



**Plain Language Summary for Bill 92:
An Act to Amend the Petroleum Products and Carbon Tax Act, No. 3**

The Government of the Northwest Territories (GNWT), Department of Finance, is amending the *Petroleum Products and Carbon Tax Act* to:

- establish an unconditional carbon tax revenue sharing grant payable to community governments; and,
- to establish an annual report with respect to the collection and administration of carbon tax under the Act.

During discussions related to the passing of Bill 60: *An Act to Amend the Petroleum Products and Carbon Tax Act*, regular Members requested Carbon Tax Revenue Sharing Community Government Grants be put in legislation. For expediency, the community government grants are included as a separate section in the *Petroleum Products and Carbon Tax Act* instead of creating separate legislation.

The Standing Committee on Accountability and Oversight requested that the annual carbon tax report be made a legislated requirement.

The proposed bill:

- Establishes the carbon tax revenue sharing community grant as 10 per cent of net carbon tax revenues;
- Requires that the carbon tax revenue sharing community grant are issued unconditionally to community governments;
- Defines net carbon tax revenues as total carbon tax revenues less expenditures for the Cost of Living Offsets (COLO), the rebates for carbon tax paid on fuel used to generate electricity for community government distribution, large emitter grants and carbon tax administration costs;
- Defines community governments as municipal councils or authorities recognized by the Minister of Finance;
- Provides the Minister of Finance the authority to make regulations about the carbon tax revenue sharing community grant allocation formula; and,
- Requires the Minister of Finance to table an annual report about the collection and administration of the carbon tax in the Legislative Assembly and publish the annual report on the Government's website.

For additional information or questions contact:

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