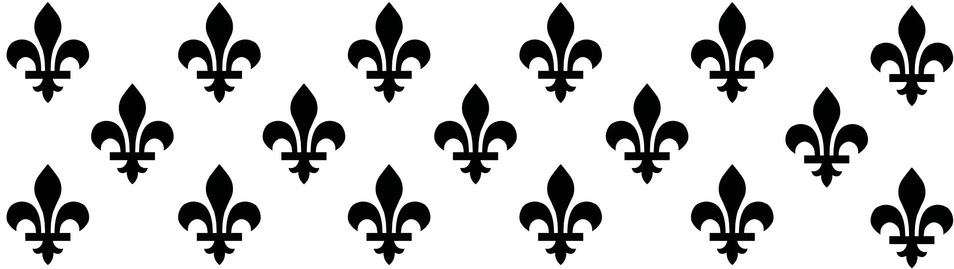

NATIONAL ASSEMBLY OF QUÉBEC

FIRST SESSION FORTY-THIRD LEGISLATURE

Bill 49
(2024, chapter 11)

An Act to give effect to fiscal measures announced in the Budget Speech delivered on 21 March 2023 and to certain other measures

Introduced 8 February 2024
Passed in principle 20 February 2024
Passed 2 May 2024
Assented to 7 May 2024

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EXPLANATORY NOTES

This Act amends various Acts mainly to give effect to measures announced in the Budget Speech delivered on 21 March 2023 and in various Information Bulletins published by the Ministère des Finances in 2022, 2023 and 2024. It also gives effect to a measure announced in the Budget Speech delivered on 12 March 2024.

The Act extends by one year the time limit for filing a fiscal return in order to benefit from the refundable tax credit granting the new one-time amount to mitigate the increase in the cost of living.

For the purpose of introducing or modifying measures specific to Québec, the Act amends the Taxation Act, the Act respecting the sectoral parameters of certain fiscal measures and the Act respecting the Régie de l'assurance maladie du Québec to, in particular,

(1) enhance the housing component of the refundable solidarity tax credit;

(2) broaden eligibility for the supplement for handicapped children requiring exceptional care;

(3) enhance the non-refundable tax credits for volunteer firefighters and for search and rescue volunteers;

(4) limit the access of certain individuals to the non-refundable tax credit in respect of a labour-sponsored fund;

(5) implement a new tax holiday relating to the carrying out of a large investment project;

(6) extend the refundable tax credit for the digital transformation of print media; and

(7) enhance the refundable tax credit for book publishing and the refundable tax credit for the production of multimedia events or environments presented outside Québec.

The Tax Administration Act, the Act respecting the Québec sales tax and the Fuel Tax Act are amended to implement the new program for administering the consumption tax exemption for First Nations.

The Act constituting Capital régional et coopératif Desjardins, the Act to establish Fondaction, le Fonds de développement de la Confédération des syndicats nationaux pour la coopération et l'emploi and the Act to establish the Fonds de solidarité des travailleurs du Québec (F.T.Q.) are also amended, in particular, to reorganize the classes of investment of those tax-advantaged funds and to update the funds' functions.

The Act respecting the Régie de l'assurance maladie du Québec is amended to increase the exemption amounts used in computing the premium payable by a person subject to the public prescription drug insurance plan.

The Act respecting the Québec Pension Plan is amended to permit certain workers aged 65 or over to elect to cease contributing to the plan and to put an end to the obligation to contribute to it from the year following a worker's 72nd birthday.

The Act respecting the Québec sales tax is amended to increase the specific duty on new road vehicle tires.

In addition, the Taxation Act and the Act respecting the Québec sales tax are amended to make amendments similar to those made to the Income Tax Act and the Excise Tax Act by federal bills assented to in 2022 and 2023. More specifically, the amendments deal with

(1) the deduction for tradespeople's tool expenses;

(2) the withdrawal limits for educational assistance payments and the possibility for divorced or separated parents to jointly enter into a registered education savings plan contract;

(3) the disbursement quota for registered charities; and

(4) the mandatory reporting of uncertain tax treatments that are indicated in a corporation's financial statements.

Lastly, the Act makes various technical amendments as well as consequential and terminology-related amendments.

LEGISLATION AMENDED BY THIS ACT:

– Tax Administration Act (chapter A-6.002);

– Act constituting Capital régional et coopératif Desjardins (chapter C-6.1);

– Code of ethics and conduct of the Members of the National Assembly (chapter C-23.1);

– Act to establish Fondaction, le Fonds de développement de la Confédération des syndicats nationaux pour la coopération et l'emploi (chapter F-3.1.2);

– Act to establish the Fonds de solidarité des travailleurs du Québec (F.T.Q.) (chapter F-3.2.1);

– Taxation Act (chapter I-3);

– Act respecting the sectoral parameters of certain fiscal measures (chapter P-5.1);

– Act respecting the Régie de l'assurance maladie du Québec (chapter R-5);

– Act respecting the Québec Pension Plan (chapter R-9);

– Act respecting the Québec sales tax (chapter T-0.1);

– Fuel Tax Act (chapter T-1);

– Securities Act (chapter V-1.1);

– Act to give effect to fiscal measures announced in the Budget Speech delivered on 25 March 2021 and to certain other measures (2021, chapter 36);

– Act to give effect to fiscal measures announced in the Budget Speech delivered on 22 March 2022 and to certain other measures (2023, chapter 2);

– Act respecting the implementation of certain provisions of the Budget Speech of 21 March 2023 and amending other provisions (2023, chapter 30).

Bill 49

AN ACT TO GIVE EFFECT TO FISCAL MEASURES ANNOUNCED IN THE BUDGET SPEECH DELIVERED ON 21 MARCH 2023 AND TO CERTAIN OTHER MEASURES

THE PARLIAMENT OF QUÉBEC ENACTS AS FOLLOWS:

TAX ADMINISTRATION ACT

1. (1) Section 17.3 of the Tax Administration Act (chapter A-6.002) is amended by replacing "and 350.60.8 or paragraph 1 of section 350.62" in subparagraph *n* of the first paragraph by ", 350.60.8 and 350.62".

(2) Subsection 1 applies from the date of coming into force of the first regulation made under subparagraph 33.8 of the first paragraph of section 677 of the Act respecting the Québec sales tax (chapter T-0.1), as concerns the sending and issuance of a credit note.

2. (1) Section 17.5 of the Act is amended by replacing "and 350.60.8 or paragraph 1 of section 350.62" in subparagraph *p* of the first paragraph by ", 350.60.8 and 350.62".

(2) Subsection 1 applies from the date of coming into force of the first regulation made under subparagraph 33.8 of the first paragraph of section 677 of the Act respecting the Québec sales tax (chapter T-0.1), as concerns the sending and issuance of a credit note.

3. (1) Section 17.6 of the Act is amended by replacing the first paragraph by the following paragraph:

"The Minister may suspend, revoke or refuse to issue or renew a permit issued or applied for under the Tobacco Tax Act (chapter I-2) or the Fuel Tax Act (chapter T-1), or a certificate issued or applied for under section 492.2 of the Act respecting the Québec sales tax (chapter T-0.1) or section 26.1 of the Fuel Tax Act, where the person who applied for the permit or certificate or the holder of the permit or certificate, as the case may be, fails to comply with the requirements of this Act or, as the case may be, of the Tobacco Tax Act, the Act respecting the Québec sales tax or the Fuel Tax Act."

(2) Subsection 1 has effect from 1 July 2023.

4. (1) Section 17.8 of the Act is amended by replacing the first paragraph by the following paragraph:

"The suspension of a registration certificate or permit issued under a fiscal law, of a registration under Division II of Chapter VIII.1 of Title I of the Act respecting the Québec sales tax (chapter T-0.1) or of a certificate issued under section 492.2 of the Act respecting the Québec sales tax or section 26.1 of the Fuel Tax Act (chapter T-1) is effective from the date of notification of the decision to the holder. The decision must be notified by personal service or by registered mail."

(2) Subsection 1 has effect from 1 July 2023.

5. (1) Section 17.9 of the Act is amended by replacing the first paragraph by the following paragraph:

"The revocation of a registration certificate or permit issued under a fiscal law, of a registration under Division II of Chapter VIII.1 of Title I of the Act respecting the Québec sales tax (chapter T-0.1) or of a certificate issued under section 492.2 of the Act respecting the Québec sales tax or section 26.1 of the Fuel Tax Act (chapter T-1) is effective from the date of notification of the decision to the holder."

(2) Subsection 1 has effect from 1 July 2023.

6. (1) Section 60.4 of the Act is amended by replacing "paragraph 2 of section 350.62" by "subparagraph 2 of the first or second paragraph of section 350.62".

(2) Subsection 1 applies from the date of coming into force of the first regulation made under subparagraph 33.8 of the first paragraph of section 677 of the Act respecting the Québec sales tax (chapter T-0.1), as concerns the sending and issuance of a credit note.

7. (1) Section 61.0.0.1 of the Act is amended

(1) by inserting "of this Act" after "35.5";

(2) by replacing "paragraph 1 of section 350.62" by "subparagraph 1 of the first or second paragraph of section 350.62".

(2) Subsection 1 applies from the date of coming into force of the first regulation made under subparagraph 33.8 of the first paragraph of section 677 of the Act respecting the Québec sales tax (chapter T-0.1), as concerns the sending and issuance of a credit note.

ACT CONSTITUTING CAPITAL RÉGIONAL ET COOPÉRATIF DESJARDINS

8. (1) Section 4 of the Act constituting Capital régional et coopératif Desjardins (chapter C-6.1) is amended by replacing both occurrences of "eligible entities" in subparagraph 3 of the first paragraph by "eligible Québec entities".

(2) Subsection 1 has effect from 1 January 2024.

9. (1) Section 8 of the Act is amended by replacing paragraphs 1 to 5 by the following paragraphs:

"(1) to invest in eligible Québec entities and provide them with support services to improve their productivity and create wealth;

"(2) to promote the economic development of the regions through investments in eligible Québec entities operating there;

"(3) to raise venture capital and development capital for the benefit of the regions and the cooperative sector; and

"(4) to support the cooperative movement throughout Québec."

(2) Subsection 1 has effect from 1 January 2024.

10. (1) Section 11 of the Act is amended by replacing "natural person" in the first paragraph by "person of full age".

(2) Subsection 1 applies from 1 June 2024.

11. (1) Section 18 of the Act is amended

(1) by replacing the portion before subparagraph 1 of the first paragraph by the following:

"**18.** For the purposes of this Act, "eligible Québec entity" means";

(2) by replacing subparagraph 2 of the first paragraph by the following subparagraph:

"(2) a partnership or a legal person, other than an eligible cooperative or a partnership or legal person whose activities consist mainly in investing, that is actively operating an enterprise in Québec and that

(*a*) is Québec-owned, or

(*b*) has a main decision-making centre that is operated in Québec.";

(3) by striking out the third paragraph.

(2) Subsection 1 has effect from 1 January 2024.

12. (1) Section 19 of the Act is amended

(1) by replacing the second paragraph by the following paragraph:

"However, for a fiscal year, the Société shall comply with the following requirements:

(1) its eligible investments must represent, on the average, at least 65% of its average net assets for the preceding fiscal year; and

(2) its eligible investments made in eligible cooperatives or in entities situated in the territory of Québec, but elsewhere than in the territory of a municipality listed in Schedule I to the Act respecting the Communauté métropolitaine de Montréal (chapter C-37.01) or in Schedule A to the Act respecting the Communauté métropolitaine de Québec (chapter C-37.02), must represent, on the average, at least 50% of the percentage referred to in subparagraph 1.";

(2) by replacing the portion of the third paragraph before subparagraph 2 by the following:

"For the purposes of this section and section 19.0.1, the following rules apply:

(1) the Société's average net assets for a fiscal year must be determined by adding its net assets at the beginning of that year, its net assets at the end of that year and its net assets at the beginning of the preceding fiscal year, then dividing the sum so obtained by 3;";

(3) by replacing the formula in subparagraph 3 of the third paragraph by the following formula:

"(A + B + C + D + E + F)/3";

(4) by replacing subparagraphs 1 and 2 of the fourth paragraph by the following subparagraphs:

"(1) A is the Société's eligible investments at the beginning of the fiscal year, excluding those described in subparagraph *b* of subparagraphs 1 to 3 of the first paragraph of section 19.0.0.2 that were disinvested before that time;

"(2) B is the Société's eligible investments at the end of the fiscal year, excluding those described in subparagraph *b* of subparagraphs 1 to 3 of the first paragraph of section 19.0.0.2 that were disinvested before that time;";

(5) by adding the following subparagraphs at the end of the fourth paragraph:

"(5) E is the Société's eligible investments at the beginning of the preceding fiscal year, excluding those described in subparagraph *b* of subparagraphs 1 to 3 of the first paragraph of section 19.0.0.2 that were disinvested before that time; and

"(6) F is the amount determined under subparagraph 3 for the second preceding fiscal year.";

(6) by striking out the fifth, sixth, seventh, eighth, ninth, tenth, eleventh, twelfth, thirteenth and fourteenth paragraphs.

(2) Subsection 1 applies to a fiscal year that begins after 31 December 2023. However, where section 19 of the Act applies to a fiscal year that begins on 1 January 2024, it is to be read as if subparagraph 5 of the fourth paragraph were replaced by the following subparagraph:

"(5) E is the value of A in the formula for the preceding fiscal year; and".

(3) In addition, where section 19 of the Act applies to the fiscal year that begins on 1 January 2023, it is to be read as if "2023" in subparagraph 13 of the fifth paragraph were replaced by "2024".

13. (1) Section 19.0.0.1 of the Act is repealed.

(2) Subsection 1 has effect from 1 January 2024.

14. (1) The Act is amended by inserting the following sections after section 19.0.0.1:

"**19.0.0.2.** For the purposes of section 19, the following investments are eligible investments:

(1) investments that belong to the class of Québec entities, which includes

(*a*) investments entailing, subject to section 19.0.0.4, no security or hypothec, made after 31 December 2023 in accordance with a comprehensive investment policy adopted by the board of directors of the Société and approved by the Minister of Finance, each of which is

i. an investment made by the Société in an eligible Québec entity,

ii. an investment made by the Société otherwise than as first purchaser for the acquisition of securities issued by an eligible Québec entity, or

iii. a new investment or a reinvestment made by the Société in an entity it held in its portfolio at the end of 31 December 2023, where the initial investment is included in this class, and

(*b*) investments of the Société at the end of 31 December 2023, each of which is

i. an investment described in any of subparagraphs 1 to 4 and 6 of the fifth paragraph of section 19, as it read in its application to the Société's fiscal year ended on that date (in this section referred to as the "former version"), including an investment deemed to have been made by the Société and described in any of those subparagraphs because of the seventh paragraph of that section, in the same version,

ii. an investment described in subparagraph 5 of the fifth paragraph of section 19, in its former version, up to the Société's share in the investment,

iii. an investment described in subparagraph 1 of the sixth paragraph of section 19, in its former version, including an investment deemed to have been made by the Société and described in that subparagraph because of the seventh paragraph of that section, in the same version, or

iv. an investment described in subparagraph 2 or 3 of the sixth paragraph of section 19, in its former version, including an investment deemed to have been made and described in either of those subparagraphs because of the seventh paragraph of that section, in the same version, up to the Société's share in the investment;

(2) investments that belong to the class of Québec investment funds, which includes

(*a*) investments entailing no security or hypothec and made after 31 December 2023 in accordance with the comprehensive investment policy, each of which is

i. an investment made by the Société in an investment fund managed in Québec, with the expectation that the fund directly or indirectly invest an amount in eligible Québec entities that is at least equal to the sums received from the Société, or

ii. a new investment or a reinvestment made by the Société in a limited partnership or a fund it held in its portfolio at the end of 31 December 2023, where the initial investment is included in this class, and

(*b*) investments of the Société at the end of 31 December 2023, each of which is

i. an investment described in any of subparagraphs 7 to 10 and 12 of the fifth paragraph of section 19, in its former version, including an investment deemed to have been made by the Société and described in any of those subparagraphs because of the eighth paragraph of that section, in the same version,

ii. an investment described in subparagraph 11 of the fifth paragraph of section 19, in its former version, including an investment deemed to have been made by the Société and described in that subparagraph because of the seventh paragraph of that section, in the same version, or

iii. an investment referred to in section 19.0.0.1, as it read before being repealed, to the extent that it relates to Desjardins Capital Transatlantique, S.E.C.; and

(3) investments that belong to the class of other interventions for the benefit of Québec, which includes

(*a*) investments entailing no security or hypothec and made after 31 December 2023 in accordance with the comprehensive investment policy, each of which is

i. an investment made by the Société in the real estate sector in relation to a new or substantially renovated income-producing immovable situated in Québec, provided that the investment generates societal benefits for Québec in accordance with the rules set out in that respect in the comprehensive investment policy, or

ii. an investment that is made by the Société in an investment fund managed outside Québec and that is an investment described in the third paragraph, up to the amount invested by that fund in eligible Québec entities, where this section applies to a fiscal year of the Société that is subsequent to the second fiscal year that follows the fiscal year in which that investment was made, and

(*b*) investments of the Société at the end of 31 December 2023 each of which is

i. an investment described in subparagraph 14 of the fifth paragraph of section 19, in its former version, or

ii. an investment referred to in section 19.0.0.1, as it read before being repealed, to the extent that it relates to Siparex Transatlantique.

For the purposes of subparagraph ii of subparagraph *a* of subparagraph 1 of the first paragraph of this section and the third paragraph of section 19.0.0.3, a dealer acting as an intermediary or firm underwriter is not considered to be a first purchaser of securities.

The investment to which subparagraph ii of subparagraph *a* of subparagraph 3 of the first paragraph refers is either an investment that the Société has agreed to make, at any time in a fiscal year that begins after 31 December 2023, with an investment fund managed outside Québec and for which the Société has committed but not yet disbursed sums at the end of that fiscal year, on the condition that such an investment be taken into account to determine whether

the Société complies with the requirements of the second paragraph of section 19 for that fiscal year, or, where that condition is not met, each of the sums subsequently disbursed by the Société because of that investment.

“**19.0.0.3.** An investment that was agreed to by the Société at any time after 31 December 2023, for which it has committed but not yet disbursed sums at the end of a fiscal year and that would have been an eligible investment within the meaning of section 19.0.0.2 if it had been made by the Société at that time is deemed, for the purposes of that section, to have been made by the Société at that time.

In addition, an investment made by the Société, at any time after 31 December 2023, in a partnership that is not an investment fund or in a legal person for the purpose of investing in a particular entity is deemed, for the purposes of subparagraph i or iii of subparagraph *a* of subparagraph 1 of the first paragraph of section 19.0.0.2, to be an investment made at that time by the Société in the particular entity.

Similarly, an investment made, at any time after 31 December 2023, by a partnership that is not an investment fund or by a legal person otherwise than as first purchaser for the acquisition of securities issued by an entity is deemed, for the purposes of subparagraph ii of subparagraph *a* of subparagraph 1 of the first paragraph of section 19.0.0.2, to have been made, at that time, by the Société in proportion to its share in the partnership or legal person, as the case may be, if one of the main reasons for which the Société holds an interest in the partnership or legal person is to enable the financing of such an acquisition.

“**19.0.0.4.** For the purpose of including an investment made after 31 December 2023 in a class provided for in section 19.0.0.2, the following rules apply:

(1) the mere fact that such an investment entails a security does not prevent it from being included in the class provided for in subparagraph 1 of the first paragraph of that section to the extent that it is part of a financing package, in which Fonds de transfert d’entreprise du Québec, s.e.c. participates, for the succession of an entity; and

(2) where such an investment is made in the real estate sector in relation to a new or substantially renovated income-producing immovable situated in Québec, it may only be included in the class provided for in subparagraph 3 of the first paragraph of that section.

“**19.0.0.5.** In respect of investments included in the class provided for in subparagraph 2 of the first paragraph of section 19.0.0.2, the following rules apply:

(1) such investments are deemed to be increased by 50% if they are investments made in Fonds de transfert d’entreprise du Québec, s.e.c.; and

(2) where such investments are taken into account for the purposes of the second paragraph of section 19 for a fiscal year of the Société that ends before 1 January 2027, they are, up to 5% of the Société's net assets at the end of the preceding fiscal year, deemed to be increased by 50% if they are investments made by the Société after 21 April 2005 and before 1 June 2026 in a local venture capital fund established and managed in Québec or in a local fund recognized by the Minister of Finance, with the expectation that that fund invest an amount at least equal to 150% of the aggregate of the sums received from the Société, from Fonds de solidarité des travailleurs et des travailleuses du Québec (FTQ) and from Fondaction, le Fonds de développement de la Confédération des syndicats nationaux pour la coopération et l'emploi, in Québec partnerships or legal persons pursuing economic objectives and whose assets are less than $100,000,000 or whose net equity is less than $50,000,000.

For the purposes of the first paragraph, the Société's net assets must be determined by taking into account subparagraph 2 of the third paragraph of section 19. In addition, the assets or net equity of a partnership or legal person are the assets or net equity shown in its financial statements for its fiscal year ended before the time at which the investment is made, minus the write-up surplus of its property and the incorporeal assets. In the case of a partnership or legal person which has not completed its first fiscal year, a chartered accountant must confirm in writing to the Société that the assets or net equity, as the case may be, of the partnership or legal person are, immediately before the investment, under the limits provided for in subparagraph 2 of the first paragraph.

"**19.0.0.6.** In respect of an investment of the Société at the end of 31 December 2023 that is included, in whole or up to the Société's share in the investment, in a class provided for in any of subparagraphs 1 to 3 of the first paragraph of section 19.0.0.2, the following rules apply:

(1) where, because of the application of any of subparagraphs 0.1, 2.1 and 2.2 of the tenth paragraph of section 19, as it read in its application to the Société's fiscal year ended on 31 December 2023, or of the eleventh paragraph of that section, in the same version, such an investment, or the Société's share in the investment, has been increased for that fiscal year, the investment or the share continues to be increased to the same extent for the subsequent fiscal years of the Société;

(2) where, because of the application of subparagraph 1 of the twelfth paragraph of section 19, as it read in its application to the Société's fiscal year ended on 31 December 2023, such an investment has not been taken into account to determine whether the requirement provided for in subparagraph 2 of the second paragraph of that section has been met for that fiscal year, it cannot be taken into account for the purposes of that subparagraph 2 for the subsequent fiscal years of the Société; and

(3) where, because of the application of any of subparagraphs 1.1 to 8 of the twelfth paragraph of section 19, as it read in its application to the Société's fiscal year ended on 31 December 2023, such an investment has been taken

into account, in whole or in the proportion referred to in that subparagraph, to determine whether the requirement provided for in subparagraph 2 of the second paragraph of that section has been met for that fiscal year, it can be taken into account, in whole or in the same proportion, as the case may be, for the purposes of that subparagraph 2 for the subsequent fiscal years of the Société.

“**19.0.0.7.** For the purpose of applying section 19.0.0.2 to a fiscal year of the Société, the following restrictions apply:

(1) the aggregate of all investments each of which is an investment that is included in the class provided for in subparagraph 1 of the first paragraph of section 19.0.0.2 and that is an investment in a large entity within the meaning of section 19.0.0.8 may not exceed 30% of the Société’s average net assets for the preceding fiscal year;

(2) the aggregate of all investments each of which is an investment included in the class provided for in subparagraph 2 of the first paragraph of section 19.0.0.2 and made in Société en commandite Essor et Coopération may not exceed $85,000,000;

(3) the aggregate of all investments each of which is an investment included in the class provided for in subparagraph 3 of the first paragraph of section 19.0.0.2 may not exceed 10% of the Société’s average net assets for the preceding fiscal year; and

(4) the aggregate of all amounts each of which is either the Société’s share in an investment that is, at the end of 31 December 2023, deemed to have been made by a limited partnership or a fund and that is included in the class provided for in subparagraph 1 of the first paragraph of section 19.0.0.2 as an investment described in subparagraph iv of subparagraph *b* of that subparagraph 1 or any of the following investments may not exceed 12% of the Société’s net assets at the end of the preceding fiscal year:

(*a*) an investment that is deemed to have been made by the Société and that is included in the class provided for in subparagraph 1 of the first paragraph of section 19.0.0.2 because of the first paragraph of section 19.0.0.3 or an investment that is, at the end of 31 December 2023, deemed to have been made by the Société and that is included in that class as an investment described in subparagraph i or iii of subparagraph *b* of that subparagraph 1,

(*b*) an investment that is deemed to have been made by the Société in Société en commandite Essor et Coopération and that is included in the class provided for in subparagraph 2 of the first paragraph of section 19.0.0.2 because of the first paragraph of section 19.0.0.3 or an investment that is, at the end of 31 December 2023, deemed to have been made by the Société in that limited partnership and that is included in that class as an investment described in subparagraph ii of subparagraph *b* of that subparagraph 2, or

(*c*) an investment that is deemed to have been made by the Société and that is included in the class provided for in subparagraph 3 of the first paragraph of section 19.0.0.2 because of the first paragraph of section 19.0.0.3.

For the purposes of the first paragraph, the following rules apply:

(1) the Société's net assets and average net assets must be determined by taking into account the rules set out in the third paragraph of section 19;

(2) no investment described in subparagraph *b* of subparagraphs 1 to 3 of the first paragraph of section 19.0.0.2 that was disinvested may be taken into account to determine an aggregate described in any of subparagraphs 1 to 3 of the first paragraph; and

(3) no investment that is, at the end of 31 December 2023, deemed to have been made by the Société, nor any share of the Société in an investment that is, on that date, deemed to have been made by a limited partnership or a fund may be taken into account to determine the aggregate described in subparagraph 4 of the first paragraph, in the case where the investment has been made.

"**19.0.0.8.** For the purposes of subparagraph 1 of the first paragraph of section 19.0.0.7, the following investments are investments in a large entity:

(1) an investment made, at any time, in an entity whose assets are greater than $200,000,000 and whose net equity is greater than $100,000,000 at that time; and

(2) an investment made, at any time, otherwise than as first purchaser for the acquisition of securities issued by an entity whose assets are greater than $200,000,000 and whose net equity is greater than $100,000,000 at that time.

For the purposes of the first paragraph, the assets and net equity of an entity at any time are those shown in its financial statements at that time, minus the write-up surplus of its property and the incorporeal assets."

(2) Subsection 1 has effect from 1 January 2024. However, where section 19.0.0.5 of the Act applies before 1 June 2024, it is to be read as if "Fonds de solidarité des travailleurs et des travailleuses du Québec (FTQ)" in subparagraph 2 of the first paragraph were replaced by "Fonds de solidarité des travailleurs du Québec (F.T.Q.)".

15. (1) Section 19.0.1 of the Act is amended

(1) by replacing subparagraphs *a* and *b* of paragraph 1 by the following subparagraphs:

"(*a*) the percentage that, on the average, the Société's eligible investments for the particular fiscal year are of the Société's average net assets for the preceding fiscal year is equal to or greater than 55% and less than 65%, or

"(*b*) the percentage that, on the average, the investments described in subparagraph 2 of the second paragraph of section 19 for the particular fiscal year are of the Société's average net assets for the preceding fiscal year is equal to or greater than 27.5% and less than 32.5%;";

(2) by replacing subparagraphs *a* and *b* of paragraph 2 by the following subparagraphs:

"(*a*) the percentage that, on the average, the Société's eligible investments for the particular fiscal year are of the Société's average net assets for the preceding fiscal year is equal to or greater than 45% and less than 55%, or

"(*b*) the percentage that, on the average, the investments described in subparagraph 2 of the second paragraph of section 19 for the particular fiscal year are of the Société's average net assets for the preceding fiscal year is equal to or greater than 22.5% and less than 27.5%;";

(3) by replacing subparagraphs *a* and *b* of paragraph 3 by the following subparagraphs:

"(*a*) the percentage that, on the average, the Société's eligible investments for the particular fiscal year are of the Société's average net assets for the preceding fiscal year is equal to or greater than 35% and less than 45%, or

"(*b*) the percentage that, on the average, the investments described in subparagraph 2 of the second paragraph of section 19 for the particular fiscal year are of the Société's average net assets for the preceding fiscal year is equal to or greater than 17.5% and less than 22.5%; or";

(4) by replacing subparagraphs *a* and *b* of paragraph 4 by the following subparagraphs:

"(*a*) the percentage that, on the average, the Société's eligible investments for the particular fiscal year are of the Société's average net assets for the preceding fiscal year is less than 35%, or

"(*b*) the percentage that, on the average, the investments described in subparagraph 2 of the second paragraph of section 19 for the particular fiscal year are of the Société's average net assets for the preceding fiscal year is less than 17.5%."

(2) Subsection 1 applies to a fiscal year that begins after 31 December 2023.

16. (1) Section 20 of the Act is amended

(1) by replacing the second paragraph by the following paragraph:

"The percentage may be increased up to 10% to enable the Société to acquire securities in an eligible Québec entity whose assets are greater than $200,000,000 and whose net equity is greater than $100,000,000 at the time of the acquisition.

In such a case, the Société may not, directly or indirectly, acquire or hold shares carrying more than 30% of the voting rights attached to the shares of the entity that may be exercised under any circumstances.";

(2) by adding the following paragraph at the end:

"For the purposes of the second paragraph, the assets and net equity of an eligible Québec entity at the time of the acquisition of its securities are those shown in its financial statements at that time, minus the write-up surplus of its property and the incorporeal assets."

(2) Subsection 1 has effect from 1 January 2024.

17. (1) Schedules 2 to 4 to the Act are repealed.

(2) Subsection 1 has effect from 1 January 2024.

CODE OF ETHICS AND CONDUCT OF THE MEMBERS OF THE NATIONAL ASSEMBLY

18. (1) Section 45 of the Code of ethics and conduct of the Members of the National Assembly (chapter C-23.1) is amended by replacing "Fonds de solidarité des travailleurs du Québec (F.T.Q.)" in the second paragraph by "Fonds de solidarité des travailleurs et des travailleuses du Québec (FTQ)".

(2) Subsection 1 applies from 1 June 2024.

ACT TO ESTABLISH FONDACTION, LE FONDS DE DÉVELOPPEMENT DE LA CONFÉDÉRATION DES SYNDICATS NATIONAUX POUR LA COOPÉRATION ET L'EMPLOI

19. (1) Section 9 of the Act to establish Fondaction, le Fonds de développement de la Confédération des syndicats nationaux pour la coopération et l'emploi (chapter F-3.1.2) is amended by replacing "natural person" in the first paragraph by "person of full age".

(2) Subsection 1 applies from 1 June 2024.

20. (1) Section 11 of the Act is amended by replacing paragraphs 1 and 2 by the following paragraphs:

"(1) at the request of a person who has reached 45 years of age and has availed himself of his right to early retirement or retirement or who has reached 65 years of age, if the person acquired the share or fractional share from the Fund at least

(*a*) two years prior to the request, where the acquisition occurred before 1 June 2024,

(*b*) three years prior to the request, where the acquisition occurred after 31 May 2024 and before 1 June 2025,

(*c*) four years prior to the request, where the acquisition occurred after 31 May 2025 and before 1 June 2026, or

(*d*) five years prior to the request, where the acquisition occurred after 31 May 2026;

"(2) at the request of a person who is the holder of the share or fractional share without being the person who acquired it from the Fund, if the person who acquired it from the Fund has reached 65 years of age or, if deceased, would have reached that age had he lived, provided that the share or fractional share was issued by the Fund at least

(*a*) two years prior to the date of redemption, where the share or fractional share was issued before 1 June 2024,

(*b*) three years prior to the date of redemption, where the share or fractional share was issued after 31 May 2024 and before 1 June 2025,

(*c*) four years prior to the date of redemption, where the share or fractional share was issued after 31 May 2025 and before 1 June 2026, or

(*d*) five years prior to the date of redemption, where the share or fractional share was issued after 31 May 2026;".

(2) Subsection 1 applies from 1 June 2024.

21. (1) Section 16 of the Act is amended

(1) by replacing paragraphs 1 to 5 by the following paragraphs:

"(1) to support Québec workers in their efforts to save more for their retirement, in particular by raising awareness and offering an accessible savings product; and

"(2) to channel these accrued savings to Québec's economic, social and environmental advantage by investing them using an approach that is mindful of meeting the needs of persons while protecting the environment and respecting the limits of natural ecosystems;";

(2) by adding the following paragraph at the end:

"Moreover, the Fund prioritizes investments that mainly aim to

(1) promote enterprises whose activities are in keeping with the principle of sustainable development and that take environmental, social and governance factors into account in their decision-making;

(2) assist enterprises to support their growth, boost their productivity, reduce their environmental footprint, stimulate innovation and foster inclusion so as to make them more valuable, resilient and sustainable;

(3) support strategic initiatives and projects with significant economic benefits that improve access to quality jobs, help protect the environment and reduce inequality; and

(4) enable workers to collectively influence Québec's sustainable development."

(2) Subsection 1 applies from 1 June 2024.

22. (1) Section 18 of the Act is amended

(1) by replacing "partnership or a legal person" in the first paragraph by "partnership, a legal person or a social trust";

(2) by striking out the second paragraph.

(2) Subsection 1 applies from 1 June 2024.

23. (1) Section 18.1 of the Act is amended

(1) by replacing the first paragraph by the following paragraph:

"For the purposes of this Act, "eligible Québec enterprise" means an enterprise in active operation in Québec that

(1) is Québec-owned; or

(2) has a main decision-making centre that is operated in Québec.";

(2) by striking out the second paragraph.

(2) Subsection 1 applies from 1 June 2024.

24. (1) Section 19 of the Act is amended

(1) by replacing the second paragraph by the following paragraph:

"However, for a fiscal year, the Fund's eligible investments must represent, on the average, at least 65% of its average net assets for the preceding fiscal year.";

(2) by replacing subparagraph 1 of the third paragraph by the following subparagraph:

"(1) the Fund's average net assets for a fiscal year must be determined by adding its net assets at the beginning of that year, its net assets at the end of that year and its net assets at the beginning of the preceding fiscal year, then dividing the sum so obtained by 3;";

(3) by replacing the formula in subparagraph 3 of the third paragraph by the following formula:

"(A + B + C + D + E + F)/3";

(4) by replacing subparagraphs 1 and 2 of the fourth paragraph by the following subparagraphs:

"(1) A is the Fund's eligible investments at the beginning of the fiscal year, excluding those described in subparagraph *b* of subparagraphs 1 to 3 of the first paragraph of section 19.3 that were disinvested before that time;

"(2) B is the Fund's eligible investments at the end of the fiscal year, excluding those described in subparagraph *b* of subparagraphs 1 to 3 of the first paragraph of section 19.3 that were disinvested before that time;";

(5) by adding the following subparagraphs at the end of the fourth paragraph:

"(5) E is the Fund's eligible investments at the beginning of the preceding fiscal year, excluding those described in subparagraph *b* of subparagraphs 1 to 3 of the first paragraph of section 19.3 that were disinvested before that time; and

"(6) F is the amount determined under subparagraph 3 for the second preceding fiscal year.";

(6) by striking out the fifth, sixth, seventh, eighth, ninth, tenth, eleventh, twelfth, thirteenth and fourteenth paragraphs.

