

Subject: Alberta Carbon Levy and Rebate

Number: AISH-Program-2016-010

Date Issued: December 23, 2016

Effective Date: January 1, 2017

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Distribution: AISH Program Policy Manual Update Subscribers

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**BACKGROUND:**

Starting on January 1, 2017, a carbon levy will be applied to fuels in Alberta. The carbon levy will be included in the price of all fuels that emit greenhouse gases when combusted. These include transportation and heating fuels such as diesel, gasoline, natural gas and propane. AISH clients are not exempt from paying the carbon levy.

To offset the costs associated with the levy, the Alberta climate leadership adjustment (carbon) rebate will be provided to lower and middle income Albertans, including eligible AISH clients. In order to get rebate payments, you must file an income tax and benefit return. The amount of the rebate varies based on household size and income. The frequency of the rebates depends on how much the household is eligible for. The first rebate will be directly deposited on January 5, 2017; mailed cheques will be received shortly after January 5<sup>th</sup>.

The carbon rebate is not reportable under the *Income Tax Act (Canada)*; therefore; the rebate is not considered income under the AISH program. However, the rebate is considered a non-exempt asset if it is saved from one month to the next.

Information about the rebate is available:

- On the Government of Alberta's website at <http://www.alberta.ca/climate-carbon-pricing.aspx>;
- On Canada Revenue Agency's (CRA) website at: [http://www.cra-arc.gc.ca/bnfts/rltd\\_pgrms/lb-eng.html](http://www.cra-arc.gc.ca/bnfts/rltd_pgrms/lb-eng.html);
- or
- By calling the CRA at 1-800-959-2809.

**INTENT:**

Update income policy to include information about how the carbon rebate is treated under the AISH program.

**POLICY:**

The following AISH policy section has been updated:

[Income Type Exemption Table](#)