

Alberta's Fuel Tax Relief Program

Helping Albertans save at the pumps



How the program works

Alberta's Fuel Tax Relief Program saves Albertans some or all of the provincial fuel tax on gasoline and diesel when oil prices are high. Fuel tax rates are adjusted quarterly (Jan. 1, April 1, July 1, Oct. 1) based on the average price of a barrel of West Texas Intermediate (WTI) oil:

WTI price (avg/bbl)	Outcome	Fuel tax rate
\$90 or more	Fuel tax collection paused	0 cents/litre
\$85 to \$89.99	Fuel tax reinstated partially	4.5 cents/litre
\$80 to \$84.99	Fuel tax reinstated partially	9 cents/litre
\$79.99 or less	Fuel tax reinstated in full	13 cents/litre

The oil price average is based on the 20 trading days of WTI price data leading up to the 16th of the month preceding the start of the next quarter. Program rules prevent the fuel tax rate from increasing more than nine cents per litre each quarter.



How the program is helping Albertans

The Fuel Tax Relief Program saved drivers an estimated \$1.1 billion in provincial fuel tax in 2023-24. The fuel tax was paused for the full 2023 calendar year and applied at a reduced rate of nine cents per litre in the first three months of 2024. Since it was introduced in April 2022, the Fuel Tax Relief Program has saved drivers over \$2 billion in provincial fuel tax. That money has gone back into drivers' pockets every time they've filled up their vehicle.



What goes into the price of fuel

Alberta's fuel tax is just one factor that influences the price Albertans pay at the pumps. In addition to the cost of crude feedstock, the pump price for gasoline includes the costs of intermediate services such as refining, blending and distributing the gasoline from refiner to gas station. In addition, factors such as refining capacity, unplanned refinery outages, inventory levels and consumer demand all impact the price at the pump. All of these factors can vary by region and can also be volatile.