(2) Subsection 1 applies to a fiscal year that begins after 31 May 2024. However, where section 19 of the Act applies to a fiscal year that begins on 1 June 2024, it is to be read as if subparagraph 5 of the fourth paragraph were replaced by the following subparagraph:

"(5) E is the value of A in the formula for the preceding fiscal year; and".

25. (1) Sections 19.1 and 19.2 of the Act are repealed.

(2) Subsection 1 applies from 1 June 2024.

26. (1) The Act is amended by inserting the following sections after section 19.2:

"**19.3.** For the purposes of section 19, the following investments are eligible investments:

(1) investments that belong to the class of Québec enterprises, which includes

(*a*) investments entailing, subject to section 19.5, no security or hypothec, made after 31 May 2024 in accordance with a comprehensive investment policy adopted by the board of directors of the Fund and approved by the Minister of Finance, each of which is

i. an investment made by the Fund in an eligible Québec enterprise,

ii. an investment made by the Fund otherwise than as first purchaser for the acquisition of securities issued by an eligible Québec enterprise, or

iii. a new investment or a reinvestment made by the Fund in an enterprise it held in its portfolio at the end of 31 May 2024, where the initial investment is included in this class, and

(*b*) investments of the Fund at the end of 31 May 2024, each of which is

i. an investment described in any of subparagraphs 1, 2 and 4 to 6 of the fifth paragraph of section 19, as it read in its application to the Fund's fiscal year ended on that date (in this section referred to as the "former version"), including an investment deemed to have been made by the Fund and described in any of those subparagraphs because of the seventh paragraph of that section, in the same version, or

ii. an investment described in the sixth paragraph of section 19, in its former version, including an investment deemed to have been made by the Fund and described in that paragraph because of the seventh paragraph of that section, in the same version;

(2) investments that belong to the class of Québec investment funds, which includes

(*a*) investments entailing no security or hypothec and made after 31 May 2024 in accordance with the comprehensive investment policy, each of which is

i. an investment made by the Fund in an investment fund managed in Québec, with the expectation that the fund directly or indirectly invest an amount in eligible Québec enterprises that is at least equal to the sums received from the Fund, or

ii. a new investment or a reinvestment made by the Fund in a limited partnership or a fund it held in its portfolio at the end of 31 May 2024, where the initial investment is included in this class, and

(*b*) investments of the Fund at the end of 31 May 2024, each of which is

i. an investment described in any of subparagraphs 8 to 10, 12 and 13 of the fifth paragraph of section 19, in its former version, including an investment deemed to have been made by the Fund and described in any of those subparagraphs because of the eighth paragraph of that section, in the same version, or

ii. an investment described in subparagraph 11 of the fifth paragraph of section 19, in its former version, including an investment deemed to have been made by the Fund and described in that subparagraph because of the seventh paragraph of that section, in the same version; and

(3) investments that belong to the class of other interventions for the benefit of Québec, which includes

(*a*) investments entailing no security or hypothec and made after 31 May 2024 in accordance with the comprehensive investment policy, each of which is

i. an investment made by the Fund in the real estate sector in relation to a new or substantially renovated income-producing immovable situated in Québec, provided that the investment generates societal benefits for Québec in accordance with the rules set out in that respect in the comprehensive investment policy, or

ii. an investment that is made by the Fund in an investment fund managed outside Québec and that is an investment described in the third paragraph, up to the amount invested by that fund in eligible Québec enterprises, where this section applies to a fiscal year of the Fund that is subsequent to the second fiscal year that follows the fiscal year in which that investment was made, and

(*b*) investments of the Fund at the end of 31 May 2024, each of which is

i. an investment described in subparagraph 3 of the fifth paragraph of section 19, in its former version, including an investment deemed to have been made by the Fund and described in that subparagraph because of the seventh paragraph of that section, in the same version, except an investment not permitted under the twelfth paragraph of that section, in the same version, or

ii. an investment described in subparagraph 7 of the fifth paragraph of section 19, in its former version, including an investment deemed to have been made by the Fund and described in that subparagraph because of the seventh paragraph of that section, in the same version.

For the purposes of subparagraph ii of subparagraph *a* of subparagraph 1 of the first paragraph of this section and the third paragraph of section 19.4, a dealer acting as an intermediary or firm underwriter is not considered to be a first purchaser of securities.

The investment to which subparagraph ii of subparagraph *a* of subparagraph 3 of the first paragraph refers is either an investment that the Fund has agreed to make, at any time in a fiscal year that begins after 31 May 2024, with an investment fund managed outside Québec and for which the Fund has committed but not yet disbursed sums at the end of that fiscal year, on the condition that such an investment be taken into account to determine whether the Fund complies with the requirement of the second paragraph of section 19 for that fiscal year, or, where that condition is not met, each of the sums subsequently disbursed by the Fund because of that investment.

“**19.4.** An investment that was agreed to by the Fund at any time after 31 May 2024, for which it has committed but not yet disbursed sums at the end of a fiscal year and that would have been an eligible investment within the meaning of section 19.3 if it had been made by the Fund at that time is deemed, for the purposes of that section, to have been made by the Fund at that time.

In addition, an investment made by the Fund, at any time after 31 May 2024, in an entity that is not an enterprise within the meaning of section 18 and that is either a partnership (other than a partnership that is an investment fund) or a legal person, for the purpose of investing in a particular enterprise, is deemed, for the purposes of subparagraph i or iii of subparagraph *a* of subparagraph 1 of the first paragraph of section 19.3, to be an investment made at that time by the Fund in the particular enterprise.

Similarly, an investment made, at any time after 31 May 2024, by an entity that is neither an enterprise within the meaning of section 18 nor an investment fund otherwise than as first purchaser for the acquisition of securities issued by an enterprise is deemed, for the purposes of subparagraph ii of subparagraph *a* of subparagraph 1 of the first paragraph of section 19.3, to have been made, at that time, by the Fund in proportion to its share in the entity, if one of the main reasons for which the Fund holds an interest in the entity is to enable the financing of such an acquisition.

“**19.5.** For the purpose of including an investment made after 31 May 2024 in a class provided for in section 19.3, the following rules apply:

(1) the mere fact that such an investment entails a security does not prevent it from being included in the class provided for in subparagraph 1 of the first paragraph of that section to the extent that it is part of a financing package, in which Fonds de transfert d’entreprise du Québec, s.e.c. participates, for the succession of an enterprise;

(2) where such an investment is made in an enterprise that is an investment fund, it may only be included in the class provided for in subparagraph 2 of the first paragraph of that section; and

(3) where such an investment is made in the real estate sector in relation to a new or substantially renovated income-producing immovable situated in Québec, it may only be included in the class provided for in subparagraph 3 of the first paragraph of that section.

"**19.6.** In respect of investments included in the class provided for in subparagraph 2 of the first paragraph of section 19.3, the following rules apply:

(1) such investments are deemed to be increased by 50% if they are investments made in Fonds de transfert d'entreprise du Québec, s.e.c.; and

(2) where such investments are taken into account for the purposes of the second paragraph of section 19 for a fiscal year of the Fund that ends before 1 January 2027, they are, up to 5% of the Fund's net assets at the end of the preceding fiscal year, deemed to be increased by 50% if they are investments made by the Fund after 21 April 2005 and before 1 June 2026 in a local venture capital fund established and managed in Québec or in a local fund recognized by the Minister of Finance, with the expectation that that fund invest an amount at least equal to 150% of the aggregate of the sums received from the Fund, from Fonds de solidarité des travailleurs et des travailleuses du Québec (FTQ) and from Capital régional et coopératif Desjardins in Québec enterprises whose assets are less than $100,000,000 or whose net equity is less than $50,000,000.

For the purposes of the first paragraph, the Fund's net assets must be determined by taking into account subparagraph 2 of the third paragraph of section 19. In addition, the assets or net equity of an enterprise are the assets or net equity shown in its financial statements for its fiscal year ended before the time at which the investment is made, minus the write-up surplus of its property and the incorporeal assets. In the case of an enterprise which has not completed its first fiscal year, a chartered accountant must confirm in writing to the Fund that the assets or net equity, as the case may be, of the enterprise are, immediately before the investment, under the limits provided for in subparagraph 2 of the first paragraph.

"**19.7.** Any investment of the Fund at the end of 31 May 2024 included in the class provided for in subparagraph 3 of the first paragraph of section 19.3 that is an investment described in subparagraph 1 or 2 of the first paragraph of section 19.1, as it read in its application before being repealed, must, for any fiscal year of the Fund beginning after that date, be limited to the same extent as it would have been if section 19.1 had continued to apply in its respect.

"**19.8.** For the purpose of applying section 19.3 to a fiscal year of the Fund, the following restrictions apply:

(1) the aggregate of all investments each of which is an investment that is included in the class provided for in subparagraph 1 of the first paragraph of section 19.3 and that is an investment in a large enterprise within the meaning of section 19.9 may not exceed 30% of the Fund's average net assets for the preceding fiscal year;

(2) the aggregate of all investments each of which is an investment included in the class provided for in subparagraph 3 of the first paragraph of section 19.3 may not exceed 10% of the Fund's average net assets for the preceding fiscal year; and

(3) the aggregate of all investments each of which is one of the following investments may not exceed 12% of the Fund's net assets at the end of the preceding fiscal year:

(*a*) an investment that is deemed to have been made by the Fund and that is included in the class provided for in subparagraph 1 of the first paragraph of section 19.3 because of the first paragraph of section 19.4 or an investment that is, at the end of 31 May 2024, deemed to have been made by the Fund and that is included in that class as an investment described in subparagraph i or ii of subparagraph *b* of that subparagraph 1,

(*b*) an investment that is deemed to have been made by the Fund in Fonds Biomasse Énergie I, S.E.C. and that is included in the class provided for in subparagraph 2 of the first paragraph of section 19.3 because of the first paragraph of section 19.4 or an investment that is, at the end of 31 May 2024, deemed to have been made by the Fund and that is included in that class as an investment described in subparagraph ii of subparagraph *b* of that subparagraph 2, or

(*c*) an investment that is deemed to have been made by the Fund and that is included in the class provided for in subparagraph 3 of the first paragraph of section 19.3 because of the first paragraph of section 19.4 or an investment that is, at the end of 31 May 2024, deemed to have been made by the Fund and that is included in that class as an investment described in subparagraph i or ii of subparagraph *b* of that subparagraph 3.

For the purposes of the first paragraph, the following rules apply:

(1) the Fund's net assets and average net assets must be determined by taking into account the rules set out in the third paragraph of section 19;

(2) no investment described in subparagraph *b* of subparagraphs 1 to 3 of the first paragraph of section 19.3 that was disinvested may be taken into account to determine an aggregate described in subparagraph 1 or 2 of the first paragraph; and

(3) no investment that is, at the end of 31 May 2024, deemed to have been made by the Fund may be taken into account to determine the aggregate described in subparagraph 3 of the first paragraph, in the case where the investment has been made.

"**19.9.** For the purposes of subparagraph 1 of the first paragraph of section 19.8, the following investments are investments in a large enterprise:

(1) an investment made, at any time, in an enterprise whose assets are greater than $200,000,000 and whose net equity is greater than $100,000,000 at that time; and

(2) an investment made, at any time, otherwise than as first purchaser for the acquisition of securities issued by an enterprise whose assets are greater than $200,000,000 and whose net equity is greater than $100,000,000 at that time.

For the purposes of the first paragraph, the assets and net equity of an enterprise at any time are those shown in its financial statements at that time, minus the write-up surplus of its property and the incorporeal assets."

(2) Subsection 1 applies from 1 June 2024.

27. (1) Section 20 of the Act is amended

(1) by replacing subparagraphs 1 to 3 of the first paragraph by the following subparagraphs:

"(1) 75% of the total consideration paid for class "A" and class "B" shares or fractional shares issued in the preceding fiscal year, excluding the total consideration paid for class "A" and class "B" shares or fractional shares acquired and paid by payroll deduction or account debit in accordance with Division V or acquired under a subscription agreement entered into with an employer in favour of the employer's employees, if the percentage of the Fund's average eligible investments for the particular fiscal year relative to the Fund's average net assets for the preceding fiscal year is equal to or greater than 55% and less than 65%;

"(2) 50% of the consideration referred to in subparagraph 1 if the percentage of the Fund's average eligible investments for the particular fiscal year relative to the Fund's average net assets for the preceding fiscal year is equal to or greater than 45% and less than 55%; or

"(3) 25% of the consideration referred to in subparagraph 1 if the percentage of the Fund's average eligible investments for the particular fiscal year relative to the Fund's average net assets for the preceding fiscal year is equal to or greater than 35% and less than 45%.";

(2) by replacing the second paragraph by the following paragraph:

"The Fund may not issue any class "A" or class "B" shares or fractional shares in the fiscal year following the particular fiscal year if the percentage of the Fund's average eligible investments for the particular fiscal year relative to the Fund's average net assets for the preceding fiscal year is less than 35%."

(2) Subsection 1 applies to a fiscal year that begins after 31 May 2024.

28. (1) Section 21 of the Act is amended

(1) by replacing the second paragraph by the following paragraph:

"The percentage may be increased up to 10% to enable the Fund to acquire securities in an eligible Québec enterprise whose assets are greater than $200,000,000 and whose net equity is greater than $100,000,000 at the time of the acquisition. In such a case, the Fund may not, directly or indirectly, acquire or hold shares carrying more than 30% of the voting rights attached to the shares of the enterprise that may be exercised under any circumstances.";

(2) by adding the following paragraph at the end:

"For the purposes of the second paragraph, the assets and net equity of an eligible Québec enterprise at the time of the acquisition of its securities are those shown in its financial statements at that time, minus the write-up surplus of its property and the incorporeal assets."

(2) Subsection 1 applies from 1 June 2024.

29. (1) Section 22 of the Act is amended by replacing "eligible enterprises" in the first paragraph by "eligible Québec enterprises".

(2) Subsection 1 applies from 1 June 2024.

30. (1) Section 36 of the Act is amended by inserting "so" after "been".

(2) Subsection 1 applies from 1 June 2024.

ACT TO ESTABLISH THE FONDS DE SOLIDARITÉ
DES TRAVAILLEURS DU QUÉBEC (F.T.Q.)

31. (1) The title of the Act to establish the Fonds de solidarité des travailleurs du Québec (F.T.Q.) (chapter F-3.2.1) is replaced by the following title:

"ACT TO ESTABLISH THE FONDS DE SOLIDARITÉ
DES TRAVAILLEURS ET DES TRAVAILLEUSES DU QUÉBEC
(FTQ)".

(2) Subsection 1 applies from 1 June 2024.

32. (1) The preamble to the Act is amended by replacing "Fédération des travailleurs du Québec" in the first and third paragraphs by "Fédération des travailleurs et travailleuses du Québec".

(2) Subsection 1 applies from 1 June 2024.

33. (1) Section 1 of the Act is replaced by the following section:

"**1.** A joint-stock company is hereby constituted under the name "Fonds de solidarité des travailleurs du Québec (F.T.Q.)". It continues its existence under the name "Fonds de solidarité des travailleurs et des travailleuses du Québec (FTQ)", hereinafter called the "Fund"."

(2) Subsection 1 applies from 1 June 2024.

34. (1) Section 8 of the Act is amended by replacing "natural person" in the first paragraph by "person of full age".

(2) Subsection 1 applies from 1 June 2024.

35. (1) Section 10 of the Act is amended by replacing paragraphs 1 and 2 by the following paragraphs:

"(1) at the request of a person who has reached 45 years of age and has availed himself of his right to early retirement or retirement or who has reached 65 years of age, if the person acquired the share or fractional share from the Fund at least

(*a*) two years prior to the request, where the acquisition occurred before 1 June 2024,

(*b*) three years prior to the request, where the acquisition occurred after 31 May 2024 and before 1 June 2025,

(*c*) four years prior to the request, where the acquisition occurred after 31 May 2025 and before 1 June 2026, or

(*d*) five years prior to the request, where the acquisition occurred after 31 May 2026;

"(2) at the request of a shareholder, who did not acquire the share or fractional share from the Fund, if the person who acquired it from the Fund has reached 65 years of age or, if deceased, would have reached that age had he lived, provided that, in either case, the share or fractional share was issued by the Fund at least

(*a*) two years prior to the date of redemption, where the share or fractional share was issued before 1 June 2024,

(*b*) three years prior to the date of redemption, where the share or fractional share was issued after 31 May 2024 and before 1 June 2025,

(*c*) four years prior to the date of redemption, where the share or fractional share was issued after 31 May 2025 and before 1 June 2026, or

(*d*) five years prior to the date of redemption, where the share or fractional share was issued after 31 May 2026;”.

(2) Subsection 1 applies from 1 June 2024.

36. (1) Section 13 of the Act is amended by replacing paragraphs 1 to 4 by the following paragraphs:

“(1) to encourage retirement savings among Québec workers by, in particular, issuing shares, so that they can have a decent retirement;

“(2) to invest development capital and venture capital in eligible Québec enterprises and provide them with support services to deal with the issues with which they are confronted, in order to create, maintain and protect jobs and better prepare Québec workers and enterprises for the future;

“(3) to promote the training of workers on the economy, retirement, climate change and other matters of importance to Québec’s economy and thereby enable workers to increase their influence on the economic development of Québec and of their enterprise; and

“(4) to create value by stimulating the Québec economy by making strategic investments that will be of benefit to Québec workers and enterprises.”

(2) Subsection 1 applies from 1 June 2024.

37. (1) Section 14 of the Act is amended

(1) by replacing “partnership or legal person” in the first paragraph by “partnership, a legal person or a social trust”;

(2) by striking out the second paragraph.

(2) Subsection 1 applies from 1 June 2024.

38. (1) Section 14.1 of the Act is amended

(1) by replacing the first paragraph by the following paragraph:

“For the purposes of this Act, “eligible Québec enterprise” means an enterprise in active operation in Québec that

(1) is Québec-owned; or

(2) has a main decision-making centre that is operated in Québec.”;

(2) by striking out the second paragraph.

(2) Subsection 1 applies from 1 June 2024.

39. (1) Section 15 of the Act is amended

(1) by replacing the second paragraph by the following paragraph:

"However, for a fiscal year, the Fund's eligible investments must represent, on the average, at least 65% of its average net assets for the preceding fiscal year.";

(2) by replacing subparagraph 1 of the third paragraph by the following subparagraph:

"(1) the Fund's average net assets for a fiscal year must be determined by adding its net assets at the beginning of that year, its net assets at the end of that year and its net assets at the beginning of the preceding fiscal year, then dividing the sum so obtained by 3;";

(3) by replacing the formula in subparagraph 3 of the third paragraph by the following formula:

"$[(A + B + C + C_{A-1} + C_{A-2} + D)/3] + E$";

(4) by replacing subparagraphs 1 and 2 of the fourth paragraph by the following subparagraphs:

"(1) A is the Fund's eligible investments at the beginning of the fiscal year, excluding those described in subparagraph *b* of subparagraphs 1 to 3 of the first paragraph of section 15.0.3 that were disinvested before that time;

"(2) B is the Fund's eligible investments at the end of the fiscal year, excluding those described in subparagraph *b* of subparagraphs 1 to 3 of the first paragraph of section 15.0.3 that were disinvested before that time;";

(5) by replacing subparagraph 4 of the fourth paragraph by the following subparagraph:

"(4) C_{A-1} is the amount determined under subparagraph 3 for the preceding fiscal year;";

(6) by inserting the following subparagraphs after subparagraph 4 of the fourth paragraph:

"(4.1) C_{A-2} is the amount determined under subparagraph 3 for the second preceding fiscal year;

"(4.2) D is the Fund's eligible investments at the beginning of the preceding fiscal year, excluding those described in subparagraph *b* of subparagraphs 1 to 3 of the first paragraph of section 15.0.3 that were disinvested before that time; and";

(7) by replacing the portion of subparagraph 5 of the fourth paragraph before the formula by the following:

"(5) E is the amount designated by the Fund for the fiscal year, which amount may not exceed the lesser of $500,000,000 and the amount determined for the fiscal year by the formula";

(8) by striking out "subparagraph *f* of" in the portion of the fifth paragraph before subparagraph 1 and in that subparagraph 1;

(9) by replacing subparagraphs 5 to 7 of the fifth paragraph by the following subparagraphs:

"(5) G_{A-2} is 65% of the Fund's average net assets for the second preceding fiscal year;

"(6) G_{A-3} is 65% of the Fund's average net assets for the third preceding fiscal year;

"(7) G_{A-4} is 65% of the Fund's average net assets for the fourth preceding fiscal year; and";

(10) by striking out the sixth, seventh, eighth, ninth, tenth, eleventh, twelfth, thirteenth, fourteenth and fifteenth paragraphs.

(2) Subsection 1 applies to a fiscal year that begins after 31 May 2024. However,

(1) where section 15 of the Act applies to a fiscal year that begins on 1 June 2024, it is to be read

(*a*) as if subparagraph 4.2 of the fourth paragraph were replaced by the following subparagraph:

"(4.2) D is the value of A in the formula for the preceding fiscal year; and";

(*b*) as if subparagraphs 2 to 4 of the fifth paragraph were replaced by the following subparagraphs:

"(2) F_{A-1} is the amount by which the amount determined under subparagraph 3 of the third paragraph for the preceding fiscal year exceeds the amount designated by the Fund under subparagraph 5 of the fourth paragraph for that fiscal year;

"(3) F_{A-2} is the amount by which the amount determined under subparagraph 3 of the third paragraph for the second preceding fiscal year exceeds the amount designated by the Fund under subparagraph 5 of the fourth paragraph for that fiscal year;

"(4) F_{A-3} is the amount by which the amount determined under subparagraph 3 of the third paragraph for the third preceding fiscal year exceeds the amount designated by the Fund under subparagraph 5 of the fourth paragraph for that fiscal year;"; and

(*c*) as if "of the Fund's average net assets" in subparagraphs 5 to 7 of the fifth paragraph were replaced by "of the amount determined under subparagraph 1 of the third paragraph";

(2) where section 15 of the Act applies to a fiscal year that begins on 1 June 2025, it is to be read

(*a*) as if subparagraphs 3 and 4 of the fifth paragraph were replaced by the following subparagraphs:

"(3) F_{A-2} is the amount by which the amount determined under subparagraph 3 of the third paragraph for the second preceding fiscal year exceeds the amount designated by the Fund under subparagraph 5 of the fourth paragraph for that fiscal year;

"(4) F_{A-3} is the amount by which the amount determined under subparagraph 3 of the third paragraph for the third preceding fiscal year exceeds the amount designated by the Fund under subparagraph 5 of the fourth paragraph for that fiscal year;"; and

(*b*) as if "of the Fund's average net assets" in subparagraphs 6 and 7 of the fifth paragraph were replaced by "of the amount determined under subparagraph 1 of the third paragraph"; and

(3) where section 15 of the Act applies to a fiscal year that begins on 1 June 2026, it is to be read

(*a*) as if subparagraph 4 of the fifth paragraph were replaced by the following subparagraph:

"(4) F_{A-3} is the amount by which the amount determined under subparagraph 3 of the third paragraph for the third preceding fiscal year exceeds the amount designated by the Fund under subparagraph 5 of the fourth paragraph for that fiscal year;"; and

(*b*) as if "of the Fund's average net assets" in subparagraph 7 of the fifth paragraph were replaced by "of the amount determined under subparagraph 1 of the third paragraph".

40. (1) Sections 15.0.0.1 to 15.0.2 of the Act are repealed.

(2) Subsection 1 applies from 1 June 2024.

41. (1) The Act is amended by inserting the following sections after section 15.0.2:

"**15.0.3.** For the purposes of section 15, the following investments are eligible investments:

(1) investments that belong to the class of Québec enterprises, which includes

(*a*) investments entailing, subject to section 15.0.5, no security or hypothec, made after 31 May 2024 in accordance with a comprehensive investment policy adopted by the board of directors of the Fund and approved by the Minister of Finance, each of which is

i. an investment made by the Fund in an eligible Québec enterprise,

ii. an investment made by the Fund otherwise than as first purchaser for the acquisition of securities issued by an eligible Québec enterprise, or

iii. a new investment or a reinvestment made by the Fund in an enterprise it held in its portfolio at the end of 31 May 2024, where the initial investment is included in this class, and

(*b*) investments of the Fund at the end of 31 May 2024, each of which is

i. an investment described in any of subparagraphs 1, 2 and 4 to 6 of the sixth paragraph of section 15, as it read in its application to the Fund's fiscal year ended on that date (in this section referred to as the "former version"), including an investment deemed to have been made by the Fund and described in any of those subparagraphs because of the eighth paragraph of that section, in the same version, or

ii. an investment described in the seventh paragraph of section 15, in its former version, including an investment deemed to have been made by the Fund and described in that paragraph because of the eighth paragraph of that section, in the same version;

(2) investments that belong to the class of Québec investment funds, which includes

(*a*) investments entailing no security or hypothec and made after 31 May 2024 in accordance with the comprehensive investment policy, each of which is

i. an investment made by the Fund in an investment fund managed in Québec, with the expectation that the fund directly or indirectly invest an amount in eligible Québec enterprises that is at least equal to the sums received from the Fund, or

ii. a new investment or a reinvestment made by the Fund in a limited partnership or a fund it held in its portfolio at the end of 31 May 2024, where the initial investment is included in this class, and

(*b*) investments of the Fund at the end of 31 May 2024, each of which is

i. an investment described in any of subparagraphs 8, 9, 12, 13 and 15 to 17 of the sixth paragraph of section 15, in its former version, including an investment deemed to have been made by the Fund and described in any of those subparagraphs because of the ninth paragraph of that section, in the same version, or

ii. an investment described in subparagraph 14 of the sixth paragraph of section 15, in its former version, including an investment deemed to have been made by the Fund and described in that subparagraph because of the eighth paragraph of that section, in the same version; and

(3) investments that belong to the class of other interventions for the benefit of Québec, which includes

(*a*) investments entailing no security or hypothec and made after 31 May 2024 in accordance with the comprehensive investment policy, each of which is

i. an investment made by the Fund, or any of its wholly-controlled subsidiaries, in the real estate sector in relation to a new or substantially renovated income-producing immovable situated in Québec, provided that the investment generates societal benefits for Québec in accordance with the rules set out in that respect in the comprehensive investment policy, or

ii. an investment that is made by the Fund in an investment fund managed outside Québec and that is an investment described in the third paragraph, up to the amount invested by that fund in eligible Québec enterprises, where this section applies to a fiscal year of the Fund that is subsequent to the second fiscal year that follows the fiscal year in which that investment was made, and

(*b*) investments of the Fund at the end of 31 May 2024, each of which is

i. an investment described in subparagraph 3 of the sixth paragraph of section 15, in its former version, including an investment deemed to have been made by the Fund and described in that subparagraph because of the eighth paragraph of that section, in the same version, except an investment not permitted under the thirteenth paragraph of that section, in the same version, or

ii. an investment described in subparagraph 7 of the sixth paragraph of section 15, in its former version, including an investment deemed to have been made by the Fund and described in that subparagraph because of the eighth paragraph of that section, in the same version.

For the purposes of subparagraph ii of subparagraph *a* of subparagraph 1 of the first paragraph of this section and the third paragraph of section 15.0.4, a

dealer acting as an intermediary or firm underwriter is not considered to be a first purchaser of securities.

The investment to which subparagraph ii of subparagraph *a* of subparagraph 3 of the first paragraph refers is either an investment that the Fund has agreed to make, at any time in a fiscal year that begins after 31 May 2024, with an investment fund managed outside Québec and for which the Fund has committed but not yet disbursed sums at the end of that fiscal year, on the condition that such an investment be taken into account to determine whether the Fund complies with the requirement of the second paragraph of section 15 for that fiscal year, or, where that condition is not met, each of the sums subsequently disbursed by the Fund because of that investment.

"**15.0.4.** An investment that was agreed to by the Fund at any time after 31 May 2024, for which it has committed but not yet disbursed sums at the end of a fiscal year and that would have been an eligible investment within the meaning of section 15.0.3 if it had been made by the Fund at that time is deemed, for the purposes of that section, to have been made by the Fund at that time.

In addition, an investment made by the Fund, at any time after 31 May 2024, in an entity that is not an enterprise within the meaning of section 14 and that is either a partnership (other than a partnership that is an investment fund) or a legal person, for the purpose of investing in a particular enterprise, is deemed, for the purposes of subparagraph i or iii of subparagraph *a* of subparagraph 1 of the first paragraph of section 15.0.3, to be an investment made at that time by the Fund in the particular enterprise.

Similarly, an investment made, at any time after 31 May 2024, by an entity that is neither an enterprise within the meaning of section 14 nor an investment fund otherwise than as first purchaser for the acquisition of securities issued by an enterprise is deemed, for the purposes of subparagraph ii of subparagraph *a* of subparagraph 1 of the first paragraph of section 15.0.3, to have been made, at that time, by the Fund in proportion to its share in the entity, if one of the main reasons for which the Fund holds an interest in the entity is to enable the financing of such an acquisition.

"**15.0.5.** For the purpose of including an investment made after 31 May 2024 in a class provided for in section 15.0.3, the following rules apply:

(1) the mere fact that such an investment entails a security does not prevent it from being included in the class provided for in subparagraph 1 of the first paragraph of that section to the extent that it is part of a financing package, in which Fonds de transfert d'entreprise du Québec, s.e.c. participates, for the succession of an enterprise;

(2) where such an investment is made in an enterprise that is an investment fund, it may only be included in the class provided for in subparagraph 2 of the first paragraph of that section; and

(3) where such an investment is made in the real estate sector in relation to a new or substantially renovated income-producing immovable situated in Québec, it may only be included in the class provided for in subparagraph 3 of the first paragraph of that section.

“**15.0.6.** In respect of investments included in the class provided for in subparagraph 2 of the first paragraph of section 15.0.3, the following rules apply:

(1) such investments are deemed to be increased by 50% if they are investments made in Fonds de transfert d’entreprise du Québec, s.e.c.;

(2) where such investments are taken into account for the purposes of the second paragraph of section 15 for a fiscal year of the Fund that ends before 1 January 2027, they are, up to 5% of the Fund’s net assets at the end of the preceding fiscal year, deemed to be increased by 50% if they are investments made by the Fund after 21 April 2005 and before 1 June 2026 in a local venture capital fund established and managed in Québec or in a local fund recognized by the Minister of Finance, with the expectation that that fund invest an amount at least equal to 150% of the aggregate of the sums received from the Fund, from Fondaction, le Fonds de développement de la Confédération des syndicats nationaux pour la coopération et l’emploi and from Capital régional et coopératif Desjardins in Québec enterprises whose assets are less than $100,000,000 or whose net equity is less than $50,000,000; and

(3) the investments are deemed to be increased by 25% if they are investments made in Fonds de solidarité FTQ Pôles Logistiques, S.E.C., but the aggregate of those investments may not, before the increase, exceed $100,000,000 for the purposes of the second paragraph of section 15 for a fiscal year of the Fund.

For the purposes of the first paragraph, the Fund’s net assets must be determined by taking into account subparagraph 2 of the third paragraph of section 15. In addition, the assets or net equity of an enterprise are the assets or net equity shown in its financial statements for its fiscal year ended before the time at which the investment is made, minus the write-up surplus of its property and the incorporeal assets. In the case of an enterprise which has not completed its first fiscal year, a chartered accountant must confirm in writing to the Fund that the assets or net equity, as the case may be, of the enterprise are, immediately before the investment, under the limits provided for in subparagraph 2 of the first paragraph.

“**15.0.7.** Any investment of the Fund at the end of 31 May 2024 included in the class provided for in subparagraph 3 of the first paragraph of section 15.0.3 that is an investment described in subparagraph 1 or 2 of the first paragraph of section 15.0.1, as it read in its application before being repealed, must, for any fiscal year of the Fund beginning after that date, be limited to the same extent as it would have been if section 15.0.1 had continued to apply in its respect.

“**15.0.8.** For the purpose of applying section 15.0.3 to a fiscal year of the Fund, the following restrictions apply:

(1) the aggregate of all investments each of which is an investment that is included in the class provided for in subparagraph 1 of the first paragraph of section 15.0.3 and that is an investment in a large enterprise within the meaning of section 15.0.9 may not exceed 30% of the Fund’s average net assets for the preceding fiscal year;

(2) the aggregate of all investments each of which is an investment included in the class provided for in subparagraph 3 of the first paragraph of section 15.0.3 may not exceed 10% of the Fund’s average net assets for the preceding fiscal year; and

(3) the aggregate of all investments each of which is one of the following investments may not exceed 12% of the Fund’s net assets at the end of the preceding fiscal year:

(*a*) an investment that is deemed to have been made by the Fund and that is included in the class provided for in subparagraph 1 of the first paragraph of section 15.0.3 because of the first paragraph of section 15.0.4 or an investment that is, at the end of 31 May 2024, deemed to have been made by the Fund and that is included in that class as an investment described in subparagraph i or ii of subparagraph *b* of that subparagraph 1,

(*b*) an investment that is deemed to have been made by the Fund in Fonds Valorisation Bois, s.e.c. and that is included in the class provided for in subparagraph 2 of the first paragraph of section 15.0.3 because of the first paragraph of section 15.0.4 or an investment that is, at the end of 31 May 2024, deemed to have been made by the Fund and that is included in that class as an investment described in subparagraph ii of subparagraph *b* of that subparagraph 2, or

(*c*) an investment that is deemed to have been made by the Fund and that is included in the class provided for in subparagraph 3 of the first paragraph of section 15.0.3 because of the first paragraph of section 15.0.4 or an investment that is, at the end of 31 May 2024, deemed to have been made by the Fund and that is included in that class as an investment described in subparagraph i or ii of subparagraph *b* of that subparagraph 3.

For the purposes of the first paragraph, the following rules apply:

(1) the Fund’s net assets and average net assets must be determined by taking into account the rules set out in the third paragraph of section 15;

(2) no investment described in subparagraph *b* of subparagraphs 1 to 3 of the first paragraph of section 15.0.3 that was disinvested may be taken into account to determine an aggregate described in subparagraph 1 or 2 of the first paragraph; and

(3) no investment that is, at the end of 31 May 2024, deemed to have been made by the Fund may be taken into account to determine the aggregate described in subparagraph 3 of the first paragraph, in the case where the investment has been made.

"**15.0.9.** For the purposes of subparagraph 1 of the first paragraph of section 15.0.8, the following investments are investments in a large enterprise:

(1) an investment made, at any time, in an enterprise whose assets are greater than $200,000,000 and whose net equity is greater than $100,000,000 at that time; and

(2) an investment made, at any time, otherwise than as first purchaser for the acquisition of securities issued by an enterprise whose assets are greater than $200,000,000 and whose net equity is greater than $100,000,000 at that time.

For the purposes of the first paragraph, the assets and net equity of an enterprise at any time are those shown in its financial statements at that time, minus the write-up surplus of its property and the incorporeal assets."

