



# Northwest Territories Cost of Living Offset

## What is the Northwest Territories Cost of Living Offset?

The NWT Cost of Living Offset (COLO) is a tax-free benefit paid to individuals and families living in the NWT to help offset the cost of the territorial carbon tax that became effective September 1, 2019. The COLO is not based on family income and will increase as carbon tax rates increase.

## How much is the annual COLO benefit?

Residents living in higher fuel use areas will receive higher COLO payments. Annual benefits for 2023-24 are as follows:

Zone A – Low fuel use	Zone B – Moderate fuel use	Zone C – High fuel use
Per adult: \$441 Per child: \$493	Per adult: \$483 Per child: \$535	Per adult: \$558 Per child: \$610
<ul style="list-style-type: none"><li>• Colville Lake</li><li>• Dettah</li><li>• Enterprise</li><li>• Fort Good Hope</li><li>• Fort Resolution</li><li>• Fort Smith</li><li>• Hay River</li><li>• Kakisa</li><li>• Kátł'odeeche</li><li>• Ndilo</li><li>• Wrigley</li><li>• Yellowknife</li></ul>	<ul style="list-style-type: none"><li>• Aklavik</li><li>• Behchokò</li><li>• Délı̨ne</li><li>• Fort Liard</li><li>• Fort McPherson</li><li>• Fort Providence</li><li>• Fort Simpson</li><li>• Gametì</li><li>• Inuvik</li><li>• Jean Marie River</li><li>• Łutselk'e</li><li>• Nahanni Butte</li><li>• Sambaak'e</li><li>• Tsiigehtchic</li><li>• Tuktoyaktuk</li><li>• Wekweètì</li><li>• Whatì</li></ul>	<ul style="list-style-type: none"><li>• Norman Wells</li><li>• Paulatuk</li><li>• Sachs Harbour</li><li>• Tulita</li><li>• Ulukhaktok</li></ul>

For example, a Yellowknife family of two adults and two children will receive an annual benefit of \$1,868.

Annual benefits increase in step with carbon tax rate increases.

## When will I receive the COLO payments?

The annual COLO is issued quarterly in July, October, January and April.

Only one payment is issued for families. For a child in shared custody each parent will receive one-half of the benefit for the child.

The Canada Revenue Agency issues COLO payments on behalf of the Government of the Northwest Territories.

All 2023-24 COLO recipients will at first receive Zone A benefits only. Retroactive payments for the difference between initial Zone A benefit payments and Zone B and Zone C COLO entitlements will be issued in fall 2023.

### **Who can receive the COLO?**

You will receive the COLO if you are an NWT resident for at least three months before the payment date and you filed an income tax and benefit return for the previous year. Even if you have no income or your income is tax-exempt, you must file your income tax and benefit return to receive COLO payments.

### **Do I need to apply to receive the COLO?**

No. You do not need to apply to receive the COLO. The Canada Revenue Agency will determine your eligibility and issue payments to all entitled individuals and families.

### **How are payments issued?**

Payments are issued by cheque or direct deposit based on the information and preferences you have on file with the Canada Revenue Agency.

### **More information**

Please call 1-866-426-1527 for more information or if you have not received your benefits within two weeks after the month they are issued.