

FAQs: 2019-2023 Allocations

How are federal Gas Tax funds allocated?

Funds are allocated on a per-capita basis in accordance with census population counts. Allocations are divided 50/50 between upper- and lower-tier municipalities where applicable.

Why are allocations changing in 2019?

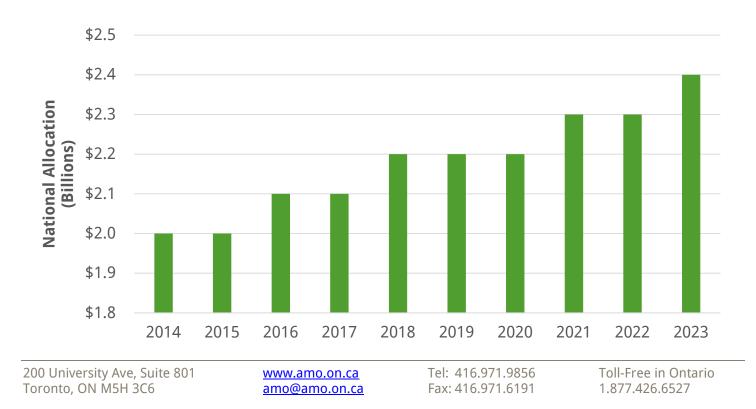
Allocations are changing to reflect population changes. Allocations for the 2014-2018 period were based on the 2011 census. Allocations for the 2019-2023 period are based on the 2016 census.

Canada's population grew 5% between 2011 and 2016. Communities exceeding this growth rate will see their allocation increase; those experiencing slower growth will see their allocation decrease.

Municipal population counts and growth rates are listed <u>here</u>.

Why are allocations increasing in 2021 and 2023?

The federal Gas Tax Fund was made permanent at \$2 billion in 2011 and indexed at 2% per year in 2014, with increases applied in \$100 million increments. The last increase occurred in 2018; the next two increases occur in 2021 and 2023. Indexing is illustrated in the chart below.



How much will Ontario receive through the Fund?

Ontario's communities will receive \$4.2 billion between 2019 and 2023 – for a total of \$8.1 billion over the 2014-2023 period. Ontario's share of the Fund is illustrated in the chart below.



How are allocations transferred to municipalities?

Allocations are transferred in two equal installments each year. Transfers typically occur in July and November, but dates can vary. Funds are transferred by electronic funds transfer (EFT).

Where can I find more information about the Fund?

Check out <u>our website</u> to learn more about the Fund. Flip through our <u>Guide to the Reporting</u> <u>Module</u> and review the FAQs on our <u>Community page</u> for more detailed information on reporting requirements and other items of interest to municipal staff.

Contact AMO's Gas Tax Team at <u>gastax@amo.on.ca</u> if you have any additional questions.