(2) Subsection 1 applies from 1 June 2024.

42. (1) Section 15.1 of the Act is amended

(1) by replacing subparagraphs 1 to 3 of the first paragraph by the following subparagraphs:

"(1) 75% of the total consideration paid for class "A" shares or fractional shares issued in the preceding fiscal year, excluding the total consideration paid for class "A" shares or fractional shares acquired and paid by payroll deduction in accordance with Division IV or acquired under a subscription agreement entered into with an employer in favour of the employer's employees, if the percentage of the Fund's average eligible investments for the particular fiscal year relative to the Fund's average net assets for the preceding fiscal year is equal to or greater than 55% and less than 65%;

"(2) 50% of the consideration if the percentage of the Fund's average eligible investments for the particular fiscal year relative to the Fund's average net assets for the preceding fiscal year is equal to or greater than 45% and less than 55%; or

"(3) 25% of the consideration if the percentage of the Fund's average eligible investments for the particular fiscal year relative to the Fund's average net assets for the preceding fiscal year is equal to or greater than 35% and less than 45%.";

(2) by replacing the second paragraph by the following paragraph:

"The Fund may not issue any class "A" shares or fractional shares in the fiscal year following the particular fiscal year if the percentage of the Fund's average eligible investments for the particular fiscal year relative to the Fund's average net assets for the preceding fiscal year is less than 35%.";

(3) by striking out the fourth paragraph.

(2) Subsection 1 applies to a fiscal year that begins after 31 May 2024.

43. (1) Section 16 of the Act is amended

(1) by replacing subparagraph 1 of the second paragraph by the following subparagraph:

"(1) enables the Fund to acquire securities in an eligible Québec enterprise whose assets are greater than $200,000,000 and whose net equity is greater than $100,000,000 at the time of the acquisition; or";

(2) by adding the following paragraph at the end:

"For the purposes of subparagraph 1 of the second paragraph, the assets and net equity of an eligible Québec enterprise at the time of the acquisition of its securities are those shown in its financial statements at that time, minus the write-up surplus of its property and the incorporeal assets."

(2) Subsection 1 applies from 1 June 2024.

TAXATION ACT

44. (1) Section 1 of the Taxation Act (chapter I-3) is amended by replacing "Fonds de solidarité des travailleurs du Québec (F.T.Q.)" in paragraph *b* of the definition of "Act establishing a labour-sponsored fund" by "Fonds de solidarité des travailleurs et des travailleuses du Québec (FTQ)".

(2) Subsection 1 applies from 1 June 2024.

45. (1) Section 21.20.9 of the Act is amended by replacing "Fonds de solidarité des travailleurs du Québec (F.T.Q.)" in paragraph *d* by "Fonds de solidarité des travailleurs et des travailleuses du Québec (FTQ)".

(2) Subsection 1 applies from 1 June 2024.

46. (1) Section 75.2.1 of the Act is amended by replacing the portion before the formula in the first paragraph by the following:

"**75.2.1.** An individual who is employed as a tradesperson, at any time in the year, may deduct an amount not exceeding the lesser of $1,000 and the amount determined by the formula".

(2) Subsection 1 applies from the taxation year 2023.

47. (1) Section 75.3 of the Act is amended by replacing subparagraph 1 of subparagraph ii of subparagraph *b* of the second paragraph by the following subparagraph:

"(1) the total of the amount in dollars mentioned in the portion of the first paragraph of section 75.2.1 before the formula and the amount determined for the year for B in the formula in the first paragraph of that section, and".

(2) Subsection 1 applies from the taxation year 2023.

48. (1) Section 91.3 of the Act is replaced by the following section:

"**91.3.** For the purposes of sections 91.2 and 91.4, a flipped property of a taxpayer means a property of the taxpayer (other than a property, or a right to acquire a property, that would be a property described in the taxpayer's inventory if the definition of "inventory" in section 1 were applied without reference to section 91.2) in respect of which the following conditions are met:

(*a*) prior to its disposition by the taxpayer, the property was either

i. a housing unit located in Canada, or

ii. a right to acquire a housing unit located in Canada; and

(*b*) the property was owned by the taxpayer for less than 365 consecutive days prior to its disposition, unless it can reasonably be considered that the disposition occurred due to, or in anticipation of, one or more of the following events:

i. the death of the taxpayer or a person related to the taxpayer,

ii. one or more persons related to the taxpayer becoming members of the taxpayer's household or the taxpayer becoming a member of a related person's household,

iii. the breakdown of the marriage of the taxpayer if the taxpayer has been living separate and apart from the taxpayer's spouse for at least 90 days prior to the disposition,

iv. a threat to the personal safety of the taxpayer or a related person,

v. the taxpayer or a related person suffering from a serious disability or illness,

vi. an eligible relocation of the taxpayer or the taxpayer's spouse if the definition of "eligible relocation" in section 349.1 were applied without reference to the requirements for the new work location and the new residence to be in Canada,

vii. an involuntary termination of the employment of the taxpayer or the taxpayer's spouse,

viii. the insolvency of the taxpayer, or

ix. the destruction or expropriation of the housing unit."

(2) Subsection 1 applies in respect of a flipped property disposed of by a taxpayer after 31 December 2022, from the first day on which the taxpayer owns the flipped property.

49. (1) Section 161 of the Act is amended by replacing "Fonds de solidarité des travailleurs du Québec (F.T.Q.)" in paragraph *c* by "Fonds de solidarité des travailleurs et des travailleuses du Québec (FTQ)".

(2) Subsection 1 applies from 1 June 2024.

50. (1) Section 336 of the Act is amended by replacing paragraph *d* by the following paragraph:

"(*d*) an amount described in any of paragraphs *a*, *c*, *c*.1 and *e* to *e*.6 of section 311 or in section 311.1 or 311.2, as the latter section read before being repealed, the amount of any pension, supplement or allowance paid under the Old Age Security Act (Revised Statutes of Canada, 1985, chapter O-9) or the amount of any benefit paid under the Act respecting the Québec Pension Plan (chapter R-9) or a similar plan within the meaning of that Act, received by an individual and included in computing the individual's income for the year or a preceding taxation year, to the extent of the amount repaid by the individual in the year otherwise than because of Part VII of the Unemployment Insurance Act (Revised Statutes of Canada, 1985, chapter U-1), Part VII of the Employment Insurance Act (Statutes of Canada, 1996, chapter 23), Part I.2 of the Income Tax Act (Revised Statutes of Canada, 1985, chapter 1, 5th Supplement) or section 8 of the Canada Recovery Benefits Act (Statutes of Canada, 2020, chapter 12, section 2), except if the tax, interest and penalties that may reasonably be attributed to that amount have been remitted under section 94.0.4 of the Tax Administration Act (chapter A-6.002) or under the Regulation respecting a remission of tax relative to the Social Solidarity Program and the Basic Income Program for the taxation year 2022, enacted by Order in Council 1041-2023 (2023, G.O. 2, 1731);".

(2) Subsection 1 has effect from 5 July 2023.

51. (1) Section 336.12 of the Act is amended by replacing "second paragraph" in paragraphs *a* and *b* by "third paragraph".

(2) Subsection 1 applies from the taxation year 2023.

52. (1) Section 491 of the Act is amended

(1) by replacing the portion of paragraph *e*.1 before subparagraph i by the following:

"(*e*.1) an amount received or enjoyed by a taxpayer or the taxpayer's spouse or survivor, within the meaning of subsection 1 of section 146.2 of the Income Tax Act (Revised Statutes of Canada, 1985, chapter 1, 5th Supplement), on account of";

(2) by adding the following subparagraphs at the end of paragraph *e*.1:

"v. a benefit provided under the Veterans Health Care Regulations (SOR/90-594),

"vi. a benefit provided in respect of Rehabilitation Services and Vocational Assistance under Part 2 of the Veterans Well-being Act,

"vii. a benefit provided to a member of the Canadian Forces under the Compensation and Benefit Instructions for the Canadian Forces that is

(1) a home modifications benefit,

(2) a home modifications move benefit,

(3) a vehicle modifications benefit,

(4) a home assistance benefit,

(5) an attendant care benefit,

(6) a caregiver benefit,

(7) a spousal education upgrade benefit,

(8) a funeral and burial expenses benefit, or

(9) a next of kin travel benefit, or

"viii. a benefit provided by the Department of National Defence as an education expense reimbursement for ill and injured members;";

(3) by adding the following subparagraph at the end of subparagraph i of paragraph *g*:

"(5) the Settlement Agreement entered into by His Majesty in right of Canada on 18 January 2023 in respect of the class action relating to the attendance of day scholars at residential schools, and".

(2) Paragraphs 1 and 2 of subsection 1, except where the latter paragraph enacts subparagraph viii of paragraph *e*.1 of section 491 of the Act, have effect from 1 January 2018.

(3) Paragraph 2 of subsection 1, where it enacts subparagraph viii of paragraph *e*.1 of section 491 of the Act, has effect from 1 January 2021.

(4) Paragraph 3 of subsection 1 applies from the taxation year 2023.

53. (1) The heading of Chapter V.3 of Title X of Book III of Part I of the Act is replaced by the following heading:

"SPECIFIED TRUSTS".

(2) Subsection 1 has effect from 1 January 2022.

54. (1) Section 592.7 of the Act is amended, in the definition of "Australian trust",

(1) by replacing the portion before paragraph *a* by the following:

""specified trust", at any time, means a trust in respect of which the following conditions are met at that time:";

(2) by replacing paragraph *b* by the following paragraph:

"(*b*) the trust is resident in Australia or India (each of those jurisdictions being in this chapter referred to as a "specified jurisdiction");".

(2) Subsection 1 has effect from 1 January 2022.

55. (1) Section 592.8 of the Act is amended

(1) by replacing paragraph *c* by the following paragraph:

"(*c*) the trust is at that time a specified trust;";

(2) by replacing paragraph *e* by the following paragraph:

"(*e*) unless the corporation not resident in Canada first acquires a beneficial interest in the trust at that time or first becomes a foreign affiliate of the taxpayer at that time, immediately before that time the rules of section 592.9 applied

i. in respect of the taxpayer in relation to the trust, or

ii. in respect of a corporation resident in Canada that, immediately before that time, did not deal at arm's length with the taxpayer, in relation to the trust."

(2) Paragraph 1 of subsection 1 has effect from 1 January 2022.

(3) Paragraph 2 of subsection 1 has effect from 12 July 2013, except where, because of an election made in accordance with subsection 3 of section 146 of the Act to give effect mainly to fiscal measures announced in the Budget Speech delivered on 17 March 2016 (2017, chapter 1), Chapter V.3 of Title X of Book III of Part I of the Taxation Act has effect from 1 January 2006 in respect of a corporation resident in Canada, in which case paragraph 2 of subsection 1 has effect from 1 January 2006, in respect of that corporation. In addition, for the purposes of paragraph *e* of section 592.8 of the Taxation Act, enacted by that paragraph 2, and for the purpose of determining whether a corporation not resident in Canada has a beneficial interest in a trust resident in India at a particular time after 31 December 2021, a corporation that has a beneficial interest in a trust resident in India at the beginning of the day on 1 January 2022 is deemed to have first acquired the interest at that time.

56. (1) Section 592.9 of the Act is amended by replacing paragraph *a* by the following paragraph:

"(*a*) the trust is deemed to be a corporation not resident in Canada that is resident in a specified jurisdiction and not to be a trust;".

(2) Subsection 1 has effect from 1 January 2022.

57. (1) Section 592.10 of the Act is replaced by the following section:

"**592.10.** The specified purpose to which section 592.8 refers is the determination, in respect of an interest in a specified trust, of the Québec tax results (as defined in section 21.4.16) of the taxpayer resident in Canada referred to in section 592.8 for a taxation year in respect of shares of the capital stock of a foreign affiliate of the taxpayer."

(2) Subsection 1 has effect from 1 January 2022.

58. (1) Section 646.0.1 of the Act is amended by adding the following paragraph at the end:

"Where a succession is not resident in Québec on the last day of its first taxation year that begins after 31 December 2015 and it is, at a particular time, a succession that is a graduated rate estate, within the meaning of section 248 of the Income Tax Act (Revised Statutes of Canada, 1985, chapter 1, 5th Supplement), the following rules apply:

(*a*) it is deemed to be a succession that is a graduated rate estate at that time for the purposes of this Part; and

(*b*) paragraph *b* of the definition of "taxation year" in section 1 is to be read as follows:

"(*b*) in the case of a succession that is a graduated rate estate, the particular period for which the succession's accounts are made up for purposes of assessment under the Income Tax Act; and"."

(2) Subsection 1 has effect from 31 December 2015.

59. (1) Section 693 of the Act is amended by replacing the second paragraph by the following paragraph:

"However, the taxpayer shall apply the provisions of this Book in the following order: Title I.0.0.1, sections 694.0.1, 694.0.2, 737.17, 737.18.12, 726.29 and 726.43 to 726.43.2, Titles V, VI.8, V.1, VI.2, VI.3, VI.3.1, VI.3.2, VI.3.2.1, VI.3.2.2, VI.3.2.3, VII, VII.0.1, VI.5 and VI.5.1, and sections 725.1.2, 737.16, 737.18.10, 737.18.11, 737.18.17.5, 737.18.17.17, 737.18.40, 737.18.44, 737.21, 737.22.0.0.3, 737.22.0.0.7, 737.22.0.3, 737.22.0.4.7, 737.22.0.7, 737.22.0.10, 737.22.0.13, 737.25, 737.28, 726.28 and 726.42."

(2) Subsection 1 has effect from 21 March 2023.

60. (1) Section 733.0.5.1 of the Act is amended by replacing "subparagraphs *a* and *b*" in the second paragraph by "subparagraphs i and ii of subparagraph *a*".

(2) Subsection 1 has effect from 21 March 2023.

61. (1) Section 737.18.17.1 of the Act is amended

(1) by inserting the following definition in alphabetical order in the first paragraph:

""computation method election" applicable to a corporation's taxation year or a partnership's fiscal period, in relation to a large investment project, means the election that the corporation or partnership makes in relation to the large investment project and to which subparagraph *b* of the first paragraph of section 737.18.17.5 refers for that year or fiscal period, as the case may be;";

(2) by replacing the definition of "date of the beginning of the tax-free period" in the first paragraph by the following definition:

""date of the beginning of the tax-free period" in respect of a large investment project of a corporation or a partnership means the date that is specified as such in the first certificate, in relation to the large investment project, or in the qualification certificate issued to the corporation or partnership, in relation to the project, where it acquired all or substantially all of the recognized business in relation to the project and where the Minister of Finance authorized the transfer of the carrying out of the project to the corporation or partnership, according to the qualification certificate;";

(3) by replacing the definition of “recognized business” in the first paragraph by the following definition:

““recognized business” of a corporation or a partnership in relation to a large investment project means a business or part of a business, carried on in Québec by the corporation or partnership, in connection with which the large investment project was carried out or is in the process of being carried out and in respect of which the corporation or partnership keeps separate accounts in respect of its eligible activities, in relation to the project, unless it made a computation method election in relation to the project;”;

(4) by inserting the following definitions in alphabetical order in the first paragraph:

““maximum annual contribution exemption amount” of a corporation or a partnership for a taxation year or fiscal period, in relation to a large investment project, means the amount determined, for the year or fiscal period, as the case may be, in respect of the large investment project, by the formula in the second paragraph of section 34.1.0.3.1 of the Act respecting the Régie de l’assurance maladie du Québec (chapter R-5);

““maximum annual tax exemption amount” of a corporation for a taxation year, in relation to a large investment project, means the amount determined for the year, in respect of the large investment project, by the formula in subparagraph i of subparagraph *b* of the second paragraph of section 737.18.17.5.1, where the project is the corporation’s project, or in subparagraph ii of that subparagraph *b*, where the project is that of a partnership of which the corporation is a member at the end of the partnership’s fiscal period that ends in that year;”;

(5) by inserting the following definition in alphabetical order in the first paragraph:

““adjusted taxable income” of a corporation for a taxation year means the corporation’s adjusted taxable income that is determined for the year in accordance with section 737.18.17.16 or that would be so determined if Title VII.2.3.2 applied to the corporation for the year and section 737.18.17.16 were read as if the necessary modifications were made;”;

(6) by replacing “subparagraph *a*” in subparagraph i of subparagraph *b* of the second paragraph by “subparagraph i of subparagraph *a*”;

(7) by replacing “subparagraph *b*” in subparagraph ii of subparagraph *b* of the second paragraph by “subparagraph ii of subparagraph *a*”;

(8) by inserting the following paragraph after the fourth paragraph:

"Where a corporation has made a computation method election applicable to a particular taxation year, in relation to a large investment project, such an election is deemed, for the purpose of applying this Title to the corporation for the particular year or a subsequent taxation year, to have been made in relation to all its other large investment projects as well as in relation to those of a partnership of which the corporation is a member; for that purpose, a certificate issued for the year in relation to another large investment project of the corporation, or for the partnership's fiscal period that ends in the year in relation to a large investment project of the partnership, is deemed, for the purpose of applying subparagraph *b* of the first paragraph of section 737.18.17.5 to that year, to certify that such an election was made by the corporation or the partnership, as the case may be."

(2) Subsection 1 has effect from 21 March 2023.

62. (1) Section 737.18.17.3 of the Act is amended

(1) by replacing the portion of paragraph *a* before subparagraph 1 of subparagraph i by the following:

"(*a*) the following rules must, if applicable, be taken into consideration for the purposes of this Title:

i. where subparagraph *a* of the first paragraph of section 737.18.17.5 applies to the acquirer or to a corporation that is a member of the acquirer and where the prior loss attributable to eligible activities of the acquirer for a taxation year or fiscal period that ends after that time is to be computed, there shall be added to the amount otherwise represented by A in the formula in the definition of "prior loss attributable to eligible activities" in the first paragraph of section 737.18.17.1, unless it is otherwise included in that amount, the portion that is reasonably attributable to the recognized business of the amount by which the aggregate of the following amounts exceeds the amount represented by C or F in the formula in subparagraph i or ii of subparagraph *a* of the first paragraph of section 737.18.17.5, in respect of the vendor for that taxation year or fiscal period:";

(2) by replacing subparagraph ii of paragraph *a* by the following subparagraph:

"ii. where subparagraph *a* of the first paragraph of section 737.18.17.5 applies to the vendor or to a corporation that is a member of the vendor and where the prior loss attributable to eligible activities of the vendor for a taxation year or fiscal period that ends after that time is to be computed, there shall be added to the amount otherwise represented by B in the formula in the definition of "prior loss attributable to eligible activities" in the first paragraph of section 737.18.17.1 the portion of the excess amount determined under subparagraph i, in respect of the acquirer for such a taxation year or fiscal period, or that would be determined under that subparagraph i if it applied to the acquirer;";

(3) by replacing paragraph *b* by the following paragraph:

“(*b*) the following rules must, if applicable, be taken into consideration when determining, for the purposes of subparagraphs *a* and *b* or *d* and *e* of the second paragraph of section 737.18.17.5, the amount referred to in those subparagraphs in relation to the large investment project:

i. where subparagraph *a* of the first paragraph of section 737.18.17.5 applies to the vendor or to a corporation that is a member of the vendor, the vendor’s taxation year or fiscal period that includes that time is deemed to end immediately before that time, and

ii. where subparagraph *a* of the first paragraph of section 737.18.17.5 applies to the acquirer or to a corporation that is a member of the acquirer, the acquirer’s taxation year or fiscal period that includes that time is deemed to begin at that time; and”;

(4) by adding the following paragraph at the end:

“(*c*) the following rules must, if applicable, be taken into consideration for the purposes of subparagraphs *b* and *c* of the third paragraph of section 737.18.17.5.1:

i. where subparagraph *b* of the first paragraph of section 737.18.17.5 applies to the vendor or to a corporation that is a member of the vendor,

(1) the vendor’s taxation year or fiscal period that includes the day on which that time occurs is deemed to end at the end of that day, and

(2) the last day of the vendor’s tax-free period, in respect of the large investment project, is deemed to correspond to the day that includes that time, and

ii. where subparagraph *b* of the first paragraph of section 737.18.17.5 applies to the acquirer or to a corporation that is a member of the acquirer, the acquirer’s taxation year or fiscal period that includes the day on which that time occurs is deemed to begin at the beginning of that day.”

(2) Subsection 1 has effect from 21 March 2023.

63. (1) Section 737.18.17.5 of the Act is amended

(1) by replacing the first paragraph by the following paragraph:

“A corporation that, in a taxation year, carries on a recognized business in relation to a large investment project or is a member of a partnership that carries on such a recognized business in the partnership’s fiscal period ending in that year may, subject to the third paragraph, deduct in computing its taxable income for the year, if a certificate has been issued for the year or fiscal period in relation to the large investment project, an amount not exceeding the portion of its income for the year that may reasonably be considered to be equal, as the case may be,

(*a*) where subparagraph *b* does not apply, to the lesser of the amount determined in accordance with section 737.18.17.6, in respect of the corporation for the year, and the aggregate of

i. the amount determined by the formula

(A – B) – C, and

ii. the aggregate of all amounts each of which is the corporation's share of the amount determined, in respect of such a partnership of which the corporation is a member, by the formula

(D – E) – F; or

(*b*) if the certificate certifies that the corporation or the partnership, as the case may be, has elected to use the alternate computation method provided for in section 737.18.17.5.1, to the lesser of the amount determined in respect of the corporation for the year in accordance with that section and of its adjusted taxable income for that year.";

(2) by replacing subparagraph i of subparagraph *b* of the third paragraph by the following subparagraph:

"i. the financial statements relating to the eligible activities of the corporation or partnership, in relation to the large investment project, for the taxation year or fiscal period, as the case may be, unless it made a computation method election in relation to the project,";

(3) by replacing subparagraph iv of subparagraph *b* of the third paragraph by the following subparagraph:

"iv. where the large investment project is a project of the partnership, a copy of each agreement referred to in section 737.18.17.10 or 737.18.17.10.1 in respect of the partnership's fiscal period that ends in the taxation year or in a preceding taxation year, in relation to the project, unless it has already been filed, and";

(4) by inserting the following paragraph after the third paragraph:

"If a particular corporation that carries out one or more large investment projects has not made a computation method election in respect of any of those projects, a partnership of which it is a member is deemed, for the purpose of applying this section and section 737.18.17.1 to a taxation year of the corporation, not to have made a computation method election in respect of any of its large investment projects and, for that purpose, the certificate issued to the partnership for its fiscal period that ends in the year, in relation to a large investment project, is deemed, for the purposes of subparagraph *b* of the first paragraph, not to certify that the partnership has elected to use the alternate computation method.";

(5) by replacing "subparagraph *b*" in the fourth paragraph by "subparagraph ii of subparagraph *a*".

(2) Subsection 1 has effect from 21 March 2023.

64. (1) The Act is amended by inserting the following section after section 737.18.17.5:

"**737.18.17.5.1.** The amount to which subparagraph *b* of the first paragraph of section 737.18.17.5 refers, in respect of a corporation for a particular taxation year, is equal to the aggregate of the following amounts that is multiplied, where the corporation has an establishment situated outside Québec, by the reciprocal of the proportion that its business carried on in Québec is of the aggregate of its business carried on in Canada or in Québec and elsewhere, as determined under subsection 2 of section 771:

(*a*) 100/11.5 of the lesser of the corporation's maximum tax holiday amount for the particular year in respect of one or more large investment projects of the corporation, or of a partnership of which it is a member, that are referred to in the first paragraph of section 737.18.17.5 and the amount determined in its respect for the year under the fourth paragraph; and

(*b*) 100/3.2 of the amount by which the corporation's maximum tax holiday amount for the particular year in respect of one or more large investment projects of the corporation, or of a partnership of which it is a member, that are referred to in the first paragraph of section 737.18.17.5 exceeds the amount determined in its respect for the year under the fourth paragraph.

For the purposes of this section, a corporation's maximum tax holiday amount for a particular taxation year in respect of one or more large investment projects of the corporation, or of a partnership of which it is a member, is equal to the lesser of

(*a*) the tax that would be determined, in respect of the corporation for the particular year, in accordance with subsection 1 of section 771, if its taxable income for the year were computed without reference to section 737.18.17.5, or, where the corporation has an establishment outside Québec, the result obtained by multiplying that tax by the proportion that its business carried on in Québec is of the aggregate of its business carried on in Canada or in Québec and elsewhere, as determined under subsection 2 of section 771; and

(*b*) the aggregate of all amounts each of which is, for the particular year, in relation to any of those large investment projects,

i. in the case of a large investment project of the corporation, the amount determined by the formula

$(A \times B/C) - D$, or

ii. in the case of a large investment project of a partnership of which the corporation is a member, the amount determined by the formula

$[(A \times B/C) + E] - D$.

In the formulas in the second paragraph,

(*a*) A is

i. where the large investment project is the corporation's project, the unused portion of the corporation's tax assistance limit for the particular year, in relation to the project, that is determined under the fifth paragraph, or

ii. where the large investment project is that of a partnership of which the corporation is a member, the total of

(1) the amount that would be the balance of the corporation's tax assistance limit in relation to the large investment project, determined in accordance with subparagraph *b* of the third paragraph of section 737.18.17.6, for its first taxation year in which a fiscal period of the partnership in respect of which the computation method election in relation to the project applies ends, if the partnership had not made that election, and

(2) if the computation method election applicable to the partnership's fiscal period that ends in the particular year is deemed to have been made by the partnership under the fifth paragraph of section 737.18.17.1 and the particular year is not the year referred to in subparagraph 1, the aggregate of all amounts each of which is either the amount that was allocated to the corporation for the particular year, or for a preceding taxation year (other than the year referred to in subparagraph 1) in which a fiscal period of the partnership to which the computation method election applies ends, pursuant to the agreement referred to in section 737.18.17.10, in relation to the large investment project, in respect of the partnership's fiscal period that ends in that year, or zero if, in respect of that fiscal period, no such agreement has been entered into in relation to the project;

(*b*) B is the number of days in the period that begins on the first day of the corporation's first taxation year, or of the partnership's first fiscal period, to which the computation method election applies, in relation to the large investment project, or, if it is later, on the date of the beginning of the tax-free period in respect of the project, and that ends on the earlier of

i. the last day of the particular taxation year or of the partnership's fiscal period that ends in the particular year, or

ii. the last day of the tax-free period in respect of the large investment project;

(*c*) C is the number of days in the period that begins on the first day of the corporation's first taxation year, or of the partnership's first fiscal period, to

which the computation method election applies, in relation to the large investment project, or, if it is later, on the date of the beginning of the tax-free period in respect of the project, and that ends on the last day of the tax-free period in respect of the project;

(*d*) D is the cumulative value of the corporation's tax assistance for the particular taxation year, in respect of the large investment project, that is determined under the sixth paragraph; and

(*e*) E is the aggregate of all amounts each of which is either the amount that was allocated to the corporation, for the particular year or a preceding taxation year, pursuant to the agreement referred to in section 737.18.17.10.1, in relation to the partnership's large investment project, in respect of the partnership's fiscal period that ends in that year, or zero if, in respect of that fiscal period, no such agreement has been entered into in relation to the project.

The amount to which subparagraphs *a* and *b* of the first paragraph refer for a particular taxation year is equal to

(*a*) the amount by which the tax that would be determined, in respect of the corporation for the particular year, in accordance with subsection 1 of section 771, if its taxable income for the year were computed without reference to section 737.18.17.5, exceeds 3.2% of the amount that would be determined in respect of the corporation for the particular year under section 771.2.1.2 if, for the purposes of paragraph *b* of that section, its taxable income for the year were computed without reference to section 737.18.17.5; or

(*b*) where the corporation has an establishment situated outside Québec for the particular year, the product obtained by multiplying the excess amount determined under subparagraph *a* by the proportion that its business carried on in Québec is of the aggregate of its business carried on in Canada or in Québec and elsewhere, as determined under subsection 2 of section 771 for that year.

The unused portion of a corporation's tax assistance limit for a particular taxation year, in relation to a large investment project, is, subject to the eighth paragraph, either the amount (in this paragraph referred to as the "particular amount") that would be the balance of the corporation's tax assistance limit in respect of the large investment project, determined in accordance with subparagraph *a* of the third paragraph of section 737.18.17.6, for its first taxation year to which the computation method election in relation to the project applies (in this paragraph referred to as the "first taxation year"), if the corporation had not made such an election and subparagraph ii of that subparagraph *a* were read without reference to "the particular taxation year or", or, in the case of a deemed large investment project within the meaning of section 737.18.17.1.1, where the first taxation year is not later than the taxation year that includes the date of the beginning of the tax-free period in respect of the second large investment project and where the particular year is not that first year and is referred to in subparagraph *a* or *b*, whichever of the following amounts is applicable:

(*a*) where the particular year begins before the date of the beginning of the tax-free period in respect of the second large investment project and ends on that date or later, the total of the particular amount and the amount determined by the formula

$F \times G$; or

(*b*) where the particular year begins on the date of the beginning of the tax-free period in respect of the second large investment project or later, the total of the particular amount and the corporation's tax assistance limit in relation to that second large project.

The cumulative value of a corporation's tax assistance, for a particular taxation year, in respect of a large investment project, is equal to

(*a*) in the case of a large investment project of the corporation, the aggregate of

i. the aggregate of all amounts each of which is, in respect of the large investment project, for a preceding taxation year to which the computation method election in relation to the project applies, equal to the amount determined by the formula

$H \times I \times J$,

ii. the aggregate of all amounts each of which is, in respect of the large investment project, for the particular year or a preceding taxation year to which the computation method election in relation to the project applies, equal to the amount determined by the formula

$K \times L$,

iii. where, at any time in the particular taxation year, the corporation transfers its recognized business in relation to the large investment project to another corporation or a partnership, the amount that was transferred to the other corporation or the partnership pursuant to the agreement referred to in section 737.18.17.12 in respect of the transfer, and

iv. in the case of a deemed large investment project within the meaning of section 737.18.17.1.1, either of the following amounts, if any:

(1) where the particular taxation year includes the last day of the tax-free period in respect of the first large investment project and ends after that day, the amount determined by the formula

$M - [(M \times N) + (F \times O)]$, or

(2) where the particular taxation year is subsequent to the year that includes the last day of the tax-free period in respect of the first large investment project, the amount determined by the formula

$M - F$; or

(*b*) in the case of a large investment project of a partnership of which the corporation is a member, the aggregate of all amounts each of which is, in respect of the project, for a preceding taxation year to which the computation method election applies, equal to the amount determined by the formula

$H \times I \times J$.

In the formulas in the fifth and sixth paragraphs,

(*a*) F is the corporation's tax assistance limit in relation to the second large investment project;

(*b*) G is the proportion that the number of days in the part of the particular year that begins on the date of the beginning of the tax-free period in respect of the second large investment project is of the number of days in that year;

(*c*) H is 1, unless the corporation has an establishment situated outside Québec for the preceding taxation year, in which case it is the proportion that its business carried on in Québec is of the aggregate of its business carried on in Canada or in Québec and elsewhere, as determined under subsection 2 of section 771 for the preceding year;

(*d*) I is the aggregate of

i. 3.2% of the amount by which the amount that would be determined in respect of the corporation for the preceding taxation year under section 771.2.1.2 if, for the purposes of paragraph *b* of that section, its taxable income for the preceding year were computed without reference to section 737.18.17.5, exceeds the amount that is determined in its respect for that year under section 771.2.1.2, and

ii. 11.5% of the amount by which the amount deducted by the corporation in computing its taxable income for the preceding year under section 737.18.17.5 exceeds the excess amount determined under subparagraph i;

(*e*) J is the proportion that the corporation's maximum annual tax exemption amount for the preceding taxation year, in relation to the large investment project, is of the aggregate of all amounts each of which is the corporation's maximum annual tax exemption amount for the preceding year, in relation to a large investment project of the corporation or of a partnership of which it is a member, that is referred to in the first paragraph of section 737.18.17.5 for that year;

(*f*) K is the aggregate of the amounts that are not payable by the corporation for the taxation year under subparagraph ii of subparagraph *d*.1 of the sixth paragraph of section 34 of the Act respecting the Régie de l'assurance maladie du Québec (chapter R-5);

(*g*) L is the proportion that the corporation's maximum annual contribution exemption amount for the taxation year, in relation to the large investment project, is of the aggregate of all amounts each of which is the corporation's maximum annual contribution exemption amount for the year, in relation to a large investment project of the corporation that is referred to in subparagraph *d*.1 of the sixth paragraph of section 34 of the Act respecting the Régie de l'assurance maladie du Québec for that year;

(*h*) M is

i. where the particular taxation year is referred to in subparagraph 1 of subparagraph iv of subparagraph *a* of the sixth paragraph, the amount by which the unused portion of the corporation's tax assistance limit, in relation to the deemed large investment project, for the particular year, exceeds the cumulative value of the corporation's tax assistance for that year in respect of the project, determined without reference to that subparagraph 1, or

ii. where the particular taxation year is referred to in subparagraph 2 of subparagraph iv of subparagraph *a* of the sixth paragraph, the amount by which the unused portion of the corporation's tax assistance limit, in relation to the deemed large investment project, for the first taxation year that follows the year that includes the last day of the tax-free period in respect of the first large investment project, exceeds the cumulative value of the corporation's tax assistance for that first year in respect of the project, determined without reference to that subparagraph 2;

(*i*) N is the proportion that the number of days in the part of the particular year that ends on the last day of the tax-free period in respect of the first large investment project is of the number of days in that year; and

(*j*) O is the proportion that the number of days in the particular year that follow the last day of the tax-free period in respect of the first large investment project is of the number of days in that year.

Where the first taxation year to which the computation method election applies, in relation to a large investment project of a corporation, ends before the date of the end of the start-up period of the large investment project, the unused portion of the corporation's tax assistance limit, in relation to the project, must be increased, for a particular taxation year that is subsequent to that first year, by the amount that is the product obtained by multiplying by 15% the amount that would be the corporation's total qualified capital investments on the date of the end of the start-up period or, if it is earlier, the date of the end of the particular year, if the definition of "total qualified capital investments" in the first paragraph of section 737.18.17.1 were read as if "from the beginning

of the carrying out of the large investment project” were replaced by “from the time that immediately follows the end of the corporation’s first taxation year to which the computation method election applies”.

For the purpose of applying subparagraphs *b* and *c* of the third paragraph to a deemed large investment project within the meaning of section 737.18.17.1.1, the following rules must be taken into consideration:

(*a*) the date of the beginning of the tax-free period that is referred to in those subparagraphs is the date that is determined in respect of the first large investment project; and

(*b*) the last day of the tax-free period that is referred to in those subparagraphs is the day that is determined in respect of the second large investment project, unless the particular year precedes the year for which a first certificate has been issued in relation to the project, in which case it is the day that is determined in respect of the first large investment project.”

(2) Subsection 1 has effect from 21 March 2023.

