

## **BILL 8 – 2025**

### **CARBON TAX AMENDMENT ACT, 2025**

HIS MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of British Columbia, enacts as follows:

**1     *Sections 15 and 18 of the Carbon Tax Act, S.B.C. 2008, c. 40, are repealed.***

**2     *Section 28 is amended by adding the following subsection:***

(3.1) Despite subsection (3), a retail dealer of natural gas is not required to remit to the government an amount collected from a person as if it were tax under this Act in respect of natural gas delivered on or after April 1, 2025 if the retail dealer, in accordance with section 36 (1.1), refunds or credits that amount to the person.

**3     *Section 35 is amended by adding the following subsection:***

(12) Despite section 28 (5), if, on or after April 1, 2025, a deputy collector or retail dealer who was required to provide an inventory under subsection (1) of this section receives, in respect of fuel included in the inventory, an amount as if it were security under this Act, the deputy collector or retail dealer must remit the amount received to the government at the prescribed time and in the prescribed manner.

**4     *Section 36 is amended by adding the following subsections:***

(1.1) Despite subsection (1) of this section and section 42 (1) (a), if a person has paid to a retail dealer of natural gas an amount as if it were tax in respect of natural gas delivered on or after April 1, 2025, the retail dealer must, within 180 days after the date on which the amount was paid, refund or credit that amount to the person.

(1.2) A person who has applied for or received a refund or credit from a retail dealer of natural gas under subsection (1.1) is not entitled to, and must not request, a refund under subsection (1) in respect of the same payment of an amount as tax.

**5** *Section 37 (2) is amended by striking out “has paid security on fuel” and substituting “has paid an amount as security, or an amount as if it were security, on fuel”, and by striking out “the difference between the amount of security the person paid” and substituting “the difference between the amount the person paid”.*

**6** *Section 84 is amended by adding the following subsections:*

- (8) A regulation made on or before December 31, 2025 under this section for the purposes of section 23 (7) or 35 (12), or under subsection (3) (a), (b), (c) or (s) of this section, may be made retroactive to April 1, 2025 or a later date, and if made retroactive is deemed to have come into force on the specified date.
- (9) A regulation made on or before December 31, 2026 under this section in relation to refunds may be made retroactive to April 1, 2025 or a later date, and if made retroactive is deemed to have come into force on the specified date.

**7** *Schedule 1 is amended by repealing the Table and substituting the following:*

**Table**

| Column<br>1 | Column<br>2    | Column<br>3                                           | Column<br>4                                                                                        |
|-------------|----------------|-------------------------------------------------------|----------------------------------------------------------------------------------------------------|
| Item        | Type of fuel   | Rate of tax for the<br>year starting<br>April 1, 2024 | Rate of tax for the year<br>starting April 1, 2025<br>and each subsequent<br>year starting April 1 |
| 1           | Aviation Fuel  | 19.59 ¢/L                                             | 0.00 ¢/L                                                                                           |
| 2           | Gasoline       | 17.61 ¢/L                                             | 0.00 ¢/L                                                                                           |
| 3           | Heavy Fuel Oil | 25.50 ¢/L                                             | 0.00 ¢/L                                                                                           |
| 4           | Jet Fuel       | 20.65 ¢/L                                             | 0.00 ¢/L                                                                                           |
| 5           | Kerosene       | 20.65 ¢/L                                             | 0.00 ¢/L                                                                                           |
| 6           | Light Fuel Oil | 20.74 ¢/L                                             | 0.00 ¢/L                                                                                           |
| 7           | Methanol       | 8.78 ¢/L                                              | 0.00 ¢/L                                                                                           |
| 8           | Naphtha        | 18.03 ¢/L                                             | 0.00 ¢/L                                                                                           |
| 9           | Butane         | 14.24 ¢/L                                             | 0.00 ¢/L                                                                                           |
| 10          | Coke Oven Gas  | 5.60 ¢/m <sup>3</sup>                                 | 0.00 ¢/m <sup>3</sup>                                                                              |
| 11          | Ethane         | 8.15 ¢/L                                              | 0.00 ¢/L                                                                                           |
| 12          | Propane        | 12.38 ¢/L                                             | 0.00 ¢/L                                                                                           |
| 13          | Natural Gas    | 15.25 ¢/m <sup>3</sup>                                | 0.00 ¢/m <sup>3</sup>                                                                              |

