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Deposits for Taxi Fares

From time to time, the Board is asked whether a taxi driver may ask for a deposit from a customer. Taxi drivers may ask a passenger for a fare deposit.

[Passenger Transportation Regulation](#), section 12.1(2)(c), states that a driver must not refuse to transport a passenger unless...the passenger refuses to pay, on request of the driver, a deposit up to the estimated amount of compensation that would reasonably be owing at the end of a trip. The deposit may be in the form of compensation normally accepted by the cab company. This means that a driver may ask a passenger for a deposit of the estimated cost of the trip.

At the end of a trip, a driver can only charge the customer the approved rate for that taxi company. If the “deposit” is higher than the fare, then the difference would have to be refunded to the passenger. Similarly, if the deposit did not cover the whole fare, then the passenger would have to pay the difference to the driver.

Taxi companies may want to develop policies around the collection of deposits and notify customers of these policies.