65. (1) Section 737.18.17.6 of the Act is amended

(1) by replacing “the first paragraph” in the portion before subparagraph *a* of the first paragraph by “subparagraph *a* of the first paragraph”;

(2) by replacing subparagraphs *a* and *b* of the first paragraph by the following subparagraphs:

“(*a*) the product obtained by multiplying the proportion that is the reciprocal of the basic rate determined for the year in respect of the corporation under section 771.0.2.3.1 by the lesser of

i. the aggregate of all amounts each of which is the corporation’s tax exemption amount for the year in respect of a large investment project of the corporation, or of a partnership of which it is a member, that is referred to in the first paragraph of section 737.18.17.5, and

ii. the amount that is determined in its respect for the year under subparagraph ii of subparagraph *d* of the fifth paragraph, or, where the corporation has an establishment situated outside Québec, the product obtained by multiplying that amount by the proportion that its business carried on in Québec is of the aggregate of its business carried on in Canada or in Québec and elsewhere, as determined under subsection 2 of section 771; and

“(*b*) the product obtained by multiplying the proportion that is the reciprocal of the rate determined in respect of the corporation for the year in accordance with the sixth paragraph by the amount by which the aggregate of all amounts each of which is the corporation’s tax exemption amount for the year in respect of a large investment project of the corporation, or of a partnership of which

it is a member, that is referred to in the first paragraph of section 737.18.17.5 exceeds

i. the amount that is determined in its respect for the year under subparagraph ii of subparagraph *d* of the fifth paragraph, or

ii. where the corporation has an establishment situated outside Québec, the product obtained by multiplying the amount described in subparagraph i by the proportion that its business carried on in Québec is of the aggregate of its business carried on in Canada or in Québec and elsewhere, as determined under subsection 2 of section 771.";

(3) by replacing subparagraphs i and ii of subparagraph *e* of the fifth paragraph by the following subparagraphs:

"i. in the case of a large investment project of the corporation, the proportion that the amount that A would be in the formula in subparagraph i of subparagraph *a* of the first paragraph of section 737.18.17.5, for the taxation year, in respect of the corporation, if the corporation's income referred to in subparagraph *a* of the second paragraph of that section were derived only from its eligible activities, in relation to the large investment project, is of the total of the amount that A is for the year, in respect of the corporation, and the aggregate of all amounts each of which is the corporation's share of the amount that D is in the formula in subparagraph ii of subparagraph *a* of that first paragraph for the fiscal period of a partnership of which the corporation is a member that ends in the year, or

"ii. in the case of a large investment project of a partnership of which the corporation is a member, the proportion that the corporation's share of the amount that D would be in the formula in subparagraph ii of subparagraph *a* of the first paragraph of section 737.18.17.5, for the partnership's fiscal period that ends in the taxation year, if the partnership's income referred to in subparagraph *d* of the second paragraph of that section were derived only from its eligible activities, in relation to the large investment project, is of the total of the amount that A is in the formula in subparagraph i of subparagraph *a* of that first paragraph for the year, in respect of the corporation, and the aggregate of all amounts each of which is the corporation's share of the amount that D is for the fiscal period of a partnership of which the corporation is a member that ends in the year;".

(2) Subsection 1 has effect from 21 March 2023.

66. (1) Section 737.18.17.9 of the Act is amended by adding the following paragraph at the end:

"Where the presumption provided for in the fourth paragraph of section 737.18.17.5 applies in respect of the partnership for a fiscal period of the partnership that ends in the particular taxation year or in a preceding taxation

year, the amount that was allocated to the corporation for that year, pursuant to the agreement referred to in section 737.18.17.10.1 in respect of that fiscal period, in relation to the large investment project, is deemed, for the purposes of subparagraph *a* of the first paragraph, to have been allocated in accordance with section 737.18.17.10."

(2) Subsection 1 has effect from 21 March 2023.

67. (1) Section 737.18.17.10 of the Act is amended by inserting "the first paragraph of" after "The agreement to which" in the portion before subparagraph *a* of the first paragraph.

(2) Subsection 1 has effect from 21 March 2023.

68. (1) The Act is amended by inserting the following section after section 737.18.17.10:

"**737.18.17.10.1.** The agreement to which subparagraph *e* of the third paragraph of section 737.18.17.5.1 refers in respect of a particular fiscal period of a partnership, in relation to a large investment project of the partnership, is the agreement under which the partnership and all its members agree on an amount in respect of the partnership's maximum annual tax assistance amount, for that fiscal period, in relation to the large investment project, for the purpose of allocating to each corporation that is a member of the partnership, for its taxation year in which the particular fiscal period ends, its share of the agreed amount, which amount must not be greater than that maximum amount.

A partnership's maximum annual tax assistance amount, for a particular fiscal period of the partnership, in relation to a large investment project, is the amount that would be determined for that fiscal period in respect of the large investment project using the formula in the second paragraph of section 34.1.0.3.1 of the Act respecting the Régie de l'assurance maladie du Québec (chapter R-5), if subparagraph ii of subparagraph *b* of the fifth paragraph of that section were read without reference to "the particular fiscal period or".

The share of a corporation that is a member of the partnership of the amount agreed on pursuant to an agreement referred to in the first paragraph, in respect of a fiscal period, is the agreed proportion of that amount in respect of the corporation for the partnership's fiscal period."

(2) Subsection 1 has effect from 21 March 2023.

69. (1) Section 737.18.17.11 of the Act is replaced by the following section:

"**737.18.17.11.** Where the amount agreed on, in respect of a particular fiscal period of a partnership, in relation to a large investment project, pursuant to an agreement referred to in section 737.18.17.10 or 737.18.17.10.1, is greater than the excess amount referred to in the first paragraph of section 737.18.17.10 or the maximum annual tax assistance amount referred to in the first paragraph

of section 737.18.17.10.1, the agreed amount is, for the purposes of this Title and section 34.1.0.3 or 34.1.0.3.1 of the Act respecting the Régie de l'assurance maladie du Québec (chapter R-5), as the case may be, deemed to be equal to that excess amount or maximum amount."

(2) Subsection 1 has effect from 21 March 2023.

70. (1) Section 737.18.17.12 of the Act is amended

(1) by striking out ", as the case may be," in the portion before subparagraph *a* of the first paragraph;

(2) by inserting "in relation to the large investment project," after "preceding taxation year," in the portion of subparagraph i of subparagraph *a* of the first paragraph before the formula;

(3) by replacing subparagraph ii of subparagraph *a* of the first paragraph by the following subparagraph:

"ii. the aggregate of all amounts each of which is either the vendor's contribution exemption amount, for a preceding taxation year, in respect of the large investment project, determined in accordance with the second paragraph of section 34.1.0.3 of the Act respecting the Régie de l'assurance maladie du Québec (chapter R-5), or, for a preceding taxation year to which the computation method election in relation to the project applies, the amount determined by the formula

H × I; or";

(4) by replacing subparagraphs i and ii of subparagraph *b* of the first paragraph by the following subparagraphs:

"i. the aggregate of all amounts each of which is the amount agreed on, in respect of a preceding fiscal period of the vendor, in relation to the large investment project, pursuant to an agreement referred to in section 737.18.17.10 or 737.18.17.10.1 in respect of that fiscal period, and

"ii. the aggregate of all amounts each of which is either the vendor's contribution exemption amount, for a preceding fiscal period, in respect of the large investment project, determined in accordance with the second paragraph of section 34.1.0.3 of the Act respecting the Régie de l'assurance maladie du Québec, or, for a preceding fiscal period to which the computation method election in relation to the project applies, the amount determined by the formula

H × I.";

(5) by replacing subparagraph *c* of the fourth paragraph by the following subparagraph:

"(*c*) C is

i. where the computation method election in relation to the large investment project does not apply to the preceding year, the proportion that the vendor's tax exemption amount for the preceding year in respect of the project, determined in accordance with the second paragraph of section 737.18.17.6, is of the aggregate of all amounts each of which is the vendor's tax exemption amount for the preceding year, determined in accordance with that second paragraph, in respect of a large investment project of the vendor, or of a partnership of which it is a member, that is referred to in the first paragraph of section 737.18.17.5 for that year, or

ii. where the computation method election in relation to the large investment project applies to the preceding year, the proportion that the vendor's maximum annual tax exemption amount for the preceding year, in relation to the large investment project, is of the aggregate of all amounts each of which is the vendor's maximum annual tax exemption amount for the preceding year, in relation to a large investment project of the vendor, or of a partnership of which it is a member, that is referred to in the first paragraph of section 737.18.17.5 for that year;";

(6) by adding the following subparagraphs at the end of the fourth paragraph:

"(*h*) H is the aggregate of the amounts that are not payable by the vendor, for the preceding taxation year or fiscal period, under subparagraph ii of subparagraph *d*.1 of the sixth paragraph of section 34 of the Act respecting the Régie de l'assurance maladie du Québec; and

"(*i*) I is the proportion that the vendor's maximum annual contribution exemption amount for the preceding taxation year or fiscal period, in relation to the large investment project, is of the aggregate of all amounts each of which is the vendor's maximum annual contribution exemption amount for the preceding year or fiscal period, in relation to a large investment project of the vendor that is referred to in subparagraph *d*.1 of the sixth paragraph of section 34 of the Act respecting the Régie de l'assurance maladie du Québec for that year or fiscal period."

(2) Subsection 1 has effect from 21 March 2023.

71. (1) The Act is amended by inserting the following Title after section 737.18.17.13:

"**TITLE VII.2.3.2**

"NEW DEDUCTION RELATING TO THE CARRYING OUT OF A LARGE INVESTMENT PROJECT

"**CHAPTER I**

"INTERPRETATION AND GENERAL RULES

"**737.18.17.14.** In this Title,

"certificate" for a taxation year of a corporation or a fiscal period of a partnership, in relation to a large investment project, means the certificate that, for the purposes of this Title, is issued by the Minister of Finance, in relation to the large investment project, for the corporation's taxation year or the partnership's fiscal period, as the case may be;

"cumulative total eligible expenses" of a corporation at the end of a particular taxation year or of a partnership at the end of a particular fiscal period, in relation to a large investment project, means the lesser of $1,000,000,000 and the amount determined by the formula

$(A + B) - (C + D)$;

"date of the beginning of the tax-free period" in respect of a large investment project of a corporation or a partnership means the date that is specified as such in the first certificate, in relation to the large investment project, or in the qualification certificate issued to the corporation or partnership, in relation to the project, where it acquired all or substantially all of the activities arising from the carrying out of the large investment project and where the Minister of Finance authorized the transfer of those activities to the corporation or partnership, according to the qualification certificate;

"excluded corporation" for a taxation year means a corporation that meets any of the following conditions:

(*a*) it is exempt from tax for the year under Book VIII;

(*b*) it would be exempt from tax for the year under section 985, but for section 192; or

(*c*) more than 25% of its gross revenue for the year derives from activities carried on in one or more excluded sectors of activities;

"excluded expense" of a corporation or a partnership means

(*a*) an expense incurred with a person with which the corporation or a corporation that is a member of the partnership is not dealing at arm's length;

(*b*) financing expenses, including borrowing costs; or

(*c*) the salaries or wages incurred in respect of the employees of the corporation or partnership and the consideration incurred in respect of services rendered to the corporation or partnership, other than salaries, wages or consideration related to the installation of a property;

"excluded partnership" for a fiscal period means a partnership more than 25% of whose gross revenue for the fiscal period derives from activities carried on in one or more excluded sectors of activities;

"excluded sector of activities" means any of the sectors of activities described in section 10.10 of Schedule E to the Act respecting the sectoral parameters of certain fiscal measures (chapter P-5.1);

"investment period" in respect of a large investment project of a corporation or a partnership means the 48-month period that begins on the date that is specified as such in the qualification certificate issued to the corporation or partnership in relation to the large investment project;

"large investment project" of a corporation or a partnership means an investment project in respect of which a qualification certificate has been issued to the corporation or partnership, as the case may be, by the Minister of Finance, for the purposes of this Title;

"last day of the tax-free period" in respect of a large investment project means the last day of the 10-year period that begins on the date of the beginning of the tax-free period in respect of the project;

"maximum annual contribution exemption amount" of a corporation or a partnership for a taxation year or fiscal period, in relation to a large investment project, means the amount determined, for the year or fiscal period, as the case may be, in respect of the large investment project, by the formula in the second paragraph of section 34.1.0.5 of the Act respecting the Régie de l'assurance maladie du Québec (chapter R-5);

"maximum annual tax exemption amount" of a corporation for a taxation year, in relation to a large investment project, means the amount determined for the year, in respect of the large investment project, by the formula in subparagraph i of subparagraph *b* of the first paragraph of section 737.18.17.18, where the project is the corporation's project, or in subparagraph ii of that subparagraph *b*, where the project is that of a partnership of which the corporation is a member at the end of the partnership's fiscal period that ends in that year;

"qualified corporation" for a taxation year means a corporation (other than an excluded corporation for the year) that, in the year, carries on a business in Québec and has an establishment in Québec;

"qualified partnership" for a fiscal period means a partnership (other than an excluded partnership for the fiscal period) that, in the fiscal period, carries on a business in Québec and has an establishment in Québec;

"qualified property" of a corporation or a partnership, in respect of a large investment project, means a property that

(*a*) is included in any of the classes of Schedule B to the Regulation respecting the Taxation Act (chapter I-3, r. 1);

(*b*) is acquired by the corporation or partnership to be used mainly in Québec in the course of carrying out the large investment project;

(*c*) was not, before its acquisition by the corporation or partnership, used for any purpose or acquired to be used or leased for any purpose whatsoever; and

(*d*) is not acquired in substitution for a property in respect of which an expense is included in the total eligible expenses in relation to the large investment project;

"tax-free period" of a corporation or a partnership, for a taxation year or a fiscal period, in relation to a large investment project, means the part of the taxation year or fiscal period that is both covered by a certificate issued to the corporation or partnership in respect of the large investment project and included in the 10-year period that begins on the date of the beginning of the tax-free period in respect of the project or, where the corporation or partnership acquired all or substantially all of the activities arising from the carrying out of the large investment project and the Minister of Finance authorized the transfer of those activities to the corporation or partnership, according to the qualification certificate issued to the corporation or partnership, in relation to the project, in the part of that 10-year period that begins on the date of acquisition;

"territory with high economic vitality" means a municipality mentioned in Schedule I to the Act respecting the Communauté métropolitaine de Montréal (chapter C-37.01) or Schedule A to the Act respecting the Communauté métropolitaine de Québec (chapter C-37.02);

"territory with intermediate economic vitality" means a territory situated in Québec that is neither a territory with high economic vitality nor a territory with low economic vitality;

"territory with low economic vitality" means

(*a*) one of the following regional county municipalities, subject to the third paragraph:

i. Municipalité régionale de comté d'Antoine-Labelle,

ii. Municipalité régionale de comté d'Avignon,

iii. Municipalité régionale de comté de Bonaventure,

iv. Municipalité régionale de comté de Charlevoix-Est,

v. Municipalité régionale de comté de La Haute-Côte-Nord,

vi. Municipalité régionale de comté de La Haute-Gaspésie,

vii. Municipalité régionale de comté de La Matanie,

viii. Municipalité régionale de comté de La Matapédia,

ix. Municipalité régionale de comté de La Mitis,

x. Municipalité régionale de comté de La Vallée-de-la-Gatineau,

xi. Municipalité régionale de comté de Maria-Chapdelaine,

xii. Municipalité régionale de comté de Maskinongé,

xiii. Municipalité régionale de comté de Mékinac,

xiv. Municipalité régionale de comté de Papineau,

xv. Municipalité régionale de comté de Pontiac,

xvi. Municipalité régionale de comté de Témiscamingue,

xvii. Municipalité régionale de comté de Témiscouata,

xviii. Municipalité régionale de comté des Appalaches,

xix. Municipalité régionale de comté des Basques,

xx. Municipalité régionale de comté des Etchemins,

xxi. Municipalité régionale de comté des Sources,

xxii. Municipalité régionale de comté du Domaine-du-Roy,

xxiii. Municipalité régionale de comté du Golfe-du-Saint-Laurent, or

xxiv. Municipalité régionale de comté du Rocher-Percé;

(*b*) the urban agglomeration of La Tuque, as described in section 8 of the Act respecting the exercise of certain municipal powers in certain urban agglomerations (chapter E-20.001); or

(*c*) Ville de Shawinigan;

"total eligible expenses" at a particular time, of a corporation or a partnership, in relation to a large investment project, means the aggregate of all amounts each of which is an expense (other than an excluded expense) incurred by the corporation or partnership before that time for the acquisition, in the investment period in respect of the large investment project, of a qualified property in respect of the project, to the extent that the expense is included in the capital cost of the property for a taxation year or a fiscal period, as the case may be, that ends at or before that time and to the extent that it is paid at or before that time.

In the formula in the definition of "cumulative total eligible expenses" in the first paragraph,

(*a*) A is the total eligible expenses of the corporation or partnership at the end of the particular taxation year or particular fiscal period, as the case may be, in relation to the large investment project;

(*b*) B is the aggregate of all amounts each of which is government assistance or non-government assistance, within the meaning assigned to those expressions by the first paragraph of section 1029.6.0.0.1, that, because of D in the formula, reduced the cumulative total eligible expenses of the corporation for a preceding taxation year or of the partnership for a preceding fiscal period, in relation to the large investment project, and that is repaid, pursuant to a legal obligation, at or before the end of the particular taxation year or particular fiscal period, as the case may be;

(*c*) C is the aggregate of all amounts each of which is the greater of the consideration received following the disposition of a qualified property, in respect of the large investment project, before the end of the 730-day period that follows the beginning of its use by the corporation or partnership and of the fair market value of the qualified property at the time of the disposition, unless the disposition results from the loss of the property, of the involuntary destruction of the property by fire, theft or water, or of a major breakdown of the property; and

(*d*) D is the aggregate of all amounts each of which is government assistance or non-government assistance, within the meaning assigned to those expressions by the first paragraph of section 1029.6.0.0.1, that the corporation or partnership has received, is entitled to receive or may reasonably expect to receive and that is attributable to an expense included in the total eligible expenses referred to in subparagraph *a*.

Where this Title applies in respect of the tax-free period of a corporation or a partnership, in relation to a large investment project, that begins, as the case may be,

(*a*) before 1 April 2023, paragraph *a* of the definition of “territory with low economic vitality” in the first paragraph is to be read without reference to subparagraphs xvi and xviii; or

(*b*) before 1 July 2025, paragraph *a* of the definition of “territory with low economic vitality” in the first paragraph is to be read as if

i. the following subparagraph were inserted after subparagraph i:

“i.1. Municipalité régionale de comté d’Argenteuil,”, and

ii. the following subparagraph were inserted after subparagraph xii:

“xii.1. Municipalité régionale de comté de Matawinie,”.

For the purposes of subparagraph *b* of the second paragraph, an amount of assistance is deemed to be repaid at a particular time by a corporation or a partnership, as the case may be, pursuant to a legal obligation, if that amount

(*a*) reduced, because of D in the formula in the definition of "cumulative total eligible expenses" in the first paragraph, the cumulative total eligible expenses of the corporation for a taxation year or of the partnership for a fiscal period;

(*b*) was not received by the corporation or partnership; and

(*c*) ceased at the particular time to be an amount that the corporation or partnership could reasonably expect to receive.

"**737.18.17.15.** Where, at any time, a corporation or a partnership (in this section referred to as the "acquirer") acquired from another corporation or partnership (in this section referred to as the "vendor") all or substantially all of the activities arising from the carrying out of a large investment project and the Minister of Finance previously authorized the transfer of those activities to the acquirer, according to a qualification certificate issued by that Minister to the acquirer in respect of the project, the following rules must be taken into consideration, as the case may be:

(*a*) for the purposes of subparagraph *a* of the first paragraph of section 737.18.17.16, if applicable,

i. where the vendor and the acquirer are corporations, the vendor's non-capital loss for a taxation year ending before that time that is deductible in computing the vendor's adjusted taxable income for its taxation year including that time is deemed, according to the proportion provided for in the second paragraph, to be a non-capital loss of the acquirer,

ii. where the vendor is a partnership and the acquirer is a corporation, the non-capital loss that, if throughout its existence the vendor were a corporation whose taxation year corresponded to its fiscal period, would be determined in its respect for a taxation year that ends before that time and would be deductible in computing the vendor's adjusted taxable income for its taxation year that includes that time is deemed, according to the proportion provided for in the second paragraph and subject to the third paragraph, to be a non-capital loss of the acquirer, or

iii. the vendor's non-capital loss referred to in subparagraph i or ii is deemed to be reduced, for the vendor's taxation year or fiscal period that includes that time, by the amount determined under subparagraph i or ii, as the case may be, in respect of that loss, for the purpose of computing the vendor's adjusted taxable income for a taxation year that ends after that time, where the vendor is a corporation, and for the purpose of applying subparagraph ii in relation to a subsequent transfer of another large investment project of the vendor, where the vendor is a partnership;

(*b*) for the purposes of subparagraph *b* of the first paragraph of section 737.18.17.16, if applicable,

i. where the vendor is a corporation and the acquirer is a partnership, the vendor's non-capital loss for a taxation year ending before that time that is deductible in computing the vendor's adjusted taxable income for its taxation year including that time is deemed, according to the proportion provided for in the second paragraph, to be a non-capital loss of the acquirer (in subparagraph iii of subparagraph *b* of the first paragraph of section 737.18.17.16 referred to as the "deemed non-capital loss"),

ii. where the vendor and the acquirer are partnerships, the non-capital loss that, if throughout its existence the vendor were a corporation whose taxation year corresponded to its fiscal period, would be determined in its respect for a taxation year that ends before that time and would be deductible in computing the vendor's adjusted taxable income for its taxation year that includes that time is deemed, according to the proportion provided for in the second paragraph and subject to the third paragraph, to be a non-capital loss of the acquirer (in subparagraph iii of subparagraph *b* of the first paragraph of section 737.18.17.16 referred to as the "deemed non-capital loss"), or

iii. the vendor's non-capital loss referred to in subparagraph i or ii is deemed to be reduced, for the vendor's taxation year or fiscal period that includes that time, by the amount determined under subparagraph i or ii, as the case may be, in respect of that loss, for the purpose of computing the vendor's adjusted taxable income for a taxation year that ends after that time, where the vendor is a corporation, and for the purpose of applying subparagraph ii in relation to a subsequent transfer of another large investment project of the vendor, where the vendor is a partnership; or

(*c*) for the purposes of subparagraphs *b* and *c* of the second paragraph of section 737.18.17.18,

i. the vendor's taxation year or fiscal period that includes the day on which the time occurs is deemed to end at the end of that day,

ii. the vendor's last day of the tax-free period, in relation to the large investment project, is deemed to correspond to the day that includes that time,

iii. the acquirer's taxation year or fiscal period that includes the day on which the time occurs is deemed to begin at the beginning of that day, and

iv. the date of the beginning of the acquirer's tax-free period, in relation to the large investment project, is deemed to correspond to the date of the day that includes that time.

The proportion to which the first paragraph refers is the result obtained by multiplying the proportion that the amount transferred to the acquirer pursuant to the agreement referred to in the first paragraph of section 737.18.17.21 is

of the excess amount determined under that first paragraph by the proportion that the amount determined under the second paragraph of section 737.18.17.21, in respect of the large investment project the activities of which are transferred (in this paragraph referred to as the "particular amount"), is of the aggregate of all amounts each of which is either the particular amount or the amount that would be determined under that second paragraph in respect of another large investment project of the vendor if it were transferred to the acquirer at the time referred to in the first paragraph, unless the vendor carries out only one large investment project, in which case the latter proportion is equal to 1.

For the purposes of subparagraph ii of subparagraphs *a* and *b* of the first paragraph, the non-capital loss referred to in that subparagraph ii does not include any portion of the loss that—for a taxation year of a corporation, member of the vendor at the time referred to in the first paragraph, that ends in a fiscal period of the vendor that ends before that time—reduced the corporation's adjusted taxable income.

This section also applies to the transfer of a large investment project, within the meaning of the first paragraph of section 737.18.17.1, in relation to which the vendor has made a computation method election within the meaning of that first paragraph.

"**737.18.17.16.** For the purposes of this Title, the following rules apply:

(*a*) except where the third paragraph applies, a corporation's adjusted taxable income for a particular taxation year is equal to the amount that would be its taxable income for that year if it were determined without reference to this Title and subparagraph *b* of the first paragraph of section 737.18.17.5 and if the following rules applied:

i. the adjusted income of a partnership of which the corporation is a member at the end of the partnership's fiscal period that ends in the particular year and that holds a certificate, in relation to a large investment project, for the fiscal period is the partnership's income for that fiscal period, and

ii. the corporation's share of the incomes or losses of a partnership of which the corporation is a member at the end of the partnership's fiscal period that ends in the particular year but that does not hold such a certificate for that fiscal period is equal to zero,

iii. the corporation's income is computed without taking into account

(1) the amount by which the corporation's taxable capital gains exceed its allowable capital losses,

(2) the amount by which the aggregate of the corporation's incomes that are attributable to a source that is a property exceeds the aggregate of its losses attributable to that source, and

(3) the portion of the aggregate of its losses referred to in subparagraph 2 that reduced the aggregate of the corporation's incomes referred to in that subparagraph, and

iv. the corporation deducts, in computing its income or taxable income for the particular year and for any preceding taxation year, the maximum amount in respect of any reserve, allowance or other amount; and

(*b*) a partnership's adjusted income for a particular fiscal period is equal to the amount that would be its income for that fiscal period if the following rules applied:

i. the income is computed without taking into account

(1) the amount by which the partnership's taxable capital gains exceed its allowable capital losses,

(2) the amount by which the aggregate of the partnership's incomes that are attributable to a source that is a property exceeds the aggregate of its losses attributable to that source, and

(3) the portion of the aggregate of its losses referred to in subparagraph 2 that reduced the aggregate of the partnership's incomes referred to in that subparagraph,

ii. the income is computed taking into consideration that the partnership deducts, in computing its income for the particular fiscal period or for any preceding fiscal period, the maximum amount in respect of any reserve, allowance or other amount, and

iii. where the partnership is the acquirer referred to in section 737.18.17.15 of a large investment project, Title VII applies for the purpose of determining the amount that is deductible as a deemed non-capital loss of the acquirer, within the meaning of subparagraph *b* of the first paragraph of that section, in computing the partnership's adjusted income for a fiscal period that ends after the transfer time as if

(1) the partnership were a corporation whose taxation year corresponds to its fiscal period, and

(2) the partnership's adjusted income otherwise determined for any subsequent fiscal period were its adjusted taxable income for that year.

For the purposes of the first paragraph, the undepreciated capital cost of depreciable property of a prescribed class to the corporation or partnership, on the date of the beginning of the tax-free period in respect of a large investment project of the corporation or partnership that occurs first, is deemed, except to the extent that it may reasonably be considered that the second paragraph of section 737.18.17.2 applied previously in respect of that class, to include the amount that is the amount by which the total depreciation, within the meaning

of subparagraph *b* of the first paragraph of section 93, allowed to the corporation or partnership, as the case may be, before that date, in respect of the property of that class, exceeds the aggregate of all amounts each of which is an amount that the corporation or partnership has included, under section 94, in respect of the property of that class, in computing its income for a taxation year or fiscal period that ended before that date.

Where no qualification certificate has been issued to the corporation by the Minister of Finance in relation to a large investment project at the end of the particular taxation year, but the corporation is a member of a qualified partnership that holds a certificate, in relation to such a project, for its fiscal period that ends in that particular year, the corporation's adjusted taxable income for the particular year is equal to the amount that would be its taxable income for that particular year if the following rules were taken into account:

(*a*) the taxable income is determined without reference to this Title and subparagraph *b* of the first paragraph of section 737.18.17.5 and as if the adjusted income of such a partnership for its fiscal period that ends in the particular year were its income for that fiscal period and as if the only incomes and losses of the corporation for the particular year were its share of the incomes and losses of such a partnership for such a fiscal period; and

(*b*) the taxable income, determined after applying subparagraph *a,* is reduced for the particular year by the aggregate of all amounts each of which would be a non-capital loss of the corporation for a preceding taxation year that would be deductible in computing its taxable income for the particular year if the only incomes or losses of the corporation for the preceding year were its share of the incomes and losses of such a partnership that are taken into account in computing its income for its fiscal period that ends in that preceding year and if the corporation had deducted, in computing its taxable income for another taxation year preceding the particular year, computed in accordance with this paragraph, the maximum amount deductible in respect of that loss.

For the purpose of applying paragraph *f* of section 600 in computing the adjusted taxable income of a corporation that is a member of a partnership, the aggregate of all of the partnership's incomes each of which is from a source that is a business, for a fiscal period of the partnership, must, if applicable, be reduced by the deemed non-capital losses referred to in subparagraph iii of subparagraph *b* of the first paragraph that, for that fiscal period, were deducted from the partnership's adjusted income.

For the purposes of this section, the following rules must be taken into consideration:

(*a*) a large investment project includes a large investment project in respect of which a computation method election within the meaning of Title VII.2.3.1 has been made; and

(*b*) the share of a member of a partnership of an amount for a fiscal period is equal to the agreed proportion, in respect of the member for that fiscal period, of that amount.

“**CHAPTER II**

“DEDUCTION

“**737.18.17.17.** A qualified corporation that, in a particular taxation year, carries on activities arising from the carrying out of a large investment project or is a member of a qualified partnership that carries on such activities in its fiscal period ending in that year may, subject to the third paragraph, deduct in computing its taxable income for the particular year, if a certificate has been issued for the particular year or the fiscal period in relation to the large investment project, an amount equal to the lesser of the amount by which its adjusted taxable income for the particular year exceeds the amount it deducts in computing its taxable income under subparagraph *b* of the first paragraph of section 737.18.17.5 and the aggregate of the following amounts that is multiplied, where the corporation has an establishment situated outside Québec, by the reciprocal of the proportion that its business carried on in Québec is of the aggregate of its business carried on in Canada or in Québec and elsewhere, as determined under subsection 2 of section 771:

(*a*) 100/11.5 of the lesser of the amount determined in accordance with the first paragraph of section 737.18.17.18 in respect of the corporation for the particular year, in relation to one or more large investment projects of the corporation or of such a qualified partnership of which it is a member, and the amount determined in its respect for the particular year under the second paragraph; and

(*b*) 100/3.2 of the amount by which the amount determined in accordance with the first paragraph of section 737.18.17.18 in respect of the corporation for the particular year, in relation to one or more large investment projects of the corporation or of such a qualified partnership of which it is a member, exceeds the amount determined in its respect for the particular year under the second paragraph.

The amount to which subparagraphs *a* and *b* of the first paragraph refer for a particular taxation year is equal to

(*a*) the amount by which the tax that would be determined, in respect of the corporation for the particular year, in accordance with subsection 1 of section 771, if its taxable income for the year were computed without reference to this section, exceeds 3.2% of the amount that would be determined in respect of the corporation for the particular year under section 771.2.1.2 if, for the purposes of paragraph *b* of that section, its taxable income for the year were computed without reference to this section; or

(*b*) where the corporation has an establishment situated outside Québec for the particular year, the product obtained by multiplying the excess amount determined under subparagraph *a* by the proportion that its business carried on in Québec is of the aggregate of its business carried on in Canada or in Québec and elsewhere, as determined under subsection 2 of section 771 for that year.

A corporation may deduct an amount under the first paragraph in computing its taxable income for a taxation year only if it encloses, with the fiscal return it is required to file for the year under section 1000,

(*a*) the prescribed form containing prescribed information; and

(*b*) in relation to each large investment project referred to in the first paragraph of the corporation or of a partnership of which the corporation is a member,

i. a copy of the qualification certificate issued to the corporation or partnership in respect of the large investment project,

ii. a copy of the certificate issued for the corporation's taxation year or the partnership's fiscal period, as the case may be, in relation to the large investment project,

iii. where the large investment project is such a project of the partnership, a copy of each agreement referred to in section 737.18.17.20 in respect of the partnership's fiscal period that ends in the taxation year or in a preceding taxation year, in relation to the project, unless it has already been filed,

iv. where the corporation or partnership acquired or sold all or substantially all of the activities arising from the carrying out of the large investment project, a copy of the agreement referred to in section 737.18.17.21 in respect of the transfer, unless it has already been filed, and

v. a copy of the independent auditor's report that the corporation or partnership enclosed with the application for the first certificate relating to the large investment project.

"**737.18.17.18.** The amount to which subparagraphs *a* and *b* of the first paragraph of section 737.18.17.17 refer in respect of a qualified corporation for a particular taxation year, in relation to one or more large investment projects of the corporation or of a qualified partnership of which it is a member, is equal to the lesser of

(*a*) the tax that would be determined, in respect of the corporation for the particular year, in accordance with subsection 1 of section 771, if its taxable income for the particular year were computed without reference to section 737.18.17.17 or, where the corporation has an establishment outside Québec, the result obtained by multiplying that tax by the proportion that its business carried on in Québec is of the aggregate of its business carried on in

Canada or in Québec and elsewhere, as determined under subsection 2 of section 771; and

(*b*) the aggregate of all amounts each of which is, for the particular year, in relation to any of those large investment projects,

i. in the case of a large investment project of the corporation, the amount determined by the formula

$(A \times B/C) - D$, or

ii. in the case of a large investment project of a partnership of which the corporation is a member, the amount determined by the formula

$E - D$.

In the formulas in subparagraph *b* of the second paragraph,

(*a*) A is either the product obtained by multiplying by the rate provided for in section 737.18.17.19, in respect of the large investment project, the corporation's cumulative total eligible expenses in relation to the project at the end of the particular year or, where the corporation acquired all or substantially all of the activities arising from the carrying out of the project, subject to the fourth paragraph, the amount that was transferred to the corporation pursuant to the agreement referred to in section 737.18.17.21 in respect of the transfer;

(*b*) B is the number of days in the period that begins on the date of the beginning of the tax-free period in respect of the large investment project and that ends on the last day of the particular taxation year or, if it is earlier, the last day of the tax-free period in respect of the project;

(*c*) C is the number of days in the period that begins on the date of the beginning of the tax-free period in respect of the large investment project and that ends on the last day of the tax-free period in respect of the project;

(*d*) D is

i. where the large investment project is that of the corporation, the aggregate of

(1) the aggregate of all amounts each of which is, for a preceding taxation year, in relation to the large investment project, equal to the amount determined by the formula

$F \times G \times H$,

(2) the aggregate of all amounts each of which is, for the particular taxation year or a preceding taxation year, in relation to the large investment project, equal to the amount determined by the formula

$I \times J$, and

(3) where, at any time in the particular taxation year, the corporation transfers all or substantially all of its activities arising from the carrying out of the large investment project to another corporation or a partnership, the amount that was transferred to the other corporation or the partnership pursuant to the agreement referred to in section 737.18.17.21 in respect of the transfer, or

ii. where the large investment project is that of a partnership of which the corporation is a member, the aggregate of all amounts each of which is, for a preceding taxation year, in relation to the large investment project, equal to the amount determined by the formula

$F \times G \times H$; and

(*e*) E is the aggregate of all amounts each of which is either the amount that was allocated to the corporation for the particular year, or for a preceding taxation year, pursuant to the agreement referred to in section 737.18.17.20, in relation to the large investment project, in respect of the partnership's fiscal period that ends in that year, or zero if, in respect of that fiscal period, no such agreement has been entered into in relation to the project.

