2019-20 to 2023-24 fuel charge years.

Table 3

Example Payment Amounts for Businesses, by Number of Employ from 2019 to 2023

	10 employees	25 employees	50 employees	100 employees	emp
Alberta*	\$5,910	\$14,775	\$29,550	\$59,100	\$:
Saskatchewan	\$11,560	\$28,900	\$57,800	\$115,600	\$:
Manitoba	\$4,810	\$12,025	\$24,050	\$48,100	\$:
Ontario	\$4,010	\$10,025	\$20,050	\$40,100	\$:
New Brunswick*	\$870	\$2,175	\$4,350	\$8,700	\$:
Nova Scotia*	\$1,190	\$2,975	\$5,950	\$11,900	\$:
Prince Edward Island*	\$820	\$2,050	\$4,100	\$8,200	\$:
Newfoundland and Labrador*	\$1,790	\$4,475	\$8,950	\$17,900	\$:

* As the federal fuel charge only came into effect as of January 1, 2020 in Alberta, and as of July 1, 2023 in New Brunswick, Nova Scotia, Prince Edward Island, and Newfoundland and Labrador, small businesses in these provinces will receive payments for proceeds asse after those respective dates.

Corporations that filed their tax return for 2023 by July 15, 2024, will receive their Canada Carbon Rebate for Small Businesses by the end of this year. Specifically, corporations that filed their 2023 tax return by July 15, 2024, will receive their payment by:

- December 16, 2024, if registered for direct deposit from the Canada Revenue Agency (CRA); or,
- December 31, 2024, if receiving payment by cheque.

Additionally, to allow more businesses to receive a payment, it is also being proposed that corporations that file their tax return for 2023 after July 15, 2024, and on or before December 31, 2024, would be eligible for a payment. Legislation enacting these changes requires Royal Assent before payments can be issued to businesses filing after the initial July 15 deadline.

The Canada Carbon Rebate for Small Businesses will be paid to eligible corporations through payments from the CRA, separately from CRA tax refunds.

Proceeds for future fuel charge years, including 2024-25, will be returned in a similar manner each year. The CRA will extend its assistance to Canadian-controlled private corporations beyond the initial payment, providing support in respect of future fuel charge years, including 2024-25, with a similar approach to rebate payments planned annually.

Search for related information by keyword: [Public finance](#) | [Department of Finance Canada](#) | [Canada](#) | [Money and finances](#) | [general public](#) | [backgrounders](#) | [Hon. Chrystia Freeland](#)

Date modified:

2024-10-01