

Budget figures

Fossil fuel subsidies

BC Budgets 2016/17 - 2021/22 (including Plan years 2022/23 & 2023/24)

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ITEM	DESCRIPTION	2021 BUDGET REFERENCE	LINK	Liberal Party		New Democratic Party					
				ACTUAL (\$m)				FORECAST (\$m)	ESTIMATE (\$m)	PLAN (\$m)	
				2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
TAX CREDITS AND EXEMPTIONS*				555	557	818	1,138	1,216	1,323	1,414	1,523
Mining Exploration Tax Credit (METC)	The METC is for eligible corporations and partnerships conducting grassroots mineral exploration in B.C. The corporation or partnership must incur qualified mining exploration expenses for determining the existence, location, extent or quality of a mineral resource in B.C. The credit applies to exploration for all base and precious metals, coal and some industrial minerals. Drilling expenses for oil and gas do not qualify. Budget 2019 made the METC a permanent incentive.	Budget and Fiscal Plan 2021/22 - 2023/24; Page 140 & 160; Appendix; Table A1.1.2 Corporate Income Tax - Tax Expenditures (Refundable Tax Credits)		40	(21)	10	36	29	20	20	20
Deep-Well Royalty Credits	This program provides royalty credits to companies when they drill deep wells. The credits cover a portion of the drilling and completion costs for these wells and can be used to reduce the royalties payable for a producing well.	Budget and Fiscal Plan 2021/22 - 2023/24; Page 154; Appendix; Table A5 Material Assumptions – Revenue; Royalty programs and infrastructure credits; Deep drilling		210	270	383	318	421	514	579	657
Road, pipeline, Clean Growth Infrastructure Royalty and other infrastructure programs	The Clean Growth Infrastructure Royalty Program (CGIRP) encourages new capital investment in oil and natural gas infrastructure. Applicants seek a deduction from royalty payments, for investments made to reduce methane emissions. They are selected based on the cost relative to the projected reduction in pollution	Budget and Fiscal Plan 2021/22 - 2023/24; Appendix; Table A5 Material Assumptions – Revenue; Royalty programs and infrastructure credits; Road, pipeline, Clean Growth Infrastructure Royalty and other infrastructure programs		28	46	48	63	71	71	104	135
Motor Fuel Tax exemption for international flights (jet fuel)	Exemption for Motor Fuel Tax on jet fuel purchased by an international air service that is a registered consumer	Budget and Fiscal Plan 2021/22 - 2023/24; Page 145; Appendix; Table A1.4 Consumption Taxes – Tax Expenditures; Fuel taxes; Tax exemption for international flights (jet fuel)		20	21	23	23	12	18	18	18
Motor Fuel Tax exemption for alternative fuels	Exempts hydrogen used in a fuel cell vehicle, natural gas and gasoline and diesel that contains at least 85 per cent methanol from motor fuel tax	Budget and Fiscal Plan 2021/22 - 2023/24; Appendix; Table A1.4 Consumption Taxes – Tax Expenditures; Fuel taxes; Tax exemption for alternative fuels	2021 Budget and Fiscal Plan	15	14	3	3	3	3	3	3
Motor Fuel Tax exemption for farmers	Exempts coloured gasoline and coloured diesel purchased by qualifying farmers from motor fuel and carbon tax	Budget and Fiscal Plan 2021/22 - 2023/24; Appendix; Table A1.4 Consumption Taxes – Tax Expenditures; Fuel taxes; Tax exemption for farmers		8	8	9	12	11	12	12	12
Mining flow-through share tax credit	Provides a tax credit to individuals who invest in flow-through shares on renounced mining expenditures	Budget and Fiscal Plan 2021/22 - 2023/24; Page 141; Table A1.2.1 Personal Income Tax – Tax Expenditures (Deductions and Non-Refundable Tax Credits); mining flow-through share tax credit		10	10	10	20	20	20	20	20
Provincial Sales Tax exemption for residential energy	Provides an exemption to reduce the cost of residential energy. *Note: does not provide a delineation between different fuel sources	Budget and Fiscal Plan 2021/22 - 2023/24; Page 145; Appendix; Table A1.4 Consumption Taxes – Tax Expenditures; Provincial Sales Tax; Residential energy		224	209	248	266	276	281	274	274
Provincial Sales Tax exemption for non-residential energy	Provides an exemption to help businesses become more competitive and support increased investment, growth and job creation *Note: does not provide a delineation between different fuel sources	Budget and Fiscal Plan 2021/22 - 2023/24; Page 145; Appendix; Table A1.4 Consumption Taxes – Tax Expenditures; Provincial Sales Tax; Non-residential energy		0	0	84	172	198	198	189	189
Provincial Sales Tax exemption for Production machinery and equipment	Provides an exemption to help reduce the cost of certain machinery and equipment for businesses in the manufacturing, oil and gas, mining and logging industries.	Budget and Fiscal Plan 2021/22 - 2023/24; Page 145; Appendix; Table A1.4 Consumption Taxes – Tax Expenditures; Provincial Sales Tax; Non-residential energy		0	0	0	225	175	186	195	195
MINISTRY OF ENVIRONMENT AND CLIMATE CHANGE STRATEGY - CLEAN BC				0	0	0	56	55	120	170	229
Clean BC Program for Industry	The CleanBC Program for Industry directs a portion of the carbon taxes paid by industry into two streams: 1) The CleanBC Industrial Incentive Program: provides incentives to large regulated industrial operations upon reducing emissions to world-leading benchmark levels; and 2) The CleanBC Industry Fund: finances emissions reduction projects identified by industry. <i>Note: Prior to 2021 the components of the current CleanBC Program for Industry were split across two separate budget programs: the CleanBC Industrial Incentive Program and the CleanBC Industry Fund. Expenditures under these programs have been added together for Budget years prior to 2021 to accurately reflect the new program taxonomy.</i>	Budget and Fiscal Plan 2021/22 - 2023/24; Page 25; Three Year Fiscal Plan; CleanBC Program for Industry Ministry of Environment and Climate Change Strategy 2021/22 - 2023/24 Service Plan; Page 13 Financial Summary	2021 Budget and Fiscal Plan Ministry of Environment and Climate Change Strategy 2021/22 - 2023/24 Service Plan	0	0	0	56	55	120	170	229
CAPITAL SPENDING AND PROJECTS **				0	0	104	25	36	17	0	0