In the formulas in subparagraph *d* of the second paragraph,

(*a*) F is 1, unless the corporation has an establishment situated outside Québec for the preceding taxation year, in which case it is the proportion that its business carried on in Québec is of the aggregate of its business carried on in Canada or in Québec and elsewhere, as determined under subsection 2 of section 771 for the preceding year;

(*b*) G is the aggregate of

i. 3.2% of the amount by which the amount that would be determined in respect of the corporation for the preceding taxation year under section 771.2.1.2 if, for the purposes of paragraph *b* of that section, its taxable income for the preceding year were computed without reference to section 737.18.17.17 exceeds the amount that is determined in its respect for that year under section 771.2.1.2, and

ii. 11.5% of the amount by which the amount deducted by the corporation in computing its taxable income for the preceding taxation year under section 737.18.17.17 exceeds the excess amount determined under subparagraph i;

(*c*) H is the proportion that the corporation's maximum annual tax exemption amount for the preceding taxation year, in relation to the large investment project, is of the aggregate of all amounts each of which is the corporation's maximum annual tax exemption amount for the preceding year, in relation to a large investment project of the corporation or of a partnership of which it is

a member, that is referred to in the first paragraph of section 737.18.17.17 for that year;

(*d*) I is the aggregate of the amounts that are not payable by the corporation for the taxation year under subparagraph *d*.2 of the sixth paragraph of section 34 of the Act respecting the Régie de l'assurance maladie du Québec (chapter R-5); and

(*e*) J is the proportion that the corporation's maximum annual contribution exemption amount for the taxation year, in relation to the large investment project, is of the aggregate of all amounts each of which is the corporation's maximum annual contribution exemption amount for the year, in relation to a large investment project of the corporation, that is referred to in subparagraph *d*.2 of the sixth paragraph of section 34 of the Act respecting the Régie de l'assurance maladie du Québec for the year.

Where a corporation has acquired all or substantially all of the activities arising from the carrying out of a large investment project before the end of the investment period in respect of that project, the amount that was transferred to the corporation pursuant to the agreement referred to in section 737.18.17.21 in respect of the transfer, for any taxation year that ends on or after the day of the transfer, must be increased by an amount equal to the product obtained by multiplying by the rate provided for in section 737.18.17.19, in respect of the project, the amount that would be the corporation's total eligible expenses, in respect of the large investment project, at the end of the investment period if the definition of "total eligible expenses" in the first paragraph of section 737.18.17.14 were read as if "in the investment period" were replaced by "in the part of the investment period that follows the day of the transfer".

"**737.18.17.19.** The rate to which sections 737.18.17.18 and 737.18.17.21 refer in respect of a large investment project of a corporation or a partnership is

(*a*) 25%, where all or substantially all of the expenses that are included, or that may reasonably be expected to be included, in the corporation's total eligible expenses in relation to the large investment project are or will be incurred in respect of qualified property acquired to be used mainly in one or more territories with low economic vitality;

(*b*) 20%, where paragraph *a* does not apply and all or substantially all of the expenses that are included, or that may reasonably be expected to be included, in the corporation's total eligible expenses in relation to the large investment project are or will be incurred in respect of qualified property acquired to be used mainly in one or more territories with low economic vitality or territories with intermediate economic vitality; or

(*c*) 15%, in any other case.

"**737.18.17.20.** The agreement to which subparagraph *e* of the second paragraph of section 737.18.17.18 refers in respect of a particular fiscal period of a partnership, in relation to a large investment project of the partnership, is

the agreement under which the partnership and all its members agree on an amount in respect of the particular amount determined in relation to the partnership in accordance with the second paragraph of section 34.1.0.5 of the Act respecting the Régie de l'assurance maladie du Québec (chapter R-5) for the particular fiscal period, in relation to the large investment project, for the purpose of allocating to each corporation that is a member of the partnership, for its taxation year in which the particular fiscal period ends, its share of the agreed amount, which amount must not be greater than the amount that would be the partnership's particular amount in relation to the large investment project for the particular fiscal period if subparagraph 2 of subparagraph ii of subparagraph *d* of the third paragraph of that section 34.1.0.5 were read without reference to "the particular fiscal period or".

The share of a corporation that is a member of the partnership of the amount agreed on pursuant to an agreement referred to in the first paragraph, in respect of a fiscal period, is the agreed proportion of that amount in respect of the corporation for the partnership's fiscal period.

Where the amount agreed on, in respect of a particular fiscal period of a partnership, in relation to a large investment project, pursuant to an agreement referred to in the first paragraph, is greater than the amount referred to in the first paragraph, the agreed amount is, for the purposes of this Title and section 34.1.0.5 of the Act respecting the Régie de l'assurance maladie du Québec, deemed to be equal to the amount referred to in the first paragraph.

"**737.18.17.21.** Where, at any time in a particular taxation year or fiscal period, a corporation or a partnership (in this section referred to as the "acquirer") acquired all or substantially all of the activities arising from the carrying out of a large investment project from another corporation or partnership (in this section referred to as the "vendor") and the Minister of Finance previously authorized the transfer of those activities to the acquirer, according to a qualification certificate issued by that Minister to the acquirer in respect of the project, the vendor and the acquirer shall enter into an agreement under which is transferred to the acquirer an amount not greater than the amount by which the amount determined under the second paragraph exceeds,

(*a*) where the vendor is a corporation, the total of

i. the aggregate of all amounts each of which is, for a preceding taxation year, in relation to the large investment project, equal to the amount determined by the formula

$A \times B \times C$, and

ii. the aggregate of all amounts each of which is, for a preceding taxation year, in relation to the large investment project, equal to the amount determined by the formula

$D \times E$; or

(*b*) where the vendor is a partnership, the total of

i. the aggregate of all amounts each of which is the amount agreed on, in respect of a preceding fiscal period of the vendor, in relation to the large investment project, pursuant to an agreement referred to in section 737.18.17.20 in respect of that fiscal period, and

ii. the aggregate of all amounts each of which is, for a preceding fiscal period of the vendor, in relation to the large investment project, the amount determined by the formula

$D \times E$.

The amount to which the first paragraph refers is equal either to the amount obtained by multiplying by the rate provided for in section 737.18.17.19 in respect of the large investment project the vendor's cumulative total eligible expenses in relation to the project at the end of the particular taxation year or of the particular fiscal period, or, where the vendor acquired all or substantially all of the activities arising from the carrying out of the project following a previous transfer, subject to the fifth paragraph, to the amount that was transferred to the vendor pursuant to the agreement referred to in this section in respect of the acquisition.

In the formulas in the first paragraph,

(*a*) A is 1, unless the vendor has an establishment situated outside Québec for the preceding year, in which case it is the proportion that the vendor's business carried on in Québec is of the aggregate of its business carried on in Canada or in Québec and elsewhere, as determined under subsection 2 of section 771 for that preceding year;

(*b*) B is the aggregate of

i. the product obtained by multiplying by 3.2% the amount by which the amount that would be determined in respect of the vendor for the preceding year under section 771.2.1.2 if, for the purposes of paragraph *b* of section 771.2.1.2, its taxable income for the preceding year were computed without reference to section 737.18.17.17, exceeds the amount determined in its respect for that year under section 771.2.1.2, and

ii. the product obtained by multiplying by 11.5% the amount by which the amount deducted by the vendor in computing its taxable income for the preceding year under section 737.18.17.17 exceeds the excess amount determined under subparagraph i;

(*c*) C is the proportion that the vendor's maximum annual tax exemption amount for the preceding year, in relation to the large investment project, is of the aggregate of all amounts each of which is the vendor's maximum annual tax exemption amount for the preceding year, in relation to a large investment project of the vendor, or of a partnership of which it is a member, that is referred to in the first paragraph of section 737.18.17.17 for that year;

(*d*) D is the aggregate of all amounts that are not payable by the vendor for the preceding taxation year or fiscal period under subparagraph *d*.2 of the sixth paragraph of section 34 of the Act respecting the Régie de l'assurance maladie du Québec (chapter R-5); and

(*e*) E is the proportion that the vendor's maximum annual contribution exemption amount for the preceding taxation year or fiscal period, in relation to the large investment project, is of the aggregate of all amounts each of which is the vendor's maximum annual contribution exemption amount for the preceding year or fiscal period, in relation to a large investment project of the vendor that is referred to in subparagraph *d*.2 of the sixth paragraph of section 34 of the Act respecting the Régie de l'assurance maladie du Québec for that year or fiscal period.

Where the amount that was transferred to an acquirer, in relation to a large investment project, pursuant to an agreement referred to in the first paragraph is greater than the excess amount referred to in that paragraph, the amount transferred to the acquirer is, for the purposes of this Title and sections 34.1.0.5 and 34.1.0.6 of the Act respecting the Régie de l'assurance maladie du Québec, deemed to be equal to the excess amount.

Where the previous transfer to which the second paragraph refers occurred before the end of the investment period in respect of a large investment project, the amount that was transferred to the vendor pursuant to the agreement referred to in this section in respect of the acquisition must be increased by an amount equal to the product obtained by multiplying by the rate provided for in section 737.18.17.19, in respect of the project, the amount that would be the vendor's total eligible expenses on the last day of the investment period or, if it is earlier, on the day that includes the time referred to in the first paragraph, if the definition of "total eligible expenses" in the first paragraph of section 737.18.17.14 were read as if "in the investment period" were replaced by "in the part of the investment period that follows the time of the transfer"."

(2) Subsection 1 has effect from 21 March 2023.

72. (1) Section 750.2 of the Act is amended by inserting the following subparagraphs after subparagraph *e* of the fourth paragraph:

"(*e*.1) the amount of $5,000 mentioned in section 752.0.10.0.5;

"(*e*.2) the amount of $5,000 mentioned in section 752.0.10.0.7;".

(2) Subsection 1 applies from the taxation year 2024.

73. (1) Section 752.0.7.4 of the Act is amended

(1) by replacing "if the following conditions are met" in the portion of subparagraph i of subparagraph *a* of the first paragraph before subparagraph 2

by “if the individual is an individual described in the second paragraph for the year or if the following conditions are met”;

(2) by replacing “second paragraph” in subparagraph ii of subparagraphs *a* and *b* of the first paragraph by “third paragraph”;

(3) by inserting the following paragraph after the first paragraph:

“The individual to whom the portion of subparagraph i of subparagraph *a* of the first paragraph before subparagraph 2 refers for a taxation year is the individual in respect of whom the following conditions are met:

(*a*) the individual does not have an eligible spouse for the year;

(*b*) the individual received, in the year, a basic benefit under the Basic Income Program provided for in Chapter VI of Title II of the Individual and Family Assistance Act (chapter A-13.1.1) that was increased by the adjustment for an adult without a spouse prescribed in section 177.73 of the Individual and Family Assistance Regulation (chapter A-13.1.1, r. 1); and

(*c*) the amount taken into consideration in computing the amount deducted, under section 752.0.0.1, from the individual’s tax otherwise payable for the year under this Part is less than the aggregate of all amounts, included by the individual in computing income for the year, each of which is

i. where the individual became, in the year, a recipient under the Basic Income Program,

(1) financial assistance paid under that program,

(2) financial assistance paid under the Social Solidarity Program provided for in Chapter II of Title II of the Individual and Family Assistance Act, or

(3) an amount described in subparagraph 1 or 2 of the first paragraph of section 177.46 of the Individual and Family Assistance Regulation, or

ii. in any other case, financial assistance paid under the Basic Income Program.”

(2) Subsection 1 applies from the taxation year 2023.

74. (1) The Act is amended by inserting the following section after section 752.0.7.6:

“**752.0.7.7.** Where an individual in respect of whom the conditions provided for in the second paragraph of section 752.0.7.4 are met for a taxation year did not, for the purpose of determining the amount that the individual may deduct from tax otherwise payable for the year under section 752.0.7.4, include the amount granted for the year under subparagraph i of subparagraph *a* of the first paragraph of section 752.0.7.4 in the aggregate described in that

paragraph and where the individual filed a fiscal return under this Part for the year, the individual is deemed to have deducted from tax otherwise payable for the year, under section 752.0.7.4, an amount equal to the amount by which the amount that the individual could have deducted for the year under that section if such an inclusion had been made exceeds the amount deducted for the year under that section."

(2) Subsection 1 applies from the taxation year 2023.

75. (1) Section 752.0.8 of the Act is amended by replacing "second paragraph" in the portion before paragraph *a* by "third paragraph".

(2) Subsection 1 applies from the taxation year 2023.

76. (1) Section 752.0.10.0.5 of the Act is amended by replacing "$3,000" in the portion before paragraph *a* by "$5,000".

(2) Subsection 1 applies from the taxation year 2023.

77. (1) Section 752.0.10.0.7 of the Act is amended by replacing "$3,000" in the portion before paragraph *a* by "$5,000".

(2) Subsection 1 applies from the taxation year 2023.

78. (1) Section 752.0.10.10.0.1 of the Act is amended by replacing "its paragraph *a*" in the portion before paragraph *a* by "subparagraph *a* of its first paragraph".

(2) Subsection 1 has effect from 31 December 2015.

79. (1) Section 771.2.1.2.1 of the Act is amended by adding the following paragraph at the end:

"For the purposes of subparagraph *b* of the first paragraph, a corporation (in this paragraph referred to as the "new corporation") that is formed as a result of the amalgamation, within the meaning of section 544, of two or more corporations (each of which is in this paragraph referred to as a "predecessor corporation") and in respect of which the particular taxation year to which the first paragraph refers is its first taxation year, is deemed to have a number of remunerated hours, determined in respect of its employees, for a taxation year that ended in the calendar year preceding the calendar year in which that first taxation year ends, equal to the aggregate of all remunerated hours each of which is a remunerated hour, determined in respect of an employee of a predecessor corporation, for the predecessor corporation's taxation year that ended in the calendar year preceding the calendar year in which that first taxation year ends."

(2) Subsection 1 applies to a corporation's taxation year that ends after 27 June 2023.

80. (1) Section 776.1.1 of the Act is amended by replacing “Fonds de solidarité des travailleurs du Québec (F.T.Q.)” in paragraph *a* by “Fonds de solidarité des travailleurs et des travailleuses du Québec (FTQ)”.

(2) Subsection 1 applies from 1 June 2024.

81. (1) Section 776.1.4 of the Act is amended by replacing “Fonds de solidarité des travailleurs du Québec (F.T.Q.)” by “Fonds de solidarité des travailleurs et des travailleuses du Québec (FTQ)” in the following provisions:

(1) subparagraph *c* of the first paragraph;

(2) subparagraph *b* of the second paragraph;

(3) subparagraph *a* of the third paragraph.

(2) Subsection 1 applies from 1 June 2024.

82. (1) Section 776.1.4.1 of the Act is amended by replacing “Fonds de solidarité des travailleurs du Québec (F.T.Q.)” by “Fonds de solidarité des travailleurs et des travailleuses du Québec (FTQ)”.

(2) Subsection 1 applies from 1 June 2024.

83. The Act is amended by inserting the following sections after section 776.1.4.2:

“**776.1.4.2.1.** In no case may an individual deduct an amount under section 776.1.1 for a particular taxation year that ends after 31 December 2026, or section 776.1.2 for a subsequent year, in respect of an amount paid for the acquisition, after that date, of a share referred to in section 776.1.1, where the individual’s taxable income for the individual’s base year, in relation to the particular taxation year, exceeds the amount in dollars mentioned in paragraph *d* of section 750 that, with reference to section 750.2, is applicable for that base year.

For the purposes of this section and sections 776.1.4.2.2 and 776.1.5, the base year of an individual, in relation to a particular taxation year of the individual, is the taxation year, determined without reference to section 779, that ended on 31 December of the second calendar year preceding the particular taxation year.

“**776.1.4.2.2.** For the purposes of section 776.1.4.2.1, an individual’s taxable income for a base year (other than an individual who was resident in Québec on the last day of the base year and in Canada throughout that year) is deemed to be equal to the taxable income that would be determined in respect of the individual for the base year, under this Part, if the individual had been resident in Québec on the last day of the base year and in Canada throughout that year.”

84. Section 776.1.5 of the Act is amended by adding the following paragraphs at the end:

"Where an individual who avails himself of section 776.1.1 for a particular taxation year that ends after 31 December 2026, or section 776.1.2 for a subsequent year, in respect of a share acquired after that date, was not resident in Canada throughout the base year, in relation to the particular taxation year, the individual shall attach to the fiscal return referred to in the first paragraph to be filed for the particular taxation year or the subsequent year, as the case may be, a statement of income for the base year and a copy of any document constituting proof of payment of an amount that would have been deductible in computing the individual's taxable income for the base year, if applicable, had the individual been resident in Québec throughout the base year.

Where an individual who avails himself of section 776.1.1 for a particular taxation year that ends after 31 December 2026, or section 776.1.2 for a subsequent year, in respect of a share acquired after that date, was resident in Canada throughout the base year, in relation to the particular taxation year, but was not resident in Québec on the last day of that base year, the individual shall attach to the fiscal return referred to in the first paragraph to be filed for the particular taxation year or the subsequent year, as the case may be, either a copy of the fiscal return that the individual filed for the base year under Part I of the Income Tax Act (Revised Statutes of Canada, 1985, chapter 1, 5th Supplement) or a statement of income for the base year, and a copy of any document constituting proof of payment of an amount that would have been deductible in computing the individual's taxable income for the base year, if applicable, had the individual been resident in Québec throughout the base year."

85. (1) Section 776.1.5.0.1 of the Act is amended by replacing "Fonds de solidarité des travailleurs du Québec (F.T.Q.)" in the second paragraph by "Fonds de solidarité des travailleurs et des travailleuses du Québec (FTQ)".

(2) Subsection 1 applies from 1 June 2024.

86. (1) Section 776.1.5.0.6 of the Act is amended by replacing "Fonds de solidarité des travailleurs du Québec (F.T.Q.)" in the second paragraph by "Fonds de solidarité des travailleurs et des travailleuses du Québec (FTQ)".

(2) Subsection 1 applies from 1 June 2024.

87. (1) Section 890.15 of the Act is amended by replacing paragraph *b* of the definition of "education savings plan" by the following paragraph:

"(*b*) a contract entered into after 31 December 1997 between an individual (other than a trust), such an individual and the individual's spouse, such an individual who is legally the father or mother of a beneficiary and the individual's former spouse who is also legally the father or mother of a beneficiary or the public primary caregiver of a beneficiary, and a person (in this

Title referred to as a "promoter"), under which the promoter agrees to pay or to cause to be paid educational assistance payments to or for one or more beneficiaries;".

(2) Subsection 1 has effect from 28 March 2023.

88. (1) Section 895 of the Act is amended, in subparagraph iii of paragraph *f*.1,

(1) by replacing "$5,000" in subparagraph 1 by "$8,000";

(2) by replacing "$2,500" in subparagraph 2 by "$4,000".

(2) Subsection 1 has effect from 28 March 2023.

89. (1) Section 905.0.3 of the Act is amended, in the first paragraph,

(1) by adding the following paragraph at the end of the definition of "qualifying family member":

"(*c*) a brother or sister of the beneficiary, determined without reference to the definitions of "brother" and "sister" in section 1;";

(2) by replacing "2024" in subparagraph ii.1 of paragraph *a* of the definition of "disability savings plan" by "2027".

(2) Subsection 1 has effect from 22 June 2023.

90. (1) Section 905.0.13 of the Act is amended

(1) by replacing paragraph *b* by the following paragraph:

"(*b*) the trust's taxable capital gain or allowable capital loss from the disposition of a property is equal to the capital gain or capital loss, as the case may be, from the disposition of the property; and";

(2) by adding the following paragraph at the end:

"(*c*) the trust's income is computed without reference to paragraph *a* of section 657."

(2) Subsection 1 has effect from 9 August 2022.

91. (1) Sections 985.2.1 and 985.2.2 of the Act are replaced by the following sections:

"**985.2.1.** For the purposes of paragraph *b* of sections 985.6 and 985.7, subparagraph *b* of the first paragraph of section 985.8 and section 985.21, the following are deemed to be neither amounts expended in a taxation year on charitable activities nor gifts made to a qualified donee:

(*a*) a designated gift; and

(*b*) expenditures relating to the administration and management of a charity.

"**985.2.2.** On application made to the Minister in prescribed form by a registered charity, the Minister may specify an amount in respect of the charity for a taxation year and that amount is deemed to reduce the charity's disbursement quota for the year."

(2) Subsection 1 applies to a taxation year that begins after 31 December 2022.

92. (1) Section 985.9 of the Act is amended

(1) by replacing the formula in the first paragraph by the following formula:

"A/365 × B";

(2) by replacing the portion of subparagraph i of subparagraph *b* of the second paragraph before subparagraph 1 by the following:

"i. 3.5% of the prescribed amount for the year, in respect of all or a portion of a property owned by the charity at any time in the 24 months immediately preceding the year that was not used directly in charitable activities or administration, if the prescribed amount is less than or equal to $1,000,000, but greater than";

(3) by inserting the following subparagraph after subparagraph i of subparagraph *b* of the second paragraph:

"i.1. if the prescribed amount for the year in respect of all or a portion of a property owned by the charity at any time in the 24 months immediately preceding the year that was not used directly in charitable activities or administration is greater than $1,000,000, the total of $35,000 and 5% of the amount by which the prescribed amount exceeds $1,000,000, and".

(2) Subsection 1 applies to a taxation year that begins after 31 December 2022.

93. (1) Section 985.9.4 of the Act is amended by replacing the portion before paragraph *a* by the following:

"**985.9.4.** For the purposes of subparagraphs i and i.1 of subparagraph *b* of the second paragraph of section 985.9, the Minister may".

(2) Subsection 1 applies to a taxation year that begins after 31 December 2022.

94. (1) Section 985.15 of the Act is repealed.

(2) Subsection 1 applies to applications made after 31 December 2022.

95. (1) Section 985.35.4 of the Act is replaced by the following section:

"**985.35.4.** On application made to the Minister in prescribed form by a registered museum, the Minister may specify an amount in respect of the museum for a taxation year and that amount is deemed to reduce the museum's disbursement quota for the year."

(2) Subsection 1 applies to a taxation year that begins after 31 December 2022.

96. (1) Section 985.35.6 of the Act is repealed.

(2) Subsection 1 applies to applications made after 31 December 2022.

97. (1) Section 985.35.14 of the Act is replaced by the following section:

"**985.35.14.** On application made to the Minister in prescribed form by a registered cultural or communications organization, the Minister may specify an amount in respect of the organization for a taxation year and that amount is deemed to reduce the organization's disbursement quota for the year."

(2) Subsection 1 applies to a taxation year that begins after 31 December 2022.

98. (1) Section 985.35.16 of the Act is repealed.

(2) Subsection 1 applies to applications made after 31 December 2022.

99. (1) Section 985.38 of the Act is replaced by the following section:

"**985.38.** On application made to the Minister in prescribed form by a recognized political education organization, the Minister may specify an amount in respect of the organization for a taxation year and that amount is deemed to reduce the organization's disbursement quota for the year."

(2) Subsection 1 applies to a taxation year that begins after 31 December 2022.

100. (1) Section 985.40 of the Act is repealed.

(2) Subsection 1 applies to applications made after 31 December 2022.

101. (1) Section 1010 of the Act is amended

(1) by replacing "présent sous-paragraphe" in subparagraph ii of paragraph *a*.1 of subsection 2 in the French text by "présent sous-paragraphe *a*.1";

(2) by inserting the following paragraph after paragraph *a*.2 of subsection 2:

"(*a*.3) within three years after the day on which the information return described in section 1079.8.15.3 is filed in relation to an uncertain tax treatment, within the meaning of section 1079.8.15.2, or, in the case of a taxpayer referred

to in paragraph *a*.0.1, within four years after that day, if that information return is not filed in the manner and within the time specified; and";

(3) by replacing subsection 3 by the following subsection:

"(3) However, the Minister may, under any of paragraphs *a*.1 to *a*.3 of subsection 2 or subsection 2.1, make a reassessment or an additional assessment beyond the period referred to in paragraph *a* or *a*.0.1 of subsection 2 only to the extent that the reassessment or additional assessment may reasonably be regarded as relating to the tax redetermination referred to in that paragraph *a*.1 or subsection 2.1, to the reduction referred to in subparagraph iii of that paragraph *a*.1.1, to the claim or deduction referred to in that paragraph *a*.2 or to any transaction, or series of transactions, to which the tax treatment, within the meaning of section 1079.8.15.2, that is an uncertain tax treatment referred to in paragraph *a*.3 of subsection 2, relates, as the case may be."

(2) Paragraphs 2 and 3 of subsection 1 apply to a taxation year that begins after 31 December 2022.

102. (1) Section 1029.6.0.6.2 of the Act is amended

(1) by replacing "2019" in the first paragraph by "2023";

(2) by replacing subparagraphs *a* to *c* of the second paragraph by the following subparagraphs:

"(*a*) the amounts of $144, $156, $329, $418, $677, $821 and $1,935, wherever they are mentioned in section 1029.8.116.16;

"(*b*) the amount of $39,160 mentioned in section 1029.8.116.16; and

"(*c*) the amount of $23,750 mentioned in section 1029.8.116.34."

(2) Subsection 1 applies in respect of a payment period that begins after 30 June 2024.

(3) In addition, section 1029.6.0.6.2 of the Act does not apply to the payment period that begins on 1 July 2023 and ends on 30 June 2024.

103. (1) Section 1029.8.34.3 of the Act is amended by replacing "Fonds de solidarité des travailleurs du Québec (F.T.Q.)" in paragraph *f* by "Fonds de solidarité des travailleurs et des travailleuses du Québec (FTQ)".

(2) Subsection 1 applies from 1 June 2024.

104. Section 1029.8.35 of the Act is amended by replacing "application for a favourable advance ruling" in subparagraph 1 of subparagraphs i and ii of subparagraph *a* of the first paragraph by "application for an advance ruling".

105. Section 1029.8.35.3 of the Act is amended by replacing "application for a favourable advance ruling" in paragraph *a*.0.1 by "application for an advance ruling".

106. (1) Section 1029.8.36.0.0.4.3 of the Act is amended by replacing "Fonds de solidarité des travailleurs du Québec (F.T.Q.)" in paragraph *f* by "Fonds de solidarité des travailleurs et des travailleuses du Québec (FTQ)".

(2) Subsection 1 applies from 1 June 2024.

107. (1) Section 1029.8.36.0.0.12.1 of the Act is amended, in the first paragraph,

(1) by replacing the portion of subparagraph i of paragraph *b* of the definition of "qualified labour expenditure" before subparagraph 1 by the following:

"i. 60% of the amount by which the production costs directly attributable to the production of the property that are incurred by the corporation before the end of the year in respect of the property until the first presentation of the property outside Québec or within a period that is reasonable to the Minister, but that must not extend beyond the date provided for in subparagraph *a* of the third paragraph, and that are paid by the corporation, exceeds the aggregate of";

(2) by replacing the definitions of "eligible employee" and "eligible individual" by the following definitions:

""eligible employee" of an individual, a corporation or a partnership means an individual resident in Québec at any time in the calendar year in which the individual renders services as part of a qualified production;

""eligible individual" means an individual resident in Québec at any time in the calendar year in which the individual renders services as part of a qualified production;".

(2) Subsection 1 applies in respect of a production for which an application for an advance ruling or, in the absence of such an application, an application for a qualification certificate is filed with the Société de développement des entreprises culturelles after 21 March 2023.

108. (1) Section 1029.8.36.0.0.13 of the Act is amended

(1) by replacing "100/27" in subparagraphs 2 and 3 of subparagraph i of paragraph *a* of the definition of "qualified labour expenditure attributable to printing and reprinting costs" in the first paragraph and in subparagraph ii of paragraph *b* of that definition by "20/7";

(2) by replacing "50%" in the portion of subparagraph i of paragraph *b* of the definition of "qualified labour expenditure attributable to preparation costs and digital version publishing costs" in the first paragraph before subparagraph 1 by "65%";

(3) by replacing the eleventh paragraph by the following paragraph:

"Where the definition of "qualified labour expenditure attributable to printing and reprinting costs" in the first paragraph applies in respect of a property (other than a property described in subparagraph *a*.3 of the first paragraph of section 1029.8.36.0.0.14), it is to be read, in respect of the property, as if "20/7" were replaced wherever it appears by

(*a*) "100/26.25", if the property is referred to in subparagraph *a* of the first paragraph of section 1029.8.36.0.0.14;

(*a*.1) "100/27", if the property is referred to in subparagraph *a*.1 of the first paragraph of section 1029.8.36.0.0.14;

(*b*) "100/21.6", if the property is referred to in subparagraph *a*.2 of the first paragraph of section 1029.8.36.0.0.14; or

(*c*) "10/3", if the property is referred to in subparagraph *b* of the first paragraph of section 1029.8.36.0.0.14.";

(4) by adding the following paragraph at the end:

"Where the definition of "qualified labour expenditure attributable to preparation costs and digital version publishing costs" in the first paragraph applies in respect of a property (other than a property described in subparagraph *a*.3 of the first paragraph of section 1029.8.36.0.0.14), it is to be read, in respect of the property,

(*a*) as if "20/7" were replaced wherever it appears by

i. "20/7", if the property is referred to in subparagraph *a* or *a*.1 of the first paragraph of section 1029.8.36.0.0.14,

ii. "25/7", if the property is referred to in subparagraph *a*.2 of the first paragraph of section 1029.8.36.0.0.14, or

iii. "5/2", if the property is referred to in subparagraph *b* of the first paragraph of section 1029.8.36.0.0.14; and

(*b*) as if "65%" in the portion of subparagraph i of paragraph *b* before subparagraph 1 were replaced by "50%"."

(2) Subsection 1 has effect from 22 March 2023.

109. (1) Section 1029.8.36.0.0.14 of the Act is amended

(1) by replacing the portion of subparagraph *a*.1 of the first paragraph before subparagraph i by the following:

"(*a*.1) in the case of a property for which an application for an advance ruling or, in the absence of such an application, an application for a certificate is filed with the Société de développement des entreprises culturelles after 19 March 2009 and on or before 4 June 2014 or, if the Société de développement des entreprises culturelles considers that the work on the property was sufficiently advanced on that date, 31 August 2014, or where an application for an advance ruling or, in the absence of such an application, an application for a certificate is filed with the Société de développement des entreprises culturelles in respect of the property after 26 March 2015 and before 22 March 2023, the aggregate of";

(2) by inserting the following subparagraph after subparagraph *a*.2 of the first paragraph:

"(*a*.3) in the case of a property for which an application for an advance ruling or, in the absence of such an application, an application for a certificate is filed with the Société de développement des entreprises culturelles in respect of the property after 21 March 2023, the aggregate of

i. an amount equal to 35% of its qualified labour expenditure attributable to preparation costs and digital version publishing costs for the year in respect of the property, and

ii. an amount equal to 35% of its qualified labour expenditure attributable to printing and reprinting costs for the year in respect of the property; and";

(3) by replacing the portion of the fifth paragraph before subparagraph *a* by the following:

"However, where the fourth paragraph applies in respect of a property (other than a property described in any of subparagraphs *a*, *a*.1 and *a*.3 of the first paragraph), it is to be read, in respect of the property, as if "$437,500" were replaced wherever it appears by".

(2) Subsection 1 has effect from 22 March 2023.

110. (1) Section 1029.8.36.0.3.8 of the Act is amended, in the definition of "qualified corporation" in the first paragraph,

(1) by replacing "but for" in paragraph *c* by ", but for";

(2) by adding the following paragraph at the end:

"(*e*) a corporation that holds a qualification certificate in respect of a large investment project, within the meaning of the first paragraph of section 737.18.17.14, or a corporation that is a member of a partnership that holds such a qualification certificate, where the year is included in whole or in part in the period that begins on the date of issue of the qualification certificate and ends on the last day of the tax-free period, within the meaning of that first paragraph, in relation to the large investment project;".

(2) Subsection 1 has effect from 21 March 2023.

111. (1) Section 1029.8.36.0.3.18 of the Act is amended, in the definition of "qualified corporation" in the first paragraph,

(1) by replacing "but for" in paragraph *b* by ", but for";

(2) by adding the following paragraph at the end:

"(*d*) a corporation that holds a qualification certificate in respect of a large investment project, within the meaning of the first paragraph of section 737.18.17.14, or a corporation that is a member of a partnership that holds such a qualification certificate, where the year is included in whole or in part in the period that begins on the date of issue of the initial qualification certificate and ends on the last day of the tax-free period, within the meaning of that first paragraph, in relation to the large investment project;".

(2) Subsection 1 has effect from 21 March 2023.

112. (1) Section 1029.8.36.0.3.79 of the Act is amended by adding the following paragraph at the end of the definition of "excluded corporation" in the first paragraph:

"(*c*) a corporation that holds a qualification certificate in respect of a large investment project, within the meaning of the first paragraph of section 737.18.17.14, or a corporation that is a member of a partnership that holds such a qualification certificate, where the year is included in whole or in part in the period that begins on the date of issue of the initial qualification certificate and ends on the last day of the tax-free period, within the meaning of that first paragraph, in relation to the large investment project;".

(2) Subsection 1 has effect from 21 March 2023.

113. (1) Section 1029.8.36.0.3.88 of the Act is amended by replacing "2023" in the definition of "eligibility period" in the first paragraph and in subparagraph *a* of the second paragraph by "2024".

(2) Subsection 1 has effect from 19 December 2023.

114. (1) Section 1029.8.36.0.3.102 of the Act is amended by replacing "2026" in the portion before paragraph *a* by "2027".

(2) Subsection 1 has effect from 19 December 2023.

115. (1) Section 1029.8.36.0.3.103 of the Act is amended by replacing "2026" in the portion before subparagraph *a* of the first paragraph by "2027".

(2) Subsection 1 has effect from 19 December 2023.

116. (1) Section 1029.8.36.0.3.104 of the Act is amended by replacing "2026" in the portion before subparagraph *a* of the first paragraph by "2027".

(2) Subsection 1 has effect from 19 December 2023.

117. (1) Section 1029.8.36.0.106.7 of the Act is amended by adding the following paragraph at the end of the definition of "qualified corporation" in the first paragraph:

"(*c*) a corporation that holds a qualification certificate in respect of a large investment project, within the meaning of the first paragraph of section 737.18.17.14, or a corporation that is a member of a partnership that holds such a qualification certificate, where the year is included in whole or in part in the period that begins on the date of issue of the qualification certificate and ends on the last day of the tax-free period, within the meaning of that first paragraph, in relation to the large investment project;".

(2) Subsection 1 has effect from 21 March 2023.

