

Enhanced Gas Tax Program

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About Ontario's gas tax program

For every litre of gasoline sold, Ontario currently provides two cents to municipalities to help fund local public transit improvements. Since the program began in 2004, Ontario has committed more than \$3.7 billion to municipalities across the province.

Municipalities qualify for gas tax funding if they contribute financially to public transit services themselves. This year, 99 municipalities will receive funding -- the most ever since the program began. The share that each municipality receives is determined by a formula of 70 per cent ridership and 30 per cent population.

Increasing gas tax funding

Beginning in 2019, Ontario will gradually increase the municipal share of gas tax funds up to a total of four cents per litre in 2021-22. Based on the averages from the past 10 years, gas tax funding is estimated to be about \$642 million in 2021-22. There will not be any increase in the tax that people in Ontario pay on gasoline.

	Year			
	2018-19	2019-20	2020-21	2021-22
Municipal share (cents/litre)	2.0	2.5	3.0	4.0
Estimated funding (millions)	\$321	\$401.3	\$481.5	\$642

How funding is used

Municipalities can use gas tax funds toward local public transit priorities, such as making major infrastructure upgrades, buying additional transit vehicles, adding more routes, extending hours

of service, implementing fare strategies and improving accessibility. Some examples of how gas tax funds were used last year include:

Municipality	2015-2016 gas tax funding use
Brampton	Purchased 10 new buses, improved service across its transit network and helped fund the new BRT line on Steeles Avenue.
Barrie	Replaced four specialized buses, upgraded the fare collection system and added a real-time passenger information system.
Elliot Lake	Purchased one new accessible transit vehicle through the Metrolinx Transit Procurement Initiative.
Kingston	Increased specialized service to meet additional demand and introduced new express routes.
Milton	Purchased two new eight-metre specialized buses and improved service on existing routes.
Niagara Falls	Replaced a high-floor conventional bus with a more accessible low floor bus and improved accessibility at a transfer hub.

Moving Ontario Forward

In addition to the gas tax program, Ontario has committed \$31.5 billion over 10 years for investment in priority transit infrastructure projects across the province under the [Moving Ontario Forward](#) plan. This plan will invest about \$16 billion for priority rapid transit projects within the Greater Toronto and Hamilton Area, and about \$15 billion for roads, bridges transit and other critical transit infrastructure across the rest of the province. Some of the projects funded through the Moving Ontario Forward plan include:

Transit projects:

- GO Regional Express Rail
- Hurontario Light Rail Transit (LRT) project

- More than \$1 billion towards the capital costs for the City of Ottawa Phase 2 LRT
- New Whitby GO Station Building
- Expanding GO Bus to Brantford
- GO Transit Hamilton-Niagara Expansion
- Sheppard East LRT
- Ajax GO Pedestrian Bridge
- Finch West LRT
- Kipling Bus Terminal
- Yonge North Subway Expansion
- Union Station Revitalization
- Bronte GO Station Parking Expansion
- Raleigh Bus and Maintenance Storage Facility

Highway projects:

- Causeway Street Bridge, Blind River, Ontario
- Expanding Highway 69 to 4 Lanes, Georgian Bay
- Highway 8 Resurfacing, Kitchener
- Deadman Bridge Rehabilitation, New Tecumseth
- Highway 11/17 Expansion for Four Lanes, Nipigon
- Municipal Airport Terminal Building, Sioux Lookout
- Expanding Highway 417 to Eight Lanes, Ottawa
- Elora Street Reconstruction, Minto
- Champlain Road Rehabilitation, Penetanguishene
- Highway 12 Rehabilitation, Orillia
- Highway 401 Widening, Mississauga

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