The federal Gas Tax Fund delivers over $2 billion every year to over 3600 communities across the country. In recent years the funding has supported approximately 4000 projects each year.

The federal Gas Tax Fund (GTF) is a permanent source of annual funding to provinces and territories, who in turn flow this funding to their municipalities to support local infrastructure priorities.

Every year, municipalities benefit from the support and flexibility of the federal Gas Tax Fund. They can pool, bank, and borrow against this funding, providing significant financial flexibility to plan infrastructure projects over the long term. Projects are chosen locally and prioritized according to the infrastructure needs of each community.

Communities select how best to direct the funds and have the flexibility to make strategic investments across 18 different project categories.

Because many municipalities across Canada continue to face serious infrastructure deficits, Budget 2019 proposes a one-time transfer of $2.2 billion through the federal Gas Tax Fund to address short-term priorities in municipalities and First Nation communities. This will double the Government of Canada’s commitment to municipalities in 2018–19 and will provide much needed infrastructure funds for communities of all sizes, all across the country.

Quick Facts:

- The federal Gas Tax Fund is allocated on a per-capita basis for provinces, and provides a base funding amount of 0.75 per cent of total annual funding for Prince Edward Island and each territory.

- On reserve First Nations communities in provinces also received an allocation on a per capita basis.

- The federal Gas Tax Fund has been indexed at two percent per year, meaning that it will continue to grow to provide additional support to municipalities.

- To date, more than $23 billion has been invested in municipalities through the federal Gas Tax Fund.
Eligible projects include investments in infrastructure for construction, renewal or material enhancement in each of the following categories:

1. **Local roads and bridges** – roads, bridges and active transportation infrastructure (active transportation refers to investments that support active methods of travel. This can include: cycling lanes and paths, sidewalks, hiking and walking trails).
2. **Highways** – highway infrastructure.
3. **Short-sea shipping** – infrastructure related to the movement of cargo and passengers around the coast and on inland waterways.
4. **Short-line rail** – railway related infrastructure for carriage of passengers or freight.
5. **Regional and local airports** – airport-related infrastructure (excludes the National Airport System).
6. **Broadband connectivity** – infrastructure that provides internet access to residents, businesses, and/or institutions in Canadian communities.
7. **Public transit** – infrastructure that supports a shared passenger transport system which is available for public use.
8. **Drinking water** – infrastructure that supports drinking water conservation, collection, treatment and distribution systems.
9. **Wastewater** – infrastructure that supports wastewater and storm water collection, treatment and management systems.
10. **Solid waste** – infrastructure that supports solid waste management systems including the collection, diversion and disposal of recyclables, compostable materials and garbage.
11. **Community energy systems** – infrastructure that generates or increases the efficient usage of energy, including energy retrofits of municipal buildings.
12. **Brownfield redevelopment** – remediation or decontamination and redevelopment of a brownfield site.
13. **Sport infrastructure** – amateur sport infrastructure (excludes facilities, including arenas, which would be used as the home of professional sports teams or major junior hockey teams; e.g. Junior A.
14. **Recreational infrastructure** – recreational facilities or networks.
15. **Cultural infrastructure** – infrastructure that supports arts, humanities and heritage.
16. **Tourism infrastructure** – infrastructure that attract travelers for recreation, leisure, business or other purposes.
17. **Disaster mitigation** – infrastructure that reduces or eliminates the long-term impacts and risks associated with natural disasters.
18. **Capacity building** – investments related to strengthening the ability of municipalities to develop long-term planning practices; e.g., including local asset management planning, public transit network planning, etc.

Note: Investments in health infrastructure (hospitals, convalescent and senior centres) are not eligible.