118. (1) Section 1029.8.36.0.106.15 of the Act is amended by adding the following paragraph at the end of the definition of "qualified corporation" in the first paragraph:

"(*c*) a corporation that holds a qualification certificate in respect of a large investment project, within the meaning of the first paragraph of section 737.18.17.14, or a corporation that is a member of a partnership that holds such a qualification certificate, where the year is included in whole or in part in the period that begins on the date of issue of the qualification certificate and ends on the last day of the tax-free period, within the meaning of that first paragraph, in relation to the large investment project;".

(2) Subsection 1 has effect from 21 March 2023.

119. (1) Section 1029.8.36.166.60.36 of the Act is amended, in the first paragraph,

(1) by replacing paragraph *e* of the definition of "specified property" by the following paragraph:

“(*e*) the property is not used, or acquired to be used, in the course of carrying on a recognized business in connection with which a large investment project, within the meaning of the first paragraph of section 737.18.17.1, is carried out or is in the process of being carried out;”;

(2) by inserting the following paragraph after paragraph *e* of the definition of “specified property”:

“(*e*.1) the property is not a qualified property, within the meaning of the first paragraph of section 737.18.17.14;”;

(3) by striking out the definition of “large investment project”;

(4) by inserting the following subparagraph after subparagraph xvi of paragraph *a* of the definition of “territory with low economic vitality”:

“xvi.1. Municipalité régionale de comté de Témiscamingue,”.

(2) Paragraphs 1 to 3 of subsection 1 have effect from 21 March 2023.

(3) Paragraph 4 of subsection 1 applies in respect of expenses incurred after 31 March 2023 for the acquisition of a property after that date, unless it is a property acquired pursuant to an obligation in writing entered into on or before 31 March 2023 or the construction of which had begun by that date.

120. Section 1029.8.61.5 of the Act is amended by replacing the portion of the fifth paragraph before subparagraph *a* by the following:

“An eligible individual may be deemed to have paid an amount to the Minister under the first paragraph for a taxation year in respect of an eligible expense only if the eligible individual files with the Minister the prescribed form containing prescribed information and the following documents with the fiscal return filed for the year under section 1000, unless the documents have already been filed with the Minister in connection with an application for advance payments made under section 1029.8.61.6:”.

121. Section 1029.8.61.5.3 of the Act is amended by replacing paragraph *b* by the following paragraph:

“(*b*) section 1029.8.61.5 is, in respect of an eligible expense the amount of which is included in that aggregate because of the application of paragraph *a*, to be read without reference to “the prescribed form containing prescribed information and” in the portion of its fifth paragraph before subparagraph *a* and without reference to subparagraph *a* of that fifth paragraph.”

122. (1) Section 1029.8.61.19.1 of the Act is amended, in subparagraph *a* of the first paragraph,

(1) by replacing the portion before subparagraph i by the following:

"(*a*) for the purpose of computing the amount for the first level, an eligible dependent child to whom subparagraph i of subparagraph *c* of the second paragraph of section 1029.8.61.18 refers is a child described in the first paragraph of section 1029.8.61.19 who is, according to the prescribed rules in the case of a situation described in subparagraph i or ii, in any of the following situations:";

(2) by adding the following subparagraph at the end:

"iii. the child is under two years of age at the beginning of the particular month and

(1) has an established serious chronic disease, without known treatment, and presents both serious, multiple and persistent disabilities, including very severe motor disabilities, and a significant and persistent daily symptomatology requiring multiple complex medical care, or

(2) has a neurogenetic, congenital or metabolic disease, without known treatment, that limits life expectancy to childhood and is associated with a very significant symptomatology from the first months of life due to serious, multiple and persistent disabilities; and".

(2) Subsection 1 applies, for a particular month that is subsequent to the month of June 2024, in respect of an application to obtain or reassess the supplement for handicapped children requiring exceptional care that is filed with Retraite Québec after 30 June 2024, and in respect of an application to obtain such a supplement that is filed with Retraite Québec before 1 July 2024 for which no decision has been rendered before that date.

123. (1) The Act is amended by inserting the following section after section 1029.8.61.19.4:

"**1029.8.61.19.4.1.** For the purposes of subparagraph iii of subparagraph *a* of the first paragraph of section 1029.8.61.19.1, the following rules apply:

(*a*) a child presents very severe motor disabilities only if

i. the child has oral-motor disabilities that entail significant feeding issues, and

ii. the child has global motor abilities that remain lower than those of an average healthy child a quarter of the child's age, despite the application of recommended treatments;

(*b*) the complex medical care required by a significant and persistent daily symptomatology presented by a child is that which

i. is administered on a daily basis and for which the care routine presents a significant burden,

ii. is administered for the child's survival, as it compensates for the dysfunction of an organ or system,

iii. is not frequently administered to children in the child's age group, and

iv. requires specialized equipment or a person to be available at all times to respond to any change in the child's clinical condition; and

(*c*) a disease is considered as limiting life expectancy to childhood if the disease is associated with death occurring before the age of 18 years among the majority of children with this disease, despite optimal care.

In assessing, for the purposes of subparagraph *a* of the first paragraph, the condition of a child born prematurely in relation to the child's development, the child's age is adjusted by subtracting the number of weeks of prematurity, until the age of 36 months."

(2) Subsection 1 applies, for a particular month that is subsequent to the month of June 2024, in respect of an application to obtain or reassess the supplement for handicapped children requiring exceptional care that is filed with Retraite Québec after 30 June 2024, and in respect of an application to obtain such a supplement that is filed with Retraite Québec before 1 July 2024 for which no decision has been rendered before that date.

124. (1) Section 1029.8.61.96.10 of the Act, amended by section 1054 of chapter 34 of the statutes of 2023, is again amended by replacing the definition of "eligible senior relative" in the first paragraph by the following definition:

""eligible senior relative" of an individual means a person who is the father, mother, uncle, aunt, grandfather, grandmother, great-uncle or great-aunt of the individual or of the individual's spouse, or any other direct ascendant of the individual or of the individual's spouse;".

(2) Subsection 1 applies from the taxation year 2020.

125. (1) Section 1029.8.61.96.13 of the Act is replaced by the following section:

"**1029.8.61.96.13.** An individual who is resident in Québec at the end of 31 December of a taxation year and who, during the year, is not dependent upon another individual is deemed to have paid to the Minister, on the individual's balance-due day for that taxation year, on account of the individual's tax payable under this Part for that taxation year, an amount equal to the

aggregate of all amounts each of which is, in respect of each person who has reached 70 years of age before the end of the year or, if the person died in the year, the person had reached that age at the time of the death and who, throughout that person's minimum cohabitation period with the individual for the year, is an eligible senior relative of the individual, an amount of $1,250."

(2) Subsection 1 applies from the taxation year 2020.

126. Section 1029.8.66.1 of the Act is amended by replacing all occurrences of "into a woman", "of a woman" and "into the woman" by "into a woman or person", "of a woman or person" and "into the woman or person", respectively, in the following provisions of the first paragraph:

(1) the portion of the definition of "in vitro fertilization cycle" before paragraph *a*;

(2) subparagraph iv of paragraph *a* of the definition of "in vitro fertilization cycle";

(3) paragraph *b* of the definition of "in vitro fertilization cycle";

(4) subparagraph iii of paragraph *b* of the definition of "eligible expenses";

(5) paragraphs *a* to *c* of the definition of "eligible in vitro fertilization treatment".

127. (1) Section 1029.8.116.16 of the Act is amended

(1) by replacing "$292" in subparagraphs i and ii of subparagraph *a* of the second paragraph by "$329";

(2) by replacing "$139" in subparagraph iii of subparagraph *a* of the second paragraph by "$156";

(3) by replacing "$567" in subparagraph i of subparagraph *b* of the second paragraph by "$677";

(4) by replacing "$687" in subparagraphs 1 and 2 of subparagraph ii of subparagraph *b* of the second paragraph by "$821";

(5) by replacing "$121" in subparagraphs iii and iv of subparagraph *b* of the second paragraph by "$144";

(6) by replacing "$1,719" in subparagraph i of subparagraph *c* of the second paragraph and in the portion of subparagraph ii of that subparagraph *c* before subparagraph 1 by "$1,935";

(7) by replacing "$372" in the portion of subparagraphs iii and iv of subparagraph *c* of the second paragraph before subparagraph 1 by "$418";

(8) by replacing "$34,800" in subparagraph *c* of the third paragraph by "$39,160".

(2) Subsection 1 applies in respect of a payment period that begins after 30 June 2023.

128. (1) Section 1029.8.116.34 of the Act is amended by replacing "$21,105" in subparagraph *b* of the second paragraph by "$23,750".

(2) Subsection 1 applies in respect of a payment period that begins after 30 June 2023.

129. (1) Section 1049.15 of the Act is amended by replacing "Fonds de solidarité des travailleurs du Québec (F.T.Q.)" in the first paragraph by "Fonds de solidarité des travailleurs et des travailleuses du Québec (FTQ)".

(2) Subsection 1 applies from 1 June 2024.

130. (1) The Act is amended by inserting the following Book after section 1079.8.15.1:

"**BOOK X.2.1**

"REPORTING OF UNCERTAIN TAX TREATMENTS

"**TITLE I**

"DEFINITIONS

"**1079.8.15.2.** In this Title, unless the context indicates a different meaning,

"tax treatment" has the meaning assigned by subsection 1 of section 237.5 of the Income Tax Act (Revised Statutes of Canada, 1985, chapter 1, 5th Supplement);

"transaction" includes an arrangement or event;

"uncertain tax treatment" of a corporation for a taxation year means a reportable uncertain tax treatment of the corporation for the year, to which section 237.5 of the Income Tax Act applies.

"**TITLE II**

"REPORTING

"**1079.8.15.3.** A corporation that is liable to pay tax under this Part for a taxation year and required to file for the year an information return in respect of an uncertain tax treatment under subsection 2 of section 237.5 of the Income Tax Act (Revised Statutes of Canada, 1985, chapter 1, 5th Supplement) must,

on or before the corporation's filing-due date for the year, report the uncertain tax treatment in the prescribed form containing prescribed information filed with a copy of the information return and of every document sent to the Minister of National Revenue in respect of the uncertain tax treatment for the year.

"**1079.8.15.4.** A return concerning an uncertain tax treatment that is filed with the Minister by a corporation as required under section 1079.8.15.3 may not be considered to be an admission from the corporation that the tax treatment is not in accordance with this Act or the regulations made under it or that any transaction is part of a series of transactions.

"**TITLE III**

"FAILURE TO REPORT

"**1079.8.15.5.** A corporation that fails to report an uncertain tax treatment as required under section 1079.8.15.3, in relation to a taxation year, incurs a penalty of $100 a day, as of the second day, for every day the omission continues, up to $5,000.

"**1079.8.15.6.** A corporation required to file a return in respect of an uncertain tax treatment does not incur the penalty provided for in section 1079.8.15.5 if the corporation has exercised the degree of care, diligence and skill to prevent the failure to file that a reasonably prudent person would have exercised in the same circumstances.

"**1079.8.15.7.** Where a corporation is required to file a return in respect of an uncertain tax treatment under section 1079.8.15.3 for a taxation year, sections 38 to 40.1 of the Tax Administration Act (chapter A-6.002) apply, with the necessary modifications and without restricting the generality of those sections, for the purpose of permitting the Minister to verify or ascertain any information in respect of the uncertain tax treatment, including any information relating to a transaction, or series of transactions, to which the tax treatment that is an uncertain tax treatment relates.

The first paragraph applies even if a fiscal return has not been filed by the corporation under section 1000 for the taxation year."

(2) Subsection 1, where it enacts Book X.2.1 of Part I of the Act, except section 1079.8.15.5, applies to a taxation year that begins after 31 December 2022. Where it enacts section 1079.8.15.5 of the Act, it applies to a taxation year that begins after 6 May 2024.

131. (1) Section 1079.13.1 of the Act is amended by adding the following paragraph at the end:

"For the purposes of the first paragraph, a tax benefit that results from the application of paragraph *c* of the definition of "tax benefit" in the first paragraph of section 1079.9 is deemed to be nil."

(2) Subsection 1 has effect from 7 April 2022.

132. (1) The heading of Part III.6 of the Act is replaced by the following heading:

"SPECIAL TAX RELATING TO THE FONDS DE SOLIDARITÉ DES TRAVAILLEURS ET DES TRAVAILLEUSES DU QUÉBEC (FTQ)".

(2) Subsection 1 applies from 1 June 2024.

133. (1) Section 1129.24 of the Act is amended by replacing "Fonds de solidarité des travailleurs du Québec (F.T.Q.)" in the definition of "Fund" by "Fonds de solidarité des travailleurs et des travailleuses du Québec (FTQ)".

(2) Subsection 1 applies from 1 June 2024.

ACT RESPECTING THE SECTORAL PARAMETERS OF CERTAIN FISCAL MEASURES

134. (1) Section 1.1 of Schedule E to the Act respecting the sectoral parameters of certain fiscal measures (chapter P-5.1) is amended

(1) by replacing paragraph 7 by the following paragraph:

"(7) the tax holidays relating to the carrying out of a large investment project provided for in sections 737.18.17.1 to 737.18.17.13 of the Taxation Act and sections 33, 34 and 34.1.0.3 to 34.1.0.4 of the Act respecting the Régie de l'assurance maladie du Québec (chapter R-5);";

(2) by adding the following paragraph at the end:

"(9) the new tax holidays relating to a large investment project provided for in sections 737.18.17.14 to 737.18.17.21 of the Taxation Act and sections 33, 34, 34.1.0.5 and 34.1.0.6 of the Act respecting the Régie de l'assurance maladie du Québec."

(2) Subsection 1 has effect from 21 March 2023.

135. (1) Section 8.1 of Schedule E to the Act is amended by replacing ", 34.1.0.3 and 34.1.0.4" in paragraph 2 of the definition of "tax holiday relating to the carrying out of a large investment project" in the first paragraph by "and 34.1.0.3 to 34.1.0.4".

(2) Subsection 1 has effect from 21 March 2023.

136. (1) Section 8.3.1 of Schedule E to the Act is amended by replacing "31 December 2024" in the first paragraph by "21 March 2023".

(2) Subsection 1 has effect from 21 March 2023.

137. (1) Section 8.8 of Schedule E to the Act is amended by adding the following sentence at the end of the first paragraph: "Where the corporation or partnership has elected under section 8.9.1 to use the alternate computation method, the certificate specifies that it made such an election in relation to the project."

(2) Subsection 1 has effect from 21 March 2023.

138. (1) Schedule E to the Act is amended by inserting the following section after section 8.9:

"**8.9.1.** A corporation or a partnership may elect in writing to use the alternate computation method in computing its tax holidays relating to the carrying out of a large investment project, provided for in section 737.18.17.5.1 of the Taxation Act and section 34.1.0.3.1 of the Act respecting the Régie de l'assurance maladie du Québec. Such an election applies to all the corporation's or partnership's investment projects and is irrevocable.

The election must be made with the Minister on or before the date on which the application for a first annual certificate was filed with the Minister in respect of an investment project. If such an application has already been made in respect of all the investment projects for which the corporation or partnership holds an initial qualification certificate, the election may be made on or before 31 December 2024 unless, after that date, the corporation or partnership acquires an investment project and the Minister agrees to the transfer being made to the corporation or partnership, in accordance with the second paragraph of section 8.4.

A corporation or partnership that acquires a particular investment project in accordance with section 8.4 and has not elected to use the alternate computation method in respect of another project may make such an election in relation to the particular project on or before the later of

(1) the date on which it acquired the particular project; and

(2) 31 December 2024."

(2) Subsection 1 has effect from 21 March 2023.

139. (1) Schedule E to the Act is amended by adding the following chapter at the end:

"**CHAPTER X**

"SECTORAL PARAMETERS OF NEW FISCAL MEASURES RELATING TO A LARGE INVESTMENT PROJECT

"**DIVISION I**

"INTERPRETATION AND GENERAL

"**10.1.** In this chapter, unless the context indicates otherwise,

"investment period" of an investment project means the 48-month period that begins on the date specified for that purpose by the Minister in the qualification certificate referred to in the first paragraph of section 10.4 that was issued to a corporation or a partnership in relation to the project;

"new tax holiday relating to a large investment project" means either of the following fiscal measures from which a corporation holding a qualification certificate referred to in the first paragraph of section 10.4, a corporation that is a member of a partnership holding such a qualification certificate or, if the measure is the measure described in paragraph 2, any other person who is a member of such a partnership may benefit:

(1) the fiscal measure provided for in Title VII.2.3.2 of Book IV of Part I of the Taxation Act, under which the corporation may deduct an amount in computing its taxable income for a taxation year; and

(2) the fiscal measure provided for in sections 33, 34, 34.1.0.5 and 34.1.0.6 of the Act respecting the Régie de l'assurance maladie du Québec, which allows the corporation or the other person to obtain a contribution exemption under subparagraph *d*.2 of the sixth paragraph of section 34 of that Act;

"tax-free period" of a corporation or a partnership, in relation to an investment project, means the 10-year period that begins on the date specified for that purpose by the Minister in the first certificate referred to in the second paragraph of section 10.4 that is issued to the corporation or partnership in respect of the project.

"**10.2.** For the purposes of this Act and despite sections 1175.28.15 and 1175.28.17 of the Taxation Act, every person who is a member of a partnership holding the qualification certificate referred to in the first paragraph of section 10.4 is considered to be the person benefiting from or availing himself, herself or itself of the fiscal measure described in paragraph 2 of the definition of "new tax holiday relating to a large investment project" in section 10.1, according to the agreed proportion in respect of the person for the partnership's fiscal period that ends in the person's taxation year for which the measure applies.

“**10.3.** The Minister may suspend the investment period of an investment project if the Minister is of the opinion that the corporation or partnership, as the case may be, may not begin or continue the activities arising from the carrying out of the project without having obtained an authorization from the Gouvernement du Québec or the Government of Canada, one of their ministers or bodies, or a municipality in Québec, and that the circumstances so warrant. The Minister must notify the corporation or partnership of the date on which the suspension begins and of the date from which the investment period begins to run again.

“**10.4.** To benefit from a new tax holiday relating to a large investment project, in respect of an investment project, a corporation or, if it claims the new tax holiday as a member of a partnership, the partnership must obtain a qualification certificate in respect of the project (in this chapter referred to as an “initial qualification certificate”) from the Minister.

In addition, the corporation or partnership must, for that purpose, obtain a certificate in respect of the investment project (in this chapter referred to as an “annual certificate”) from the Minister. Such a certificate must be obtained, as applicable, for each taxation year in which the corporation intends to claim, in respect of the project, a new tax holiday relating to a large investment project, or for each fiscal period of the partnership that ends in such a taxation year, provided that the year or fiscal period is included in whole or in part in the corporation’s or partnership’s tax-free period in relation to the project.

The documents referred to in the first and second paragraphs that are obtained by a partnership are also required in order for a person, other than a corporation, who is a member of the partnership to avail himself, herself or itself of the fiscal measure referred to in paragraph 2 of the definition of “new tax holiday relating to a large investment project” in section 10.1.

“**10.5.** An application for an initial qualification certificate in respect of an investment project must, subject to subparagraph 4 of the first paragraph of section 10.7, be filed with the Minister before the investment project begins to be carried out and on or before 31 December 2029.

The particular time at which the total capital investments attributable to the carrying out of a project, determined in accordance with section 10.11, exceed $1,000,000 is considered to be the beginning of the carrying out of the project.

“**10.6.** An application for an annual certificate in respect of an investment project must be filed with the Minister within 15 months after the end of the taxation year or fiscal period for which it is made.

However, if the Minister considers that the circumstances so warrant, the Minister may grant such an application despite the expiry of that time limit, provided the application is filed on or before the last day of the 18th month following the end of the taxation year or fiscal period concerned.

The corporation or partnership must, regarding the issue of a first annual certificate in respect of an investment project, include with its application a report from an independent auditor certifying

(1) the total capital investments attributable to the carrying out of the project, determined in accordance with section 10.11, at the end of the taxation year or fiscal period;

(2) a breakdown of those capital investments according to where the acquired property is intended to be used primarily;

(3) the total amount of government assistance or non-government assistance, within the meaning assigned to those expressions by the first paragraph of section 1029.6.0.0.1 of the Taxation Act, that is attributable to a capital investment referred to in subparagraph 1 and that, on or before the time of the application, the corporation, the partnership or any of its members has received, is entitled to receive or may reasonably expect to receive; and

(4) any other information prescribed by the Minister.

The Minister may not issue an annual certificate to a corporation or a partnership in respect of an investment project for a particular taxation year or fiscal period unless, at the time the annual certificate is to be issued, the initial qualification certificate that the corporation or partnership, as the case may be, holds in relation to the project is still valid.

If, at a particular time, the Minister revokes the initial qualification certificate issued to a corporation or a partnership in respect of an investment project, any annual certificate issued to the corporation or partnership in respect of the project for a taxation year or fiscal period that is subsequent to the taxation year or fiscal period that includes the effective date of the revocation is deemed to be revoked by the Minister at that time. In such a case, the effective date of the deemed revocation is the date of coming into force of the certificate that is deemed to be revoked. The annual certificate issued in respect of the project for the second-mentioned taxation year or fiscal period is also deemed to be revoked by the Minister at that time, except that the effective date of the deemed revocation is the date specified in the notice of revocation of the initial qualification certificate.

“**10.7.** Where, at any time in a particular taxation year or fiscal period, a corporation or a partnership acquires from another corporation or partnership (in this section referred to as the “transferee” and the “transferor”, respectively) all or substantially all of the part that is carried on in Québec of the business in connection with which are carried on activities arising from the carrying out of an investment project that has been referred to in a first annual certificate and in respect of which the transferor holds a valid initial qualification certificate and where, for the purposes of this chapter, the Minister agrees to the transfer of the activities to the transferee, the following rules apply:

(1) the initial qualification certificate issued to the transferor is deemed to be revoked from that time;

(2) the annual certificate that, if applicable, was issued to the transferor in respect of the project, for the particular year or fiscal period, is also deemed to be revoked from that time;

(3) the first annual certificate issued or deemed, because of the application of this subparagraph, to have been issued to the transferor in respect of the project is, for the purposes of the definition of "tax-free period" in section 10.1 and of the first paragraph of section 10.11, deemed to have been issued to the transferee; and

(4) the Minister must issue an initial qualification certificate to the transferee in respect of the project, which comes into force at that time.

The Minister may agree to the transfer of the activities arising from the carrying out of the investment project to the transferee if the transferee undertakes to continue in Québec the carrying out of all or substantially all of the project as submitted to and approved by the Minister at the time of the transfer.

If the Minister issued a particular initial qualification certificate to a transferee under subparagraph 4 of the first paragraph in relation to the acquisition (in this paragraph referred to as the "particular acquisition") by the transferee, at any time, of all or substantially all of the part that is carried on in Québec of the particular business in connection with which activities arising from the carrying out of the investment project in respect of which that qualification certificate was issued are carried on and if, at a time subsequent to the time of the particular acquisition, the Minister revokes or is deemed, because of the application of this paragraph, to have revoked the initial qualification certificate that was issued to the transferor involved in the particular acquisition in respect of that project, the particular qualification certificate is also deemed to have been revoked by the Minister at that subsequent time. The effective date of the deemed revocation is the date of coming into force of the particular qualification certificate.

"**DIVISION II**

"INITIAL QUALIFICATION CERTIFICATE

"**10.8.** An initial qualification certificate issued to a corporation or a partnership, as the case may be, states that the investment project referred to in it will likely be recognized as a large investment project. The Minister also enters the date of the beginning of the investment period of the project in the qualification certificate.

The date of the beginning of the investment period of a project is the date elected by the corporation or partnership in its application for an initial qualification certificate, provided the date is included in the 12-month period

after the application was filed. If the election is not made, or if the elected date is not included in the prescribed period, the Minister sets the date within that period.

Where the qualification certificate is issued under subparagraph 4 of the first paragraph of section 10.7, it also specifies that the Minister authorizes the transfer of the activities arising from the carrying out of the investment project to the corporation or partnership and states both the date of the beginning of the tax-free period in relation to the project that is mentioned in the first annual certificate that was obtained in its respect and that is deemed to have been issued to the corporation or partnership under subparagraph 3 of the first paragraph of that section and the date of the beginning of the investment period that is mentioned in the initial qualification certificate that was issued in respect of the project to the other corporation or partnership that transferred its activities to the corporation or partnership.

"**10.9.** The Minister issues an initial qualification certificate in respect of an investment project to a corporation or a partnership if

(1) the project is to be carried out after 21 March 2023 and the corporation or partnership shows, to the Minister's satisfaction, that the activities arising from the project will be carried on in Québec;

(2) the project concerns activities that are not part of the excluded sectors of activity; and

(3) the corporation or partnership shows, to the Minister's satisfaction, that it is likely that, as a result of the carrying out of the project, at or before the end of the investment period of the project, the total capital investments attributable to its carrying out, determined in accordance with section 10.11, will be at least $100,000,000.

"**10.10.** The following sectors are excluded sectors of activity:

(1) the mining, quarrying, and oil and gas extraction sector described under code 21 of the North American Industry Classification System (NAICS) Canada, as amended from time to time and published by Statistics Canada, such a code being in this section referred to as a "NAICS code", except for the extraction of critical and strategic minerals;

(2) the utilities sector described under NAICS code 22;

(3) the construction sector described under NAICS code 23;

(4) the tobacco manufacturing sector described under NAICS code 3122;

(5) the petroleum and coal product manufacturing sector described under NAICS code 3241;

(6) the alumina and aluminum production and processing sector described under NAICS code 3313;

(7) the cigarette and tobacco product merchant wholesalers sector described under NAICS code 4133;

(8) the gasoline stations and fuel vendors sector described under NAICS code 457;

(9) the pipeline transportation sector described under NAICS code 486;

(10) the motion picture and video industries sector described under NAICS code 5121;

(11) the broadcasting and content providers sector described under NAICS code 516;

(12) the computing infrastructure providers, data processing, web hosting, and related services sector described under NAICS code 518;

(13) the finance and insurance sector described under NAICS code 52;

(14) the real estate and rental and leasing sector described under NAICS code 53;

(15) the advertising, public relations, and related services sector described under NAICS code 5418;

(16) the holding companies sector described under NAICS code 551113;

(17) the educational services sector described under NAICS code 61;

(18) the health care and social assistance sector described under NAICS code 62;

(19) the spectator sports sector described under NAICS code 71121;

(20) the gambling industries sector described under NAICS code 7132;

(21) the accommodation and food services sector described under NAICS code 72;

(22) the religious, grant-making, civic, and professional and similar organizations sector described under NAICS code 813; and

(23) the public administration sector described under NAICS code 91.

Activities reasonably attributable to the hosting, production or sharing of content encouraging violence or sexism, racism or any other form of discrimination, supporting an illegal activity or comprising explicit sex scenes

or graphic representations of such scenes, are deemed to be part of an excluded sector.

Antimony, bismuth, cadmium, cesium, copper, gallium, indium, tellurium, tin and zinc are considered to be critical minerals.

Cobalt, graphite (natural), lithium, magnesium, nickel, niobium, platinum group elements, rare earth elements, scandium, tantalum, titanium and vanadium are considered to be strategic minerals.

"**10.11** The total capital investments attributable to the carrying out of a corporation's or a partnership's investment project, at a particular time, correspond to the aggregate of the expenditures of a capital nature incurred, from the beginning of the investment period of the project until that time, to obtain the property required for the carrying out of the investment project.

To be taken into account in computing the total capital investments, an expenditure of a capital nature must be incurred in respect of a property that

(1) is included in a depreciation class listed in Schedule B to the Regulation respecting the Taxation Act (chapter I-3, r. 1);

(2) before its acquisition, was not used for any purpose or acquired to be used or leased for any purpose whatsoever; and

(3) was not acquired in replacement of a property the capital cost of which was taken into consideration in computing that total.

In addition, an expenditure of a capital nature must be subtracted from the total capital investments attributable to the carrying out of an investment project, if the property for whose acquisition the expenditure was incurred ceases to be used primarily in Québec in connection with activities arising from the carrying out of the project before the end of the period of 730 days following the beginning of its use. This rule does not apply if the cessation of use arises from the loss or involuntary destruction of the property by fire, theft or water, or a major breakdown of the property.

However, in computing the total capital investments attributable to the carrying out of an investment project of a corporation or a partnership, the following expenditures are not taken into account:

(1) expenditures incurred with a person with whom the corporation or a corporation that is a member of the partnership is not dealing at arm's length;

(2) financing expenses, including borrowing costs; and

(3) labour expenditures, other than those related to the installation of a property.

For the purposes of subparagraph 3 of the fourth paragraph, a labour expenditure means the salaries or wages incurred in respect of an employee of the corporation or partnership and the consideration incurred for services rendered to the corporation or partnership by a third person.

"**DIVISION III**

"ANNUAL CERTIFICATE

"**10.12** An annual certificate issued to a corporation or a partnership in respect of an investment project certifies that the corporation or partnership is continuing, in the taxation year or fiscal period, as the case may be, for which the application for the certificate is made, to carry out the investment project in respect of which an initial qualification certificate was issued to it. The certificate also confirms that the project is recognized for the year or fiscal period as a large investment project.

In the first annual certificate issued in respect of an investment project, the Minister specifies the date of the beginning of the corporation's or partnership's tax-free period in relation to the project, the total capital investments attributable to its carrying out, determined in accordance with section 10.11, and a breakdown of those expenditures according to where the property that has been or will be acquired is intended to be used primarily.

The date of the beginning of the tax-free period is the date elected by the corporation or partnership in accordance with the fourth paragraph or, if such an election has not been so made, the date of the end of the investment period of the project.

The corporation or partnership elects the date of the beginning of its tax-free period, in relation to the investment project, by entering it in its application for a first annual certificate in respect of the project. The election is only valid if the date is included in the period that begins on the day on which the total capital investments attributable to the carrying out of the project are, for the first time, equal to or greater than $100,000,000 and that ends at the end of the investment period of the project.

"**10.13.** An annual certificate in respect of an investment project may be issued, for a particular taxation year or fiscal period, to a corporation or a partnership, as the case may be, if

(1) the activities arising from the project are carried on in Québec; and

(2) subject to the third paragraph, the total capital investments attributable to the carrying out of the project, at any time in the particular year or fiscal period, are at least $100,000,000.

The Minister may not issue an annual certificate to a corporation or a partnership, in respect of an investment project, for a taxation year or fiscal period that is subsequent to the investment period of the project unless the total capital investments attributable to the carrying out of the project have reached at least, at or before the end of that period, $100,000,000. In addition, the Minister may issue an annual certificate in respect of an investment project only for a taxation year or fiscal period that is included in whole or in part in the corporation's or partnership's tax-free period in relation to the project.

In addition, where a corporation's taxation year or a partnership's fiscal period is included only in part in the investment period of a project, the first annual certificate, in relation to the investment project, may be issued for the year or fiscal period, as the case may be, only if the requirement of subparagraph 2 of the first paragraph is met for that part of the year or fiscal period. The same applies where an annual certificate is to be issued for a taxation year or fiscal period that is included only in part in the corporation's or partnership's tax-free period, in relation to the investment project.

"**10.14.** Where, at a particular time, the first annual certificate that was issued to a corporation or a partnership, as the case may be, for a particular taxation year or fiscal period in respect of an investment project is revoked by the Minister, the following rules apply:

(1) the certificate is deemed never to have been issued;

(2) subject to the first sentence of the second paragraph of section 10.13, the Minister may, for a taxation year or fiscal period that is subsequent to the particular year or fiscal period, issue a first annual certificate to the corporation or partnership in respect of the project or amend an annual certificate that the Minister has already issued to it so that that certificate becomes the corporation's or partnership's first annual certificate if, for that subsequent year or fiscal period, the project meets the requirements of the first paragraph of section 10.13; and

(3) any other annual certificate issued to the corporation or partnership in respect of the project for any taxation year or fiscal period, unless subsequent to the year or fiscal period for which any certificate referred to in subparagraph 2 was issued, is deemed to be revoked by the Minister at that particular time.

The effective date of the deemed revocation under subparagraph 3 of the first paragraph is the date of coming into force of the annual certificate that is deemed to be revoked."

(2) Subsection 1 applies in respect of an investment project for which an application for a qualification certificate is filed after 21 March 2023.

140. (1) Section 3.1 of Schedule H to the Act is amended by inserting the following definition in alphabetical order in the first paragraph:

"“aggregator” means a person or a partnership that carries on a business whose activities consist in preparing files for distribution on online video services, in particular reformatting, encoding and uploading files;”.

(2) Subsection 1 has effect from 22 March 2023.

141. (1) Section 3.7 of Schedule H to the Act is amended by replacing subparagraph 3 of the second paragraph by the following subparagraph:

“(3) at least 75% of the production costs incurred in respect of the Québec part of the film or, in the case of a serial film, in respect of the Québec part of all the episodes, other than the costs related to financing the film or to stock footage, is paid to individuals who were resident in Québec at the end of the calendar year (in this section referred to as the “particular year”) that precedes the year in which the application for a favourable advance ruling or a qualification certificate was filed in respect of the film, or to corporations or partnerships that had an establishment in Québec during the taxation year of the corporation in which the application was filed; and”.

(2) Subsection 1 applies in respect of a film for which an application for an advance ruling or, in the absence of such an application, an application for a qualification certificate is filed with the Société de développement des entreprises culturelles after 21 March 2023.

142. (1) Section 3.10 of Schedule H to the Act is amended by replacing subparagraph *b* of subparagraph 2.1 of the first paragraph by the following subparagraph:

“(*b*) in the case of an eligible online video service by another provider, there must be an undertaking by a holder of a general distributor’s licence to exploit the film in Québec and an undertaking by the provider or an aggregator to that holder to make the film accessible in Québec through the eligible online video service;”.

(2) Subsection 1 applies in respect of a film for which an application for an advance ruling or, in the absence of such an application, an application for a qualification certificate is filed with the Société de développement des entreprises culturelles after 21 March 2023.

143. (1) Section 3.13 of Schedule H to the Act is amended, in the first paragraph,

(1) by replacing subparagraph *b* of subparagraph 1 by the following subparagraph:

"(*b*) at least 75% of the amount that is the total production costs incurred by the corporation referred to in the first paragraph of section 3.2 in respect of the film, excluding the costs listed in subparagraph *a*, the remuneration of the producer and of the creative personnel listed in the second paragraph of section 3.12 and the costs related to financing the film or to stock footage, is paid to individuals who were resident in Québec at the end of the calendar year (in the second paragraph referred to as the "particular year") that precedes the year in which the application for a favourable advance ruling or a qualification certificate was filed in respect of the film, or to corporations or partnerships that had an establishment in Québec during the taxation year of the corporation in which the application was filed; and";

(2) by replacing subparagraph 2 by the following subparagraph:

"(2) in the case of a film with a running time of less than 75 minutes, at least 75% of the amount that is the total production costs incurred by the corporation referred to in the first paragraph of section 3.2 in respect of the film, other than the costs related to financing the film or to stock footage, is paid to individuals who were resident in Québec at the end of the calendar year (in the second paragraph referred to as the "particular year") that precedes the year in which the application for a favourable advance ruling or a qualification certificate was filed in respect of the film, or to corporations or partnerships that had an establishment in Québec during the taxation year of the corporation in which the application was filed."