| Column<br>1 | Column<br>2          | Column<br>3                                           | Column<br>4                                                                                        |
|-------------|----------------------|-------------------------------------------------------|----------------------------------------------------------------------------------------------------|
| Item        | Type of fuel         | Rate of tax for the<br>year starting<br>April 1, 2024 | Rate of tax for the year<br>starting April 1, 2025<br>and each subsequent<br>year starting April 1 |
| 14          | Refinery Gas         | 17.18 ¢/m <sup>3</sup>                                | 0.00 ¢/m <sup>3</sup>                                                                              |
| 15          | High Heat Value Coal | 178.48 \$/tonne                                       | 0.00 \$/tonne                                                                                      |
| 16          | Low Heat Value Coal  | 141.80 \$/tonne                                       | 0.00 \$/tonne                                                                                      |
| 17          | Coke                 | 254.38 \$/tonne                                       | 0.00 \$/tonne                                                                                      |
| 18          | Petroleum Coke       | 30.18 ¢/L                                             | 0.00 ¢/L                                                                                           |
| 19          | Gas Liquids          | 13.31 ¢/L                                             | 0.00 ¢/L                                                                                           |
| 20          | Pentanes Plus        | 14.24 ¢/L                                             | 0.00 ¢/L                                                                                           |

**8** *Schedule 2 is amended by repealing the Table and substituting the following:*

**Table**

| Column<br>1 | Column<br>2         | Column<br>3                                           | Column<br>4                                                                                        |
|-------------|---------------------|-------------------------------------------------------|----------------------------------------------------------------------------------------------------|
| Item        | Type of combustible | Rate of tax for the<br>year starting<br>April 1, 2024 | Rate of tax for the year<br>starting April 1, 2025<br>and each subsequent<br>year starting April 1 |
| 1           | Peat                | 81.76 \$/tonne                                        | 0.00 \$/tonne                                                                                      |
| 2           | Combustible Waste   | 159.78 \$/tonne                                       | 0.00 \$/tonne                                                                                      |

### **Transitional Provision**

#### **Transition – regulations**

- 9** (1) Despite this Act or any other Act, the Lieutenant Governor in Council may make regulations as follows:
- (a) respecting any matter that the Lieutenant Governor in Council considers is not provided for, or is not sufficiently provided for, in the amendments made by this Act;
  - (b) making provisions that the Lieutenant Governor in Council considers appropriate for the purpose of more effectively bringing the amendments made by this Act into operation;

- (c) making provisions that the Lieutenant Governor in Council considers appropriate for the purpose of preventing, minimizing or otherwise addressing any transitional difficulties encountered in bringing the amendments made by this Act into effect, including, without limitation, provisions making an exception to or modification of a provision in an enactment or providing for the application or continued application of a previous enactment;
  - (d) resolving any errors, inconsistencies or ambiguities arising in the amendments made by this Act.
- (2) A regulation made under subsection (1) may be made retroactive to April 1, 2025 or a later date, and if made retroactive is deemed to have come into force on the specified date.
  - (3) To the extent of any conflict between a regulation made under subsection (1) and another enactment, the regulation prevails.
  - (4) This section and any regulations made under this section are repealed on April 1, 2026 or on an earlier date prescribed by the Lieutenant Governor in Council.

## **Related Amendments**

### ***Income Tax Act***

#### ***10 Section 8.1 of the Income Tax Act, R.S.B.C. 1996, c. 215, is amended***

- (a) in subsection (2) by striking out “a month specified for the 2021 and subsequent taxation years” and substituting “a month specified for the 2021, 2022 and 2023 taxation years”, and***
- (b) in subsection (3) by striking out “a month specified for a taxation year” and substituting “a month specified for a taxation year before the 2024 taxation year”.***

### ***Motor Fuel Tax Act***

#### ***11 Section 30 of the Motor Fuel Tax Act, R.S.B.C. 1996, c. 317, is amended***

- (a) by repealing subsections (7) and (8), and***

***(b) by repealing subsections (9) and (10) and substituting the following:***

- (9) If the appointment of a person as a collector under this Act is suspended under this Act, the appointment of that person as a refiner collector under this Act is automatically suspended without notice for the same period as the suspension under this Act.
- (10) If the appointment of a person as a collector under this Act is cancelled under this Act, the appointment of that person as a refiner collector under this Act is automatically cancelled without notice.

**12    *Section 37.1 (8) and (9) is repealed.***

**13    *Section 71 is amended by adding the following subsection:***

- (11) A regulation made on or before December 31, 2025 under this section in relation to refunds, or under subsection (2) (d), may be made retroactive to April 1, 2025 or a later date, and if made retroactive is deemed to have come into force on the specified date.

**Commencement**

- 14**    The provisions of this Act referred to in column 1 of the following table come into force as set out in column 2 of the table:

| Item | Column 1<br><b>Provisions of Act</b>         | Column 2<br><b>Commencement</b> |
|------|----------------------------------------------|---------------------------------|
| 1    | Anything not elsewhere covered by this table | The date of Royal Assent        |
| 2    | Sections 1 to 5                              | April 1, 2025                   |
| 3    | Sections 7 and 8                             | April 1, 2025                   |
| 4    | Sections 10 to 12                            | April 1, 2025                   |