LNG Canada load interconnection project	Support for LNG Canada to build a facility in Kitimat.	Budget and Fiscal Plan 2021/22 - 2023/24; Page 60; Capital Spending; Table 1.11 Capital Expenditure projects Greater than \$50 million	2021 Budget and Fiscal Plan	0	0	4	25	36	17	0	0
Northern Capital and Planning Grant	Capital funding for 26 local governments along LNG corridor and near Kitimat to help meet current and future infrastructure needs.	Budget and Fiscal Plan 2020/21 - 2022/23; Page 52; Capital Spending; Table 1.12 Investing in Communities	2020 Budget and Fiscal Plan	0	0	100	0	0	0	0	0
TOTALS				555	557	922	1,219	1,307	1,460	1,584	1,752

OUTSTANDING DEEP WHEEL ROYALTY CREDITS***				2,148	2,590	2,622	2,920	3,113	3,306	3,499	3,692
Outstanding Deep-Well Royalty Credits	This program provides royalty credits to companies when they drill deep wells. The credits cover a portion of the drilling and completion costs for these wells and can be used to reduce the royalties payable for a producing well.	Province of British Columbia Public Accounts 2019/20; Office of the Comptroller General; 30. Natural Resource Revenue; Page 78	Office of the Comptroller General - Public Accounts 2019/20	2,148	2,590	2,622	2,920	3,113	3,306	3,499	3,692

* For budget items without Plan estimate, a projection based on average spending levels under NDP budgets has been applied

** Remaining capital spend allocated evenly over projected project timeline if specific budget not provided

*** For years 2020/21 - 2023/24 linear projection based on 2016/17-2019/20 trend has been applied