(2) Subsection 1 applies in respect of a film for which an application for an advance ruling or, in the absence of such an application, an application for a qualification certificate is filed with the Société de développement des entreprises culturelles after 21 March 2023.

ACT RESPECTING THE RÉGIE DE L'ASSURANCE MALADIE DU QUÉBEC

144. (1) Section 33 of the Act respecting the Régie de l'assurance maladie du Québec (chapter R-5) is amended

(1) by inserting the following definitions in alphabetical order in the first paragraph:

""certificate" for a taxation year or fiscal period of an employer, in relation to a large investment project, within the meaning of paragraph *a* of the definition of that expression, means the certificate that, for the purposes of this section and sections 34 and 34.1.0.3 to 34.1.0.4, is issued by the Minister of Finance,

in relation to the large investment project, for the taxation year or fiscal period, as the case may be;

"“computation method election” applicable to an employer's taxation year or fiscal period, in relation to a large investment project, within the meaning of paragraph *a* of the definition of that expression, means the election that the employer makes in relation to the large investment project and to which subparagraph ii of subparagraph *d*.1 of the sixth paragraph of section 34 refers for that year or fiscal period, as the case may be;";

(2) by replacing the definitions of "date of the beginning of the tax-free period" and "date of the end of the start-up period" in the first paragraph by the following definitions:

"“date of the beginning of the tax-free period” in respect of a large investment project of an employer means

(*a*) in the case of a large investment project within the meaning of paragraph *a* of the definition of that expression, the date that is specified as such in the first certificate, in relation to the large investment project, or in the qualification certificate issued to the employer, in relation to the project, where the employer acquired all or substantially all of the recognized business in relation to the project and where the Minister of Finance authorized the transfer of the carrying out of the project to the employer, according to the qualification certificate; or

(*b*) in the case of a large investment project within the meaning of paragraph *b* of the definition of that expression, the date of the beginning of the tax-free period within the meaning of section 737.18.17.14 of the Taxation Act, in relation to the large investment project;

"“date of the end of the start-up period” of a large investment project of an employer, within the meaning of paragraph *a* of the definition of that expression, means the date that is specified as such in the first certificate, in relation to the large investment project, or in the qualification certificate issued to the employer, in relation to the project, where the employer acquired all or substantially all of the recognized business in relation to the project and where the Minister of Finance authorized the transfer of the carrying out of the project to the employer, according to the qualification certificate;";

(3) by replacing the definition of "last day of the tax-free period" in the first paragraph by the following definition:

"“last day of the tax-free period” in respect of a large investment project means

(*a*) in the case of a large investment project within the meaning of paragraph *a* of the definition of that expression, the last day of the 15-year period that begins on the date of the beginning of the tax-free period in respect of the project; or

(*b*) in the case of a large investment project within the meaning of paragraph *b* of the definition of that expression, the last day of the tax-free period, within the meaning of section 737.18.17.14 of the Taxation Act, in relation to the large investment project;";

(4) by replacing the definition of "recognized business" in the first paragraph by the following definition:

""recognized business" of an employer, in relation to a large investment project, within the meaning of paragraph *a* of the definition of that expression, means a business carried on in Québec by the employer, in connection with which the large investment project was carried out or is in the process of being carried out and in respect of which, unless the employer made a computation method election in relation to the project, the employer keeps separate accounts in relation to the eligible activities that are carried on in the course of carrying on the business and that arise from the project;";

(5) by replacing the definition of "large investment project" in the first paragraph by the following definition:

""large investment project" of an employer means

(*a*) for the purpose of applying subparagraph *d*.1 of the sixth paragraph of section 34 and sections 34.1.0.3 to 34.1.0.4, an investment project in respect of which a qualification certificate has been issued to the employer by the Minister of Finance for that purpose; or

(*b*) for the purpose of applying subparagraph *d*.2 of the sixth paragraph of section 34 and sections 34.1.0.5 and 34.1.0.6, an investment project in respect of which a qualification certificate has been issued to the employer by the Minister of Finance for that purpose;";

(6) by inserting the following definitions in alphabetical order in the first paragraph:

""maximum annual contribution exemption amount" of an employer for a taxation year or fiscal period, in relation to a large investment project, means

(*a*) in the case of a large investment project within the meaning of paragraph *a* of the definition of that expression, the amount determined, for the year or fiscal period, as the case may be, in respect of the large investment project, by the formula in the second paragraph of section 34.1.0.3.1; or

(*b*) in the case of a large investment project within the meaning of paragraph *b* of the definition of that expression, the amount determined, for the year or fiscal period, as the case may be, in respect of the large investment project, by the formula in the second paragraph of section 34.1.0.5;

““maximum annual tax exemption amount” of an employer for a taxation year, in relation to a large investment project, means

(*a*) in the case of a large investment project within the meaning of paragraph *a* of the definition of that expression, the amount determined for the year, in respect of the large investment project, by the formula in subparagraph i of subparagraph *b* of the second paragraph of section 737.18.17.5.1, where the project is an employer’s project, or in subparagraph ii of that subparagraph *b*, where the project is that of a partnership of which the employer is a member at the end of the partnership’s fiscal period that ends in that year; or

(*b*) in the case of a large investment project within the meaning of paragraph *b* of the definition of that expression, the amount determined for the year, in respect of the large investment project, by the formula in subparagraph i of subparagraph *b* of the first paragraph of section 737.18.17.18, where the project is the employer’s project, or in subparagraph ii of that subparagraph *b*, where the project is that of a partnership of which the employer is a member at the end of the partnership’s fiscal period that ends in that year;”;

(7) by replacing the definition of “tax-free period” in the first paragraph by the following definition:

““tax-free period” in respect of a large investment project means

(*a*) in the case of a large investment project within the meaning of paragraph *a* of the definition of that expression, a tax-free period within the meaning of Chapter I of Title VII.2.3.1 of Book IV of Part I of the Taxation Act; or

(*b*) in the case of a large investment project within the meaning of paragraph *b* of the definition of that expression, a tax-free period within the meaning of section 737.18.17.14 of the Taxation Act, in relation to the large investment project;”;

(8) by inserting the following definition in alphabetical order in the first paragraph:

““investment period” means an investment period within the meaning of section 737.18.17.14 of the Taxation Act;”;

(9) by inserting the following definitions in alphabetical order in the first paragraph:

““cumulative total eligible expenses” of an employer at the end of a particular taxation year or fiscal period, in respect of a large investment project, within the meaning of paragraph *b* of the definition of that expression, means the cumulative total eligible expenses of the employer within the meaning of section 737.18.17.14 of the Taxation Act, in relation to the large investment project;

““qualified corporation” for a taxation year means a qualified corporation for the year, within the meaning of section 737.18.17.14 of the Taxation Act, that holds a certificate which, for the purposes of this section and sections 34, 34.1.0.5 and 34.1.0.6, is issued by the Minister of Finance for the year in relation to a large investment project, within the meaning of paragraph *b* of the definition of that expression;

““qualified partnership” for a fiscal period means a qualified partnership for the fiscal period, within the meaning of section 737.18.17.14 of the Taxation Act, that holds a certificate which, for the purposes of this section and sections 34, 34.1.0.5 and 34.1.0.6, is issued by the Minister of Finance for the fiscal period in relation to a large investment project, within the meaning of paragraph *b* of the definition of that expression;

““total eligible expenses” at a particular time, in relation to a large investment project, within the meaning of paragraph *b* of the definition of that expression, means total eligible expenses, within the meaning of section 737.18.17.14 of the Taxation Act, in relation to the large investment project;”;

(10) by replacing the definition of “total qualified capital investments” in the first paragraph by the following definition:

““total qualified capital investments” in relation to a large investment project, within the meaning of paragraph *a* of the definition of that expression, means total qualified capital investments, within the meaning of section 737.18.17.1 of the Taxation Act, in relation to the large investment project;”;

(11) by replacing the fifth, sixth and seventh paragraphs by the following paragraphs:

“The expression “eligible activities”, where it applies in relation to a large investment project, within the meaning of paragraph *a* of the definition of that expression in the first paragraph, that concerns the development of a digital platform, only includes activities relating to the maintenance and upgrade of the digital platform components, activities relating to the supply of support and client services, provided that those services concern only the use of the platform, and other similar activities relating to its use, excluding activities that consist in developing the platform.

In this division, the tax assistance limit in relation to a large investment project, within the meaning of paragraph *a* of the definition of that expression in the first paragraph, is determined in accordance with section 737.18.17.8 of the Taxation Act where the tax assistance limit is that of an employer that is a corporation and section 34.1.0.4 where the tax assistance limit is that of an employer that is a partnership.

In this division, two large investment projects, within the meaning of paragraph *a* of the definition of that expression in the first paragraph, that are covered by the same qualification certificate are deemed to be a single large investment project (referred to as a “deemed large investment project”), except

as regards the determination, in respect of each project, of the total qualified capital investments of the employer carrying out the projects, the date of the beginning of the tax-free period and the last day of the tax-free period, and this rule applies throughout the particular period that begins on the date of the beginning of the tax-free period in respect of the large investment project that began first (referred to as the "first large investment project") and that ends on the last day of the tax-free period in respect of the other large investment project (referred to as the "second large investment project").";

(12) by inserting the following paragraph after the seventh paragraph:

"Where an employer has made a computation method election that is applicable to a particular taxation year or fiscal period, in relation to a large investment project, within the meaning of paragraph *a* of the definition of that expression in the first paragraph, such an election is deemed to have been made, for the purposes of this division, in respect of all its other large investment projects; for that purpose, a certificate issued for that year or fiscal period, as the case may be, in relation to another large investment project, within the meaning of that paragraph *a*, is deemed, for the purposes of subparagraph ii of subparagraph *d*.1 of the sixth paragraph of section 34, to certify that such an election was made by the employer."

(2) Subsection 1 has effect from 21 March 2023.

145. (1) Section 33.0.2 of the Act is amended by replacing the portion before subparagraph *a* of the first paragraph by the following:

"**33.0.2.** For the purposes of the definition of "total payroll" in the first paragraph of section 33, this section and sections 33.0.3, 33.0.4 and 34.1.0.3 to 34.1.0.6, the following rules must be taken into consideration:".

(2) Subsection 1 has effect from 21 March 2023.

146. (1) Section 34 of the Act is amended

(1) by replacing subparagraph *d*.1 of the sixth paragraph by the following subparagraph:

"(*d*.1) if an employer carries out, in a taxation year or fiscal period, a large investment project and encloses the prescribed form containing prescribed information with the information return referred to in section 3 of the Regulation respecting contributions to the Québec Health Insurance Plan (chapter R-5, r. 1) that the employer is required to file for the year that includes, at least in part, the taxation year or fiscal period,

i. except where subparagraph ii applies and subject to section 34.1.0.3, in respect of the wages that are paid or deemed to be paid to an employee in respect of the part of the employee's working time devoted exclusively to eligible activities of the employer, in relation to the large investment project, other than construction, expansion or modernization activities in respect of an

immovable where that project will be carried out, and that are paid or deemed to be paid for a pay period comprised in a tax-free period of the employer, for the taxation year or fiscal period, as the case may be, in relation to the project, or

ii. subject to section 34.1.0.3.1, in respect of the wages paid or deemed to be paid to an employee for a pay period comprised in a tax-free period of the employer, for the taxation year or fiscal period, as the case may be, in relation to the large investment project, to the extent that they are not in respect of the part of the employee's working time devoted to construction, expansion or modernization activities in respect of an immovable where that project will be carried out, if the certificate that was issued for the taxation year or fiscal period, in relation to the project, certifies that the employer elected to use the alternate computation method provided for in section 34.1.0.3.1;";

(2) by inserting the following subparagraph after subparagraph *d*.1 of the sixth paragraph:

"(*d*.2) subject to section 34.1.0.5, in respect of the wages paid or deemed to be paid by an employer that is a qualified corporation or a qualified partnership, in relation to a large investment project of the employer, if the wages are paid or deemed to be paid to an employee for a pay period comprised in a tax-free period of the employer, for a taxation year or fiscal period, as the case may be, in relation to the project, to the extent that they are not referred to in subparagraph *d*.1 and are not in respect of the part of the employee's working time devoted to construction, expansion or modernization activities in respect of an immovable where that project will be carried out and if the employer encloses the prescribed form containing prescribed information with the information return referred to in section 3 of the Regulation respecting contributions to the Québec Health Insurance Plan that the employer is required to file for the year that includes, at least in part, the taxation year or fiscal period; and";

(3) by replacing the portion of the eighth paragraph before subparagraph *a* by the following:

"For the purposes of subparagraphs *d*.1 and *d*.2 of the sixth paragraph, the following rules must, where applicable, be taken into consideration:";

(4) by replacing the portion of subparagraph *c* of the eighth paragraph before subparagraph i by the following:

"(*c*) the wages paid or deemed to be paid to an employee in respect of the part of the employee's working time devoted to eligible activities of an employer referred to in subparagraph i of that subparagraph *d*.1, in relation to a deemed large investment project of the employer within the meaning of the seventh paragraph of section 33, for a pay period that ends after the last day of the tax-free period in respect of the first large investment project (in this section referred to as the "particular day") is deemed to be equal to either".

(2) Subsection 1 has effect from 21 March 2023.

147. (1) Section 34.1.0.3 of the Act is amended by inserting “subparagraph i of” after “under” in the first paragraph.

(2) Subsection 1 has effect from 21 March 2023.

148. (1) The Act is amended by inserting the following section after section 34.1.0.3:

“**34.1.0.3.1.** The aggregate of all amounts each of which is a contribution that, under subparagraph ii of subparagraph *d*.1 of the sixth paragraph of section 34, is not payable by an employer for a particular taxation year or fiscal period may not exceed the employer’s contribution holiday amount for the particular taxation year or fiscal period, as the case may be, in respect of one or more large investment projects of the employer that are referred to in that subparagraph *d*.1.

For the purposes of this section, an employer’s contribution holiday amount for a particular taxation year or fiscal period, in respect of one or more large investment projects of the employer, is equal to the aggregate of all amounts each of which is an amount that, for the particular taxation year or fiscal period, as the case may be, in relation to any of those large investment projects, is determined by the formula

$(A \times B/C) - D$.

In the formula in the second paragraph,

(*a*) A is the unused portion of the employer’s tax assistance limit, for the particular taxation year or fiscal period, in relation to the large investment project, that is determined under the fourth paragraph;

(*b*) B is the number of days in the period that begins on the first day of the employer’s first taxation year, or first fiscal period, to which the computation method election applies, in relation to the large investment project, or, if it is later, on the date of the beginning of the tax-free period in respect of the project, and that ends on the earlier of

i. the last day of the particular taxation year or fiscal period, and

ii. the last day of the tax-free period in respect of the large investment project;

(*c*) C is the number of days in the period that begins on the first day of the employer’s first taxation year, or first fiscal period, to which the computation method election applies, in relation to the large investment project, or, if it is later, on the date of the beginning of the tax-free period in respect of the project, and that ends on the last day of the tax-free period in respect of the project; and

(*d*) D is the cumulative value of the employer's tax assistance for the particular taxation year or fiscal period, in respect of the large investment project, that is determined under the fifth paragraph.

The unused portion of an employer's tax assistance limit for a particular taxation year or fiscal period, in relation to a large investment project, is, subject to the eighth paragraph, either the amount (in this paragraph referred to as the "particular amount") that would be the balance of the employer's tax assistance limit in respect of the large investment project, determined in accordance with the third paragraph of section 34.1.0.3, for its first taxation year or its first fiscal period to which the computation method election in relation to the project applies (in this paragraph referred to, as the case may be, as the "first year" or "first period"), if the employer had not made such an election and if, as the case may be, subparagraph i of subparagraph *a* or subparagraph ii of subparagraph *b* of that third paragraph were read without reference to "the particular taxation year or" or "the particular fiscal period or", or, in the case of a deemed large investment project within the meaning of the seventh paragraph of section 33, where the first year or first period is not later than the taxation year or fiscal period, as the case may be, that includes the date of the beginning of the tax-free period in respect of the second large investment project and where the particular taxation year or fiscal period is not the first year or first period and is referred to in subparagraph *a* or *b*, whichever of the following amounts is applicable:

(*a*) where the particular taxation year or fiscal period begins before the date of the beginning of the tax-free period in respect of the second large investment project and ends on that date or later, the total of the particular amount and the amount determined by the formula

$E \times F$;

(*b*) where the particular taxation year or fiscal period begins on the date of the beginning of the tax-free period in respect of the second large investment project or later, the total of the particular amount and the employer's tax assistance limit in relation to that second large project.

The cumulative value of an employer's tax assistance, for a particular taxation year or fiscal period, in respect of a large investment project of the employer, is equal to

(*a*) where the employer is a corporation, the aggregate of

i. the aggregate of all amounts each of which is, in respect of the large investment project, for the taxation year or a preceding taxation year to which the computation method election in relation to the project applies, equal to the amount determined by the formula

$G \times H \times I$,

ii. the aggregate of all amounts each of which is, in respect of the large investment project, for a preceding taxation year to which the computation method election in relation to the project applies, equal to the amount determined by the formula

$J \times K$,

iii. where, at any time in the particular taxation year, the employer transfers its recognized business in relation to the large investment project to another corporation or a partnership, the amount that was transferred to the other corporation or the partnership pursuant to the agreement referred to in section 737.18.17.12 of the Taxation Act (chapter I-3) in respect of the transfer, and

iv. in the case of a deemed large investment project within the meaning of the seventh paragraph of section 33, either of the following amounts, if any:

(1) where the particular taxation year includes the last day of the tax-free period in respect of the first large investment project and ends after that day, the amount determined by the formula

$L - [(L \times M) + (E \times N)]$, or

(2) where the particular taxation year is subsequent to the year that includes the last day of the tax-free period in respect of the first large investment project, the amount determined by the formula

$L - E$; or

(*b*) where the employer is a partnership, the aggregate of

i. the aggregate of all amounts each of which is, in respect of the large investment project, for a preceding fiscal period to which the computation method election in relation to the project applies, equal to the amount determined by the formula

$J \times K$,

ii. the aggregate of all amounts each of which is the amount agreed on, in respect of the particular fiscal period or a preceding fiscal period to which the computation method election in relation to the large investment project applies, pursuant to an agreement referred to in section 737.18.17.10.1 of the Taxation Act,

iii. where, at any time in the particular fiscal period, the employer transfers its recognized business in relation to the large investment project to a corporation or another partnership, the amount that was transferred to the corporation or the other partnership pursuant to the agreement referred to in section 737.18.17.12 of the Taxation Act in respect of the transfer, and

iv. in the case of a deemed large investment project within the meaning of the seventh paragraph of section 33, either of the following amounts, if any:

(1) where the particular fiscal period includes the last day of the tax-free period in respect of the first large investment project and ends after that day, the amount determined by the formula

$L – [(L \times M) + (E \times N)]$, or

(2) where the particular fiscal period is subsequent to the fiscal period that includes the last day of the tax-free period in respect of the first large investment project, the amount determined by the formula

$L – E$.

In the formulas in the fourth and fifth paragraphs,

(*a*) E is the employer's tax assistance limit in relation to the second large investment project;

(*b*) F is the proportion that the number of days in the part of the particular taxation year or fiscal period that begins on the date of the beginning of the tax-free period in respect of the second large investment project is of the number of days in that taxation year or fiscal period;

(*c*) G is 1, unless the employer has an establishment situated outside Québec for the taxation year, in which case it is the proportion that the employer's business carried on in Québec is of the aggregate of the employer's business carried on in Canada or in Québec and elsewhere, as determined under subsection 2 of section 771 of the Taxation Act for the taxation year;

(*d*) H is the aggregate of

i. 3.2% of the amount by which the amount that would be determined in respect of the employer for the taxation year under section 771.2.1.2 of the Taxation Act if, for the purposes of paragraph *b* of that section, the employer's taxable income for the taxation year, for the purposes of Part I of that Act, were computed without reference to section 737.18.17.5 of that Act, exceeds the amount that is determined in respect of the employer for the taxation year under that section 771.2.1.2, and

ii. 11.5% of the amount by which the amount deducted by the employer in computing taxable income for the taxation year under section 737.18.17.5 of the Taxation Act exceeds the excess amount determined under subparagraph i;

(*e*) I is the proportion that the employer's maximum annual tax exemption amount for the taxation year, in relation to the large investment project, is of the aggregate of all amounts each of which is the employer's maximum annual tax exemption amount for the taxation year, in relation to a large investment project of the employer or of a partnership of which the employer is a member,

that is referred to in the first paragraph of section 737.18.17.5 of the Taxation Act for the taxation year;

(*f*) J is the aggregate of the amounts that are not payable by the employer for the preceding taxation year or fiscal period under subparagraph ii of subparagraph *d*.1 of the sixth paragraph of section 34;

(*g*) K is the proportion that the employer's maximum annual contribution exemption amount for the preceding taxation year or fiscal period, in relation to the large investment project, is of the aggregate of all amounts each of which is the employer's maximum annual contribution exemption amount for the preceding taxation year or fiscal period, in relation to a large investment project of the employer that is referred to in subparagraph *d*.1 of the sixth paragraph of section 34 for the taxation year or fiscal period;

(*h*) L is

i. where the particular taxation year or fiscal period is referred to in subparagraph 1 of subparagraph iv of subparagraph *a* or *b*, as the case may be, of the fifth paragraph, the amount by which the unused portion of the employer's tax assistance limit, in relation to the deemed large investment project, for the particular taxation year or fiscal period, exceeds the cumulative value of the employer's tax assistance for the taxation year or fiscal period, as the case may be, in respect of the project, determined without reference to that subparagraph 1, or

ii. where the particular taxation year or fiscal period is referred to in subparagraph 2 of subparagraph iv of subparagraph *a* or *b*, as the case may be, of the fifth paragraph, the amount by which the unused portion of the employer's tax assistance limit, in relation to the deemed large investment project, for the first taxation year or first fiscal period that follows the taxation year or fiscal period, as the case may be, that includes the last day of the tax-free period in respect of the first large investment project, exceeds the cumulative value of the employer's tax assistance for the first taxation year or first fiscal period in respect of the project, determined without reference to that subparagraph 2;

(*i*) M is the proportion that the number of days in the part of the particular taxation year or fiscal period that ends on the last day of the tax-free period in respect of the first large investment project is of the number of days in the taxation year or fiscal period; and

(*j*) N is the proportion that the number of days in the particular taxation year or fiscal period that follow the last day of the tax-free period in respect of the first large investment project is of the number of days in the taxation year or fiscal period.

Where, at any time of a particular day, an employer (in this paragraph referred to as the "acquirer") acquired all or substantially all of a recognized business from another employer (in this paragraph referred to as the "vendor"), in relation to a large investment project, and where the Minister of Finance previously

authorized the transfer of the carrying out of the large investment project to the acquirer, according to a qualification certificate issued by that Minister to the acquirer in respect of the project, the following rules must, where applicable, be taken into consideration for the purposes of subparagraphs *b* and *c* of the third paragraph:

(*a*) where subparagraph ii of subparagraph *d*.1 of the sixth paragraph of section 34 applies to the vendor,

i. the vendor's taxation year or fiscal period that includes that time is deemed to end on the particular day, and

ii. the vendor's last day of the tax-free period, in respect of the large investment project, is deemed to be the particular day; and

(*b*) where subparagraph ii of subparagraph *d*.1 of the sixth paragraph of section 34 applies to the acquirer, the acquirer's taxation year or fiscal period that includes that time is deemed to begin on the particular day.

Where the first taxation year or first fiscal period to which the computation method election applies, in relation to a large investment project of an employer, ends before the date of the end of the start-up period of the large investment project, the unused portion of the employer's tax assistance limit, in relation to the project, must be increased, for a particular taxation year or fiscal period that is subsequent to that first taxation year or first fiscal period, as the case may be, by the amount that is the product obtained by multiplying by 15% the amount that would be the employer's total qualified capital investments on the date of the end of the start-up period or, if it is earlier, the date of the end of the particular taxation year or fiscal period, if the definition of "total qualified capital investments" in the first paragraph of section 737.18.17.1 of the Taxation Act were read as if "from the beginning of the carrying out of the large investment project" were replaced by "from the time that immediately follows the end of the employer's first taxation year, or first fiscal period, to which the computation method election applies".

For the purpose of applying subparagraphs *b* and *c* of the third paragraph to a deemed large investment project within the meaning of the seventh paragraph of section 33, the following rules must be taken into consideration:

(*a*) the date of the beginning of the tax-free period that is referred to in those subparagraphs is the date that is determined in respect of the first large investment project; and

(*b*) the last day of the tax-free period that is referred to in those subparagraphs is the day that is determined in respect of the second large investment project, unless the particular year or fiscal period precedes the year or period for which a first certificate has been issued in relation to the project, in which case it is the day that is determined in respect of the first large investment project."

(2) Subsection 1 has effect from 21 March 2023.

149. (1) The Act is amended by inserting the following sections after section 34.1.0.4:

"**34.1.0.5.** The aggregate of all amounts each of which is a contribution that, under subparagraph *d*.2 of the sixth paragraph of section 34, is not payable by an employer for a particular taxation year or fiscal period may not exceed the amount determined in accordance with the second paragraph in respect of the employer for the particular taxation year or fiscal period, as the case may be, in relation to one or more large investment projects of the employer that are referred to in that subparagraph *d*.2.

For the purposes of this section, the amount to which the first paragraph refers in respect of an employer for a particular taxation year or fiscal period, in relation to one or more large investment projects of the employer, is equal to the aggregate of all amounts each of which is an amount that, for the particular taxation year or fiscal period, as the case may be, in relation to any of those large investment projects, is determined by the formula

$(A \times B/C) - D$.

In the formula in the second paragraph,

(*a*) A is the employer's total tax assistance for the particular taxation year or fiscal period, in respect of the large investment project, that is determined under section 34.1.0.6;

(*b*) B is the number of days in the period that begins on the date of the beginning of the tax-free period, in respect of the large investment project, and that ends on the last day of the particular taxation year or fiscal period or, if it is earlier, on the last day of the tax-free period, in respect of the project;

(*c*) C is the number of days in the period that begins on the date of the beginning of the tax-free period in respect of the large investment project and that ends on the last day of the tax-free period in respect of the project; and

(*d*) D is

i. where the employer is a corporation, the aggregate of

(1) the aggregate of all amounts each of which is, for the particular taxation year or a preceding taxation year, in relation to the large investment project, equal to the amount determined by the formula

$E \times F \times G$,

(2) the aggregate of all amounts each of which is, for a preceding taxation year, in relation to the large investment project, equal to the amount determined by the formula

$H \times I$, and

(3) where, at any time in the particular taxation year, the employer transfers all or substantially all of the employer's activities arising from the carrying out of the large investment project to another corporation or a partnership, the amount that was transferred to the other corporation or the partnership pursuant to the agreement referred to in section 737.18.17.21 of the Taxation Act (chapter I-3) in respect of the transfer, or

ii. where the employer is a partnership, the aggregate of

(1) the aggregate of all amounts each of which is, for a preceding fiscal period, in relation to the large investment project, equal to the amount determined by the formula

$H \times I$,

(2) the aggregate of all amounts each of which is the amount agreed on, in respect of the particular fiscal period or a preceding fiscal period, in relation to the large investment project, pursuant to an agreement referred to in section 737.18.17.20 of the Taxation Act, and

(3) where, at any time in the particular fiscal period, the employer transfers the employer's activities arising from the carrying out of the large investment project to a corporation or another partnership, the amount that was transferred to the corporation or the other partnership pursuant to the agreement referred to in section 737.18.17.21 of the Taxation Act in respect of the transfer.

In the formulas in the third paragraph,

(*a*) E is 1, unless the employer has an establishment situated outside Québec for the taxation year, in which case it is the proportion that the employer's business carried on in Québec is of the aggregate of the employer's business carried on in Canada or in Québec and elsewhere, as determined under subsection 2 of section 771 of the Taxation Act for the taxation year;

(*b*) F is the aggregate of

i. 3.2% of the amount by which the amount that would be determined in respect of the employer for the taxation year under section 771.2.1.2 of the Taxation Act if, for the purposes of paragraph *b* of that section, the employer's taxable income for the taxation year, for the purposes of Part I of that Act, were computed without reference to section 737.18.17.17 of that Act, exceeds the amount that is determined in respect of the employer for the taxation year under that section 771.2.1.2, and

ii. 11.5% of the amount by which the amount deducted by the employer in computing taxable income for the taxation year under section 737.18.17.17 of the Taxation Act exceeds the excess amount determined under subparagraph i;

(*c*) G is the proportion that the employer's maximum annual tax exemption amount for the taxation year, in relation to the large investment project, is of the aggregate of all amounts each of which is the employer's maximum annual tax exemption amount for the taxation year, in relation to a large investment project of the employer or of a partnership of which the employer is a member, that is referred to in the first paragraph of section 737.18.17.17 of the Taxation Act for the taxation year;

(*d*) H is the aggregate of the amounts that are not payable by the employer for the preceding taxation year or fiscal period under subparagraph *d*.2 of the sixth paragraph of section 34; and

(*e*) I is the proportion that the employer's maximum annual contribution exemption amount for the preceding taxation year or fiscal period, in relation to the large investment project, is of the aggregate of all amounts each of which is the employer's maximum annual contribution exemption amount for the preceding taxation year or fiscal period, in relation to a large investment project of the employer that is referred to in subparagraph *d*.2 of the sixth paragraph of section 34 for the taxation year or fiscal period.

Where, at any time of a particular day, an employer (in this paragraph referred to as the "acquirer") acquired all or substantially all of the activities arising from the carrying out of a large investment project from another employer (in this paragraph referred to as the "vendor"), and where the Minister of Finance previously authorized the transfer of those activities to the acquirer, according to a qualification certificate issued by that Minister to the acquirer in respect of the project, the following rules must, where applicable, be taken into consideration for the purposes of subparagraphs *b* and *c* of the third paragraph:

(*a*) the vendor's taxation year or fiscal period that includes that time is deemed to end on the particular day;

(*b*) the vendor's last day of the tax-free period, in relation to the large investment project, is deemed to correspond to the particular day;

(*c*) the acquirer's taxation year or fiscal period that includes that time is deemed to begin on the particular day; and

(*d*) the date of the beginning of the acquirer's tax-free period, in relation to the large investment project, is deemed to correspond to the date of the particular day.

“**34.1.0.6.** An employer’s total tax assistance for a taxation year or fiscal period, in respect of a large investment project, is equal either to the product obtained by multiplying the employer’s cumulative total eligible expenses at the end of the taxation year or fiscal period, as the case may be, in respect of the large investment project, by the rate provided for in section 737.18.17.19 of the Taxation Act (chapter I-3), in relation to the project, or, where the employer acquired all or substantially all of the activities arising from the carrying out of the project, subject to the second paragraph, the amount transferred to the employer pursuant to the agreement referred to in section 737.18.17.21 of the Taxation Act in respect of the transfer.

Where an employer has acquired all or substantially all of the activities arising from the carrying out of a large investment project before the end of the investment period in respect of that project, the amount that was transferred to the employer pursuant to the agreement referred to in section 737.18.17.21 of the Taxation Act in respect of the transfer, for any taxation year that ends on or after the day of the transfer, must be increased by an amount equal to the product obtained by multiplying by the rate provided for in section 737.18.17.19 of that Act, in respect of the project, the amount that would be the employer’s total eligible expenses, in respect of the large investment project, at the end of the investment period if the definition of “total eligible expenses” in the first paragraph of section 737.18.17.14 of the Taxation Act were read as if “in the investment period” were replaced by “in the part of the investment period that follows the day of the transfer”.”

(2) Subsection 1 has effect from 21 March 2023.

150. (1) Section 37.4 of the Act is amended, in subparagraph *a* of the first paragraph,

(1) by replacing subparagraphs i to iv by the following subparagraphs:

“i. $18,910 where, for the year, the individual has no eligible spouse and no dependent child,

“ii. $30,640 where, for the year, the individual has no eligible spouse but has one dependent child,

“iii. $34,545 where, for the year, the individual has no eligible spouse but has more than one dependent child,

“iv. $30,640 where, for the year, the individual has an eligible spouse but has no dependent child, and”;

(2) by replacing subparagraphs 1 and 2 of subparagraph v by the following subparagraphs:

“(1) $34,545 where the individual has one dependent child for the year, or

“(2) $38,150 where the individual has more than one dependent child for the year; and”.

(2) Subsection 1 applies from the year 2023.

ACT RESPECTING THE QUÉBEC PENSION PLAN

151. (1) The Act respecting the Québec Pension Plan (chapter R-9) is amended by replacing the heading of Division 0.1 of Title III by the following heading:

“GENERAL RULES”.

(2) Subsection 1 applies from the year 2024.

152. (1) The Act is amended by inserting the following section before section 37.1:

“**37.0.1.** No contribution is payable under this Title by a worker or, where the worker is an employee, by his employer for any year subsequent to the year in which the worker reaches 72 years of age.”

(2) Subsection 1 applies from the year 2024.

153. (1) Section 45 of the Act is amended, in the second paragraph,

(1) by inserting “in any of the following cases:” after “of the worker” in the portion before subparagraph *a*;

(2) by replacing “plan, or” in subparagraph *c* by “plan;”;

(3) by adding the following subparagraph at the end:

“(*e*) in the case of income or an amount that constitutes an amount excluded from the worker’s salary and wages described in the fourth paragraph of section 50 by reason of the application of subparagraph *c* of the fifth paragraph of that section.”

(2) Subsection 1 applies from the year 2024.

154. (1) The Act is amended by inserting the following heading before section 47:

“*Self-employed earnings and earnings as a family-type resource or an intermediate resource*”.

(2) Subsection 1 applies from the year 2024.

155. (1) The Act is amended by inserting the following heading before section 48:

"*Pensionable self-employed earnings and pensionable earnings as a family-type resource or an intermediate resource*".

(2) Subsection 1 applies from the year 2024.

156. (1) Section 48 of the Act is amended

(1) by replacing the first paragraph by the following paragraph:

"Except where section 48.0.1 applies, the pensionable self-employed earnings of a worker for a year are his self-employed earnings, excluding income referred to in subparagraphs *a* and *b* of the second paragraph of section 45.";

(2) by adding the following paragraph at the end:

"Despite the first and second paragraphs, the pensionable self-employed earnings of a worker for a year are equal to

(*a*) where the year is that in respect of which the worker made an election under the first paragraph of section 49.1, the amount obtained by multiplying the amount of his self-employed earnings by the proportion that the number of months in the year, other than those that, by reason of a disability of the worker, are excluded from the worker's base contributory period under subparagraph *a* of the third paragraph of section 101, that precede the month in which the election is deemed, under the fourth paragraph of section 49.1, to have been made bears to 12; or

(*b*) where the year is that in respect of which the worker revoked such an election under section 49.2, the amount obtained by multiplying the amount of his self-employed earnings by the proportion that the number of months in the year that are subsequent to the month preceding the month in which the election is deemed, under the third paragraph of section 49.2, to have been revoked bears to 12."

(2) Subsection 1 applies from the year 2024.

157. (1) The Act is amended by inserting the following section after section 48:

"**48.0.1.** The pensionable self-employed earnings for a year of a worker who has made an election under the first paragraph of section 49.1 are nil if the year is a year that

(*a*) is subsequent to the year in respect of which the worker made the election; and

(*b*) is not a year in respect of which the worker revoked the election under section 49.2."

(2) Subsection 1 applies from the year 2024.

158. (1) Section 48.1 of the Act is amended

(1) by replacing the first paragraph by the following paragraph:

"Except where section 48.2 applies, the pensionable earnings as a family-type resource or an intermediate resource of a worker for a year are his earnings as such a resource, excluding income referred to in subparagraphs *a* and *b* of the second paragraph of section 45.";

(2) by adding the following paragraph at the end:

"Despite the first and second paragraphs, the pensionable earnings as a family-type resource or an intermediate resource of a worker for a year are equal to

(*a*) where the year is that in respect of which the worker made an election under the second paragraph of section 49.1, the amount obtained by multiplying the amount of his earnings as such a resource by the proportion that the number of months in the year, other than those that, by reason of a disability of the worker, are excluded from the worker's base contributory period under subparagraph *a* of the third paragraph of section 101, that precede the month in which the election is deemed, under the fourth paragraph of section 49.1, to have been made bears to 12; or

(*b*) where the year is that in respect of which the worker revoked such an election under section 49.2, the amount obtained by multiplying the amount of his earnings as such a resource by the proportion that the number of months in the year that are subsequent to the month preceding the month in which the election is deemed, under the third paragraph of section 49.2, to have been revoked bears to 12."

(2) Subsection 1 applies from the year 2024.

159. (1) The Act is amended by inserting the following section after section 48.1:

"**48.2.** The pensionable earnings as a family-type resource or an intermediate resource for a year of a worker who has made an election under the second paragraph of section 49.1 are nil if the year is a year that

(*a*) is subsequent to the year in respect of which the worker made the election; and

(*b*) is not a year in respect of which the worker revoked the election under section 49.2."

(2) Subsection 1 applies from the year 2024.

160. (1) The Act is amended by inserting the following after section 49:

"*Worker's election to cease contributing to the plan*

"**49.1.** A worker may elect, in respect of a year other than an excluded year, to have his self-employed earnings not be considered, from the day provided for in the fourth paragraph, to be pensionable self-employed earnings if

(*a*) the worker reached 65 years of age in the year or a preceding year;

(*b*) a retirement pension is payable to the worker under this Act or a similar plan in the year; and

(*c*) the worker has not made an election under this paragraph in respect of the year.

In addition, a worker may elect, in respect of a year other than an excluded year, to have his earnings as a family-type resource or an intermediate resource not be considered, from the day provided for in the fourth paragraph, to be pensionable earnings as such a resource if the conditions set out in subparagraphs *a* and *b* of the first paragraph are met for the year and the worker has not made an election under this paragraph in respect of the year.

The worker makes the election provided for in the first or second paragraph in the prescribed form that the worker sends to the Minister together with the return of his self-employed earnings or the return of his earnings as a family-type resource or an intermediate resource, as the case may be, which the worker is required to file for the year under section 76.

The election is deemed to have been made on the first day of the month of the year that the worker specifies in the prescribed form. However, where the year is that of the worker's sixty-fifth birthday or the year in which a retirement pension becomes payable to the worker under this Act or a similar plan, the month the worker can specify may precede neither the month of that birthday nor the month in which such a pension becomes payable to the worker.

For the purposes of the first and second paragraphs, the year in respect of which the election is revoked by the worker under section 49.2 is an excluded year.

"**49.2.** A worker who has made an election, in respect of a year, under the first or second paragraph of section 49.1 may, in respect of a particular year subsequent to the year, revoke it.

The worker revokes the election in the prescribed form that the worker sends to the Minister together with the return of his self-employed earnings or the return of his earnings as a family-type resource or an intermediate resource, as the case may be, which the worker is required to file for the particular year under section 76.

An election revoked in accordance with the second paragraph is deemed to be revoked on the first day of the month included in the particular year that the worker specifies in the prescribed form."

(2) Subsection 1 applies from the year 2024.

161. (1) Section 50 of the Act is amended by replacing the fifth paragraph by the following paragraph:

"However, such salary and wages do not include any amount the employer pays to the employee, pays in respect of the employee or is deemed to pay to the employee

(*a*) before the employee reaches 18 years of age;

(*b*) in a month that, because of a disability, is excluded from the employee's base contributory period under subparagraph *a* of the third paragraph of section 101; or

(*c*) at a particular time subsequent to the day that precedes the day on which becomes effective an election the employee made under section 50.0.2 in respect of pensionable employment the employee performs for the employer if, at that time, the election is not revoked in accordance with section 50.0.3."

(2) Subsection 1 applies from the year 2024.

162. (1) The Act is amended by inserting the following before section 50.1:

"*Employee's election to cease contributing to the plan*

"**50.0.2.** An employee may, in a year, make an election, in respect of pensionable employment the employee performs for an employer, to have no amount the employer pays to the employee, pays in respect of the employee or is deemed to pay to the employee be, from the day mentioned in the third paragraph, included in the salary and wages described in the fourth paragraph of section 50, if

(*a*) the employee has reached 65 years of age by the time the employee makes the election or will reach that age in the month that follows that time;

(*b*) a retirement pension is payable to the employee under this Act or a similar plan at the time the employee makes the election or will be payable in the month that follows that time;

(*c*) the employee has not made an election under this section in the year in respect of the pensionable employment; and

(*d*) the employee has not revoked in the year, in accordance with section 50.0.3, an election the employee made in a preceding year under this section in respect of the pensionable employment.

The employee makes the election by filing the prescribed form with the Minister. The employee must send the employer a copy of the form.

The election becomes effective on the first day of the month that follows the date the employee specifies in the prescribed form, which date must correspond to the date on which the employee sends the employer a copy of the form. In addition, where the year in which the election becomes effective is that of the employee's sixty-fifth birthday or the year in which a retirement pension becomes payable to the employee under this Act or a similar plan, the date may precede neither the first day of the month that precedes the birthday nor the first day of the month that precedes the month in which such a pension becomes payable to the employee.

No election may become effective before 1 January 2024.

"**50.0.3.** An employee who has, in a year, made an election under section 50.0.2 in respect of pensionable employment the employee performs for an employer may, in a particular year subsequent to the year, revoke it.

The employee revokes the election by filing the prescribed form with the Minister. The employee must send the employer a copy of the form.

The election is revoked on the first day of the month that follows the date the employee specifies in the prescribed form, which date must correspond to the date on which the employee sends the employer a copy of the form.

"*Deemed employer*".

(2) Subsection 1 has effect from 1 January 2024.

ACT RESPECTING THE QUÉBEC SALES TAX

163. (1) Section 1 of the Act respecting the Québec sales tax (chapter T-0.1), amended by section 1426 of chapter 34 of the statutes of 2023, is again amended by inserting the following paragraph after paragraph 18.5 of the definition of "financial service":

"(18.6) a service (other than a prescribed service) that is supplied by a payment card network operator, within the meaning of section 3 of the Payment Card Networks Act (Statutes of Canada, 2010, chapter 12, section 1834), in respect of a payment card network, within the meaning of that section 3, where the supply includes the provision of

(*a*) a service in respect of the authorization of a transaction in respect of money, an account, a credit card voucher, a charge card voucher or a financial instrument,

(*b*) a clearing or settlement service in respect of money, an account, a credit card voucher, a charge card voucher or a financial instrument, or

(*c*) a service rendered in conjunction with a service referred to in subparagraph *a* or *b*;".

(2) Subsection 1 applies in respect of a service rendered under an agreement for a supply where

(1) all or part of the consideration for the supply becomes due after 28 March 2023 or is paid after that date without having become due; or

(2) all of the consideration for the supply became due or was paid before 29 March 2023. However, for the purposes of Title I of the Act, except for the purposes of sections 18 to 18.0.3, 26 to 26.5, 279.1 to 279.4 and 472 of the Act, subsection 1 does not apply in respect of the service if

(*a*) the supplier did not, before 29 March 2023, charge, collect or remit any amount as or on account of tax under Title I of the Act in respect of the supply; and

(*b*) the supplier did not, before 29 March 2023, charge, collect or remit any amount as or on account of tax under Title I of the Act in respect of any other supply that is made under the agreement and that includes the provision of a service referred to in paragraph 18.6 of the definition of "financial service" in section 1 of the Act, enacted by subsection 1.

(3) Despite the second paragraph of section 25 of the Tax Administration Act (chapter A-6.002), the Minister of Revenue may determine or redetermine any amount in respect of paragraph 18.6 of the definition of "financial service" in section 1 of the Act respecting the Québec sales tax, enacted by subsection 1, for which a person is liable on or before the later of

(1) 7 May 2025; or

(2) the last day of the period otherwise allowed under the second paragraph of that section 25 for making the assessment or reassessment.

164. Section 18 of the Act is amended

(1) by replacing the portion before paragraph 1 by the following:

"**18.** Every recipient of a taxable supply, except a zero-rated supply (other than the zero-rated supply included in paragraph 2.1 or in any of sections 179.1, 179.2 and 191.3.2) or a supply included in any of sections 18.0.1, 18.0.1.1 and 18.0.1.2, shall pay to the Minister, each time all or part of the

consideration for the supply becomes due or is paid without having become due, a tax in respect of the supply equal to the amount determined in accordance with the second paragraph if the supply is";

(2) by adding the following paragraphs at the end:

"The amount to which the first paragraph refers is

(1) in the case of a supply included in subparagraph 1 or 2 of the first paragraph, the amount determined by the formula

$A \times B \times C$;

(2) in the case of a supply included in any of subparagraphs 2.1 to 8 of the first paragraph, the amount determined by the formula

$A \times B \times D$; or

(3) in the case of a supply included in subparagraph 9 of the first paragraph, the amount obtained by multiplying the value of the consideration by 9.975%.

For the purposes of the formulas in the second paragraph,

(1) A is 9.975%;

(2) B is the value of all or part of the consideration that is paid or becomes due at that time;

(3) C is the extent, expressed as a percentage, to which the recipient acquired the property or service for consumption, use or supply in Québec; and

(4) D is

(*a*) in the case of a supply of corporeal movable property, 100%, or

(*b*) in any other case, the extent, expressed as a percentage, to which the recipient acquired the property for consumption, use or supply in Québec."

165. Section 18.0.1.1 of the Act is amended

(1) by replacing the portion of the second paragraph before the formula by the following:

"Every person that is a provincial stratified investment plan with one or more provincial series as regards Québec at the time an amount of consideration for the supply of property described in any of subparagraphs 2.1 to 8 of the first paragraph of section 18 of which the person is the recipient becomes due or is paid without having become due and that, if the supply is described in subparagraph 3 of the first paragraph of that section, is a registrant shall pay

to the Minister, for that amount of consideration, tax equal to the amount determined by the formula";

(2) by replacing "paragraph 1 or 2" in the sixth paragraph by "subparagraph 1 or 2 of the first paragraph".

166. Section 18.0.1.2 of the Act is amended

(1) by replacing the second paragraph by the following paragraph:

"Every person that is a provincial investment plan as regards Québec at the time an amount of consideration for the supply of property described in any of subparagraphs 2.1 to 8 of the first paragraph of section 18 of which the person is the recipient becomes due or is paid without having become due and that, if the supply is described in subparagraph 3 of the first paragraph of that section, is a registrant shall pay to the Minister, for that amount of consideration, tax calculated at the rate of 9.975% on the value of the consideration that is paid or becomes due at that time.";

(2) by replacing "paragraph 1 or 2" in the fourth paragraph by "subparagraph 1 or 2 of the first paragraph".

167. Section 350.60.4 of the Act is amended

(1) by replacing "without delay after its production" in subparagraph 2 of the first and second paragraphs by "at the time payment of the consideration is due, immediately after the consideration is paid, or, in the case of a supply made for no consideration, without delay after the supply is made";

(2) by striking out ", or a part of them," in the portion of the fifth paragraph before subparagraph 1.

168. Section 350.60.5 of the Act is amended

(1) by replacing "without delay after its production" in subparagraph 2 of the first paragraph by "at the time payment of the consideration is due, immediately after the consideration is paid, or, in the case of a supply made for no consideration, without delay after the supply is made";

(2) by inserting "and where the consideration and the tax in respect of that supply have not been charged to the recipient's account" after "payment" in the portion of the third paragraph before subparagraph 1.

169. (1) Section 350.62 of the Act is amended by adding the following paragraphs at the end:

"Where the person has adjusted, refunded or credited an amount in favour of, or to, the recipient, in accordance with section 447 or 448, in respect of the

supply referred to in the first paragraph for which an invoice has been produced in the manner provided for in that paragraph, the person shall, subject to the prescribed cases and conditions,

(1) send the prescribed information to the Minister in the prescribed manner and at the prescribed time; and

(2) issue to the recipient, within a reasonable time, the credit note referred to in paragraph 1 of section 449 produced in the prescribed manner and containing the prescribed information, unless the recipient issues to the person the debit note referred to in that paragraph 1, and keep a copy of the credit note.

Where the person has, in accordance with paragraph 1 of section 447 or 448, adjusted an amount in favour of the recipient in respect of the supply referred to in the first paragraph for which an invoice has been produced before payment and where the consideration and the tax in respect of that supply have not been charged to the recipient's account, the following rules apply:

(1) despite paragraph 1 of section 449, the person is not required to issue a credit note to the recipient; and

(2) the second paragraph does not apply in respect of the adjustment."

(2) Subsection 1 applies from the date of coming into force of the first regulation made under subparagraph 33.8 of the first paragraph of section 677 of the Act, as concerns the sending and issuance of a credit note.

170. (1) Section 350.63 of the Act, amended by section 137 of chapter 19 of the statutes of 2023, is replaced by the following section:

"**350.63.** No person referred to in section 350.62 and no person acting on that person's behalf may print or send by a technological means the invoice or credit note, containing the prescribed information, referred to in section 350.62 more than once, except when providing it to the recipient for the purposes of that section. If such a person prints or sends by such means a reproduction or duplicate of the invoice or credit note for another purpose, the person shall do so in the prescribed manner and such a document must contain the prescribed information.

No such person may provide a recipient of a supply, in relation to the requirement to provide the recipient with an invoice in accordance with the first paragraph of section 350.62, with another document stating the consideration paid or payable by the recipient for the supply and the tax payable in respect of the supply, except in the prescribed cases and on the prescribed conditions."

(2) Subsection 1 applies from the date of coming into force of the first regulation made under subparagraph 33.8 of the first paragraph of section 677 of the Act, as concerns the sending and issuance of a credit note.

171. (1) Sections 350.65 to 350.67 of the Act are replaced by the following sections:

"**350.65.** Whoever fails to comply with subparagraph 1 of the first or second paragraph of section 350.62 or section 350.70 incurs a penalty of $300; with subparagraph 2 of the first or second paragraph of section 350.62, a penalty of $100; and with section 350.63, a penalty of $200.

"**350.66.** In any proceedings respecting an offence under section 60.3 of the Tax Administration Act (chapter A-6.002), when it refers to section 350.63, an offence under section 60.4 of the Tax Administration Act, when it refers to section 350.62, an offence under section 61.0.0.1 of the Tax Administration Act, when it refers to section 350.62, or an offence under section 485.3, when it refers to section 425.1.1, an affidavit of an employee of the Agence du revenu du Québec attesting that the employee had knowledge that an invoice or credit note was provided to the recipient by a person engaged in a taxi business referred to in section 350.62, or by a person acting on that person's behalf, is proof, in the absence of any proof to the contrary, that the invoice or credit note was produced and provided by the person and that the amount shown in the invoice or credit note as being the consideration or the amount of the refund, adjustment or credit corresponds to the consideration received from the recipient for a supply or to the amount refunded, adjusted or credited to or in favour of the recipient in respect of the supply.

"**350.67.** In proceedings respecting an offence referred to in section 350.66, an affidavit of an employee of the Agence du revenu du Québec attesting that the employee carefully analyzed an invoice or credit note and that it was impossible for the employee to find that it was produced in the manner referred to in section 350.62 is proof, in the absence of any proof to the contrary, that the invoice or credit note was not produced in the manner referred to in that section.

In addition, in proceedings respecting an offence referred to in section 350.66, an affidavit of an employee of the Agence du revenu du Québec attesting that the employee carefully analyzed an invoice or credit note and found that it did not contain the prescribed information referred to in section 350.62 is proof, in the absence of any proof to the contrary, that the invoice or credit note does not contain the prescribed information."

(2) Subsection 1 applies from the date of coming into force of the first regulation made under subparagraph 33.8 of the first paragraph of section 677 of the Act, as concerns the sending and issuance of a credit note.

172. (1) Section 350.70 of the Act is replaced by the following section:

"**350.70.** Every driver referred to in section 350.69 or every person referred to in section 350.62 shall, at the request of a person authorized for that purpose by the Minister,

(1) display a report containing the prescribed information on a device that is part of the equipment described in section 350.61;

(2) provide the authorized person with a printed copy of the report or send it to the authorized person by a technological means; or

(3) send the prescribed information to the Minister in the prescribed manner and at the prescribed time.

In the cases described in subparagraphs 1 and 2 of the first paragraph, the driver or person shall also send the prescribed information to the Minister in the prescribed manner and at the prescribed time."

(2) Subsection 1 applies from the date of coming into force of the first regulation made under subparagraph 33.12 of the first paragraph of section 677 of the Act, enacted by section 187 of this Act.

173. (1) Section 350.72 of the Act is amended, in the second paragraph,

(1) by replacing subparagraph 4 by the following subparagraph:

"(4) the driver refuses to display the report mentioned in section 350.70, to provide a copy of the report or send it in the manner provided for in that section, or to send the Minister the information referred to in section 350.70 in accordance with that section;";

(2) by replacing subparagraph 6 by the following subparagraph:

"(6) the driver produces or displays a document or report, required under any of sections 350.68 to 350.78, that contains inaccurate or incomplete information or sends the Minister such information under section 350.70; or".

(2) Subsection 1 applies from the date of coming into force of the first regulation made under subparagraph 33.12 of the first paragraph of section 677 of the Act, enacted by section 187 of this Act.

174. (1) Section 350.76 of the Act is amended

(1) by adding the following subparagraph at the end of paragraph 1:

"(*c*) unless the person is a driver referred to in section 350.69, refuses to display the report mentioned in section 350.70, provide a copy of the report or send it in the manner provided for in that section, or refuses to send the information referred to in section 350.70 to the Minister in accordance with that section;";

(2) by replacing subparagraph *c* of paragraph 2 by the following subparagraph:

"(*c*) refuses to display the report mentioned in section 350.70, provide a copy of the report or send it in the manner provided for in that section, or

refuses to send the information referred to in section 350.70 to the Minister in accordance with that section; and”.

(2) Subsection 1 applies from the date of coming into force of the first regulation made under subparagraph 33.12 of the first paragraph of section 677 of the Act, enacted by section 187 of this Act.

175. (1) Section 350.77 of the Act is amended by replacing paragraph 2 by the following paragraph:

“(2) produces or displays a document or report, required under any of sections 350.68 to 350.78, that contains inaccurate or incomplete information or sends to the Minister such information pursuant to section 350.70.”

(2) Subsection 1 applies from the date of coming into force of the first regulation made under subparagraph 33.12 of the first paragraph of section 677 of the Act, enacted by section 187 of this Act.

176. (1) Section 350.78 of the Act is amended by replacing paragraphs 2 and 3 by the following paragraphs:

“(2) an offence under section 60.4 of that Act where it refers to subparagraph 2 of the first or second paragraph of section 350.62; and

“(3) an offence under section 61.0.0.1 of that Act where it refers to section 350.61 or subparagraph 1 of the first or second paragraph of section 350.62.”

(2) Subsection 1 applies from the date of coming into force of the first regulation made under subparagraph 33.8 of the first paragraph of section 677 of the Act, as concerns the sending and issuance of a credit note.

177. (1) Section 351 of the Act is amended by striking out subparagraph 5 of the second paragraph.

(2) Subsection 1 has effect from 1 January 2021.

178. (1) Section 383 of the Act is amended

(1) by replacing subparagraph *b* of paragraph 1 of the definition of “home medical supply” by the following subparagraph:

“(*b*) after a medical practitioner acting in the course of the practice of medicine, a specialized nurse practitioner acting in the course of the practice of a specialized nurse practitioner or a prescribed person acting in prescribed circumstances has identified or confirmed that it is appropriate for the process to take place at the individual’s place of residence or lodging, other than a hospital centre or qualifying facility;”;

(2) by replacing paragraph 2 of the definition of "home medical supply" by the following paragraph:

"(2) the property is made available, or the service is rendered, to the individual at the individual's place of residence or lodging, other than a hospital centre or qualifying facility, on the authorization of a person who is responsible for coordinating the process and under circumstances in which it is reasonable to expect that the person will carry out that responsibility in consultation with, or with ongoing reference to instructions for the process given by, a medical practitioner acting in the course of the practice of medicine, a specialized nurse practitioner acting in the course of the practice of a specialized nurse practitioner or a prescribed person acting in prescribed circumstances;";

(3) by replacing subparagraph iii of subparagraph *b* of paragraph 1 of the definition of "facility supply" by the following subparagraph:

"iii. a specialized nurse practitioner acting in the course of the practice of a specialized nurse practitioner, or";

(4) by replacing subparagraph ii of subparagraph *c* of paragraph 1 of the definition of "facility supply" by the following subparagraph:

"ii. a medical practitioner or specialized nurse practitioner be at, or be on-call to attend at, the hospital centre or qualifying facility at all times when the individual is at the hospital centre or qualifying facility,".

(2) Subsection 1 applies in respect of determining a person's rebate for a claim period ending after 7 April 2022. However, a person's rebate for a claim period that includes 7 April 2022 is to be determined as if subsection 1 did not apply in respect of

(1) an amount of tax that becomes payable by the person before 8 April 2022;

(2) an amount that is deemed to have been paid or collected by the person before 8 April 2022; or

(3) an amount that is required to be added in determining the person's net tax

(*a*) as a result of a division or branch of the person becoming a small supplier division before 8 April 2022; or

(*b*) as a result of the person ceasing to be a registrant before 8 April 2022.

179. (1) Section 399.1 of the Act is amended by striking out the second paragraph.

(2) For the purposes of section 399.1 of the Act, in respect of a rebate of the tax payable under Title I of the Act paid at a particular time, a mandatary of the Gouvernement du Québec listed in Schedule A to the Reciprocal Taxation Agreement (Canada-Québec) in effect at the particular time is deemed to be a

prescribed mandatary, where the mandatary of the Gouvernement du Québec is not listed in Schedule III to the Regulation respecting the Québec sales tax (chapter T-0.1, r. 2) at that time.

180. (1) Section 411 of the Act is amended by adding the following paragraph at the end:

"Despite the first paragraph, no person who is registered, or required to be registered, under Division II of Chapter VIII.1 (other than a Canadian specified supplier) may file an application for registration under the first paragraph unless the person applies to the Minister of National Revenue for registration under subsection 3 of section 240 of the Excise Tax Act."

(2) Subsection 1 has effect from 1 July 2021.

181. (1) Section 477.16 of the Act is amended by adding the following paragraph at the end:

"Where the person or registrant has charged to, or collected from, the other person an amount of tax only because the other person did not at that time provide evidence satisfactory to the Minister of that other person's registration under Division I of Chapter VIII and such evidence is provided later, the amount is deemed, for the purposes of the first paragraph, to exceed the tax the person or registrant was required to collect."

(2) Subsection 1 has effect from 1 January 2019. In addition, where the third paragraph of section 477.16 of the Act applies, the two-year period provided for in the first paragraph of that section is deemed not to end before 7 November 2024 if that period started before 7 May 2024 and if, in that two-year period, the person or registrant refused to adjust the amount of tax charged or to refund the excess amount to the other person.

182. (1) Section 486 of the Act is amended

(1) by inserting the following definitions in alphabetical order:

"“consumption on the premises” means, as the case may be,

(1) the use or consumption of an alcoholic beverage in an establishment for which a person is required to hold one of the following permits:

(*a*) a permit authorizing the sale of alcoholic beverages for consumption on the premises, other than an event permit, issued under the Act respecting liquor permits (chapter P-9.1),

(*b*) an event permit authorizing the sale of alcoholic beverages for consumption on the premises issued under the Act respecting liquor permits, unless the alcoholic beverages are destined to be served free of charge,

(*c*) a permit referred to in section 2.0.1 of the Act respecting offences relating to alcoholic beverages, which corresponds to a permit provided for in subparagraph *a* or *b,*

(*d*) a small-scale production permit issued under the Act respecting the Société des alcools du Québec (chapter S-13), or

(*e*) a brewer's permit issued under the Act respecting the Société des alcools du Québec; or

(2) the use or consumption of an alcoholic beverage with food for takeout or delivery, sold as an accompaniment to food prepared by a person required to hold one of the following permits:

(*a*) a restaurant permit issued under the Act respecting liquor permits, or

(*b*) a permit referred to in section 2.0.1 of the Act respecting offences relating to alcoholic beverages, which corresponds to the permit provided for in subparagraph *a*;

"“First Nations member” means an Indian within the meaning of the Indian Act (Revised Statutes of Canada, 1985, chapter I-5);";

(2) by inserting the following definitions in alphabetical order:

"“computing solution” means the computer system determined by the Minister for the purposes of the program for administering the consumption tax exemption for First Nations;

"“program for administering the consumption tax exemption for First Nations” means the program under which the sale of alcoholic beverages to a First Nations member by a vendor is exempt, in the circumstances described in section 492.1, from collection of the specific tax provided for in section 487;

"“reserve” has the meaning assigned by the regulations made by the Government for the purposes of section 10.2 of the Fuel Tax Act (chapter T-1);".

(2) Subsection 1 has effect from 1 July 2023.

183. (1) The Act is amended by inserting the following sections after section 492:

"**492.1.** Despite section 492, a vendor holding a registration certificate referred to in section 493 who, in the course of a business the vendor operates in an establishment situated on a reserve, engages, from that establishment, in the retail sale of an alcoholic beverage to a First Nations member, otherwise than for consumption on the premises, is not required to collect the specific tax provided for in section 487 in respect of the sale where the First Nations member presents to the vendor, at the time of the sale, the registration certificate

for the program for administering the consumption tax exemption for First Nations and where the prescribed conditions are met in respect of the sale.

“**492.2.** To obtain a registration certificate for the program for administering the consumption tax exemption for First Nations, a First Nations member shall make an application to that effect to the Minister in the prescribed form containing prescribed information and provide the prescribed documents.”

(2) Subsection 1 has effect from 1 July 2023. However, a First Nations member holding a registration certificate for the Indian tax exemption management program, within the meaning assigned by subparagraph *o*.0.1 of the first paragraph of section 1 of the Fuel Tax Act (chapter T-1), as it read before 1 July 2023, is deemed, until its replacement by a registration certificate for the program for administering the consumption tax exemption for First Nations, to hold a registration certificate for the latter program.

184. (1) The Act is amended by inserting the following section after section 494:

“**494.0.1.** A vendor who engages in the retail sale of alcoholic beverages on a reserve during a period determined by the Minister, otherwise than for consumption on the premises, and who, throughout that period, uses the computing solution in respect of the sales made to a First Nations member (in this section referred to as “particular sales”) is deemed, in respect of the period and the last day of the period, to claim a refund of the part of the amount paid under section 497 to a collection officer holding a registration certificate that is equal to the specific tax provided for in section 487 that has not been collected because of section 492.1 in respect of the particular sales.”

(2) Subsection 1 has effect from 1 July 2023.

185. Section 541.47.11 of the Act is amended by replacing paragraph 1 by the following paragraph:

“(1) in the case of

(*a*) the supply of a service or incorporeal movable property described in subparagraph 1 or 2 of the first paragraph of section 18, the recipient of the supply is resident in the reserve and acquires the supply for consumption, use or supply to an extent of at least 10% in the reserve,

(*b*) the supply of a property described in subparagraph 3 of the first paragraph of section 18, physical possession of the property was transferred to the recipient of the supply in the reserve,

(*c*) the supply of a property described in subparagraph 3.1 of the first paragraph of section 18, physical possession of the property was transferred to a third person in the reserve,

(*d*) the supply of a property described in subparagraph 4 of the first paragraph of section 18, physical possession of the property was transferred to the recipient in the reserve,

(*e*) the supply of a property described in subparagraph 5 or 6 of the first paragraph of section 18, the recipient of the supply is resident in the reserve or is a registrant and the property is delivered or made available to the registrant in the reserve,

(*f*) the supply of a property described in any of subparagraphs 2.1, 7 and 8 of the first paragraph of section 18, the supply is made in the reserve in accordance with paragraph 1 of section 541.47.9, or

(*g*) the supply of an incorporeal movable property or a service described in the first paragraph of section 18.0.1, the recipient of the supply is resident in the reserve and acquires the supply for consumption, use or supply to an extent of at least 10% in the reserve; or".

186. (1) Section 541.49 of the Act is replaced by the following section:

"**541.49.** Every person shall, at the time of the retail sale or retail leasing, in Québec, of a new tire or road vehicle, pay to the Minister a specific duty per new tire the person purchases or leases or per new tire equipping the road vehicle the person purchases or leases that is equal to

(1) $4.50, in the case of a new road vehicle tire having a rim whose diameter is equal to or less than 62.23 centimetres and whose total diameter is equal to or less than 83.82 centimetres; or

(2) $6.00, in the case of a new road vehicle tire having a rim whose diameter is equal to or less than 62.23 centimetres and whose total diameter is greater than 83.82 centimetres but does not exceed 123.19 centimetres."

(2) Subsection 1 applies in respect of a new tire the retail sale or retail leasing of which takes place after 30 June 2023. It also applies in respect of a new tire equipping a road vehicle acquired through a retail sale or retail leasing after that date.

(3) In addition, the following specific duties must be determined taking into account the amounts provided for in section 541.49 of the Act, as amended by subsection 1:

(*a*) for the purposes of section 541.50 of the Act, the specific duty to be paid by a person who brings or causes to be brought into Québec, after 30 June 2023, a new tire for use in Québec by the person, or at the person's expense by another person, or for installation in Québec on a road vehicle intended for short term leasing;

(*b*) for the purposes of section 541.51 of the Act, the specific duty to be paid by a person who purchases, by way of a retail sale made outside Québec after 30 June 2023, or leases, by way of a retail leasing agreement entered into outside Québec after that date, a new tire or a road vehicle equipped with new tires that is in Québec;

(*c*) for the purposes of the first and second paragraphs of section 541.53 of the Act, the specific duty to be paid by a person who has purchased or manufactured a new tire intended for sale or leasing or for installation on a road vehicle intended for sale or long term leasing, or has leased a new tire for re-leasing or for installation on a road vehicle intended for long term leasing, and who begins to use the new tire in Québec after 30 June 2023 for any other purpose or arranges for it to be so used at the person's expense by another person; and

(*d*) for the purposes of the third paragraph of section 541.53 of the Act, the specific duty to be paid by a person who has purchased or manufactured a road vehicle equipped with new tires for sale or long term leasing or has made a long term lease of a road vehicle equipped with new tires for long term re-leasing and who begins to use the road vehicle in Québec after 30 June 2023 for another purpose or arranges for it to be so used at the person's expense by another person.

187. (1) Section 677 of the Act is amended, in the first paragraph,

(1) by replacing subparagraph 3 by the following subparagraph:

"(3) determine, for the purposes of the definition of "financial service" in section 1, which services are prescribed services for the purposes of its paragraphs 13, 17, 18.3, 18.4, 18.6 and 20 and which property is prescribed property for the purposes of its paragraph 18.5;";

(2) by replacing subparagraph 5 by the following subparagraph:

"(5) determine, for the purposes of subparagraphs 1, 2, 3, 3.1 and 4 of the first paragraph of section 18, which supplies are prescribed supplies;";

(3) by replacing subparagraph 33.11 by the following subparagraph:

"(33.11) determine, for the purposes of section 350.69, the prescribed information;";

(4) by inserting the following subparagraph after subparagraph 33.11:

"(33.12) determine, for the purposes of section 350.70, the prescribed information, the prescribed manner and the prescribed time;";

(5) by inserting the following subparagraphs after subparagraph 51:

"(51.1) determine, for the purposes of section 492.1, the prescribed conditions;

"(51.2) determine, for the purposes of section 492.2, the prescribed documents;".

(2) Paragraph 1 of subsection 1 applies to the supply of a service in respect of which

(1) all or part of the consideration becomes due after 28 March 2023 or is paid after that date without having become due; or

(2) all of the consideration became due or was paid before 29 March 2023.

(3) Paragraph 5 of subsection 1 has effect from 1 July 2023.

FUEL TAX ACT

188. (1) Section 1 of the Fuel Tax Act (chapter T-1) is amended

(1) by inserting the following subparagraph after subparagraph *h* of the first paragraph:

"(*h*.1) "First Nations member": an Indian within the meaning of the Indian Act (Revised Statutes of Canada, 1985, chapter I-5);";

(2) by replacing subparagraph *o*.0.1 of the first paragraph by the following subparagraph:

"(*o*.0.1) "program for administering the consumption tax exemption for First Nations": the program under which the purchase of fuel by a tribal council or a band-empowered entity is exempt, in the circumstances described in section 9.1, from the payment of the tax provided for in section 2, or under which the sale of fuel to a First Nations member or a band by a retail dealer is exempt, in the circumstances described in section 12.1, from collection of the tax provided for in section 2;";

(3) by inserting the following subparagraph before subparagraph *r*.0.1 of the first paragraph:

"(*r*.0.0.1) "computing solution": the computer system determined by the Minister for the purposes of the program for administering the consumption tax exemption for First Nations;";

(4) by replacing the third paragraph by the following paragraph:

"In this Act and the regulations, the expressions "band", "band-empowered entity", "band management activities", "reserve" and "tribal council" have the

meaning assigned by the regulations made by the Government for the purposes of section 10.2."

(2) Subsection 1 has effect from 1 July 2023.

189. (1) Section 10.2 of the Act is amended

(1) by replacing "Indians" in the first paragraph by "First Nations members";

(2) by replacing the third paragraph by the following paragraph:

"For the purposes of this section, the Government may make regulations to define the expressions "band", "band-empowered entity", "band management activities", "reserve" and "tribal council"."

(2) Subsection 1 has effect from 1 July 2023.

190. (1) Section 10.2.1 of the Act is amended

(1) by replacing the first paragraph by the following paragraph:

"Subject to the third paragraph, a retail dealer who operates a fuel retail outlet on a reserve is entitled, provided the dealer makes an application to that effect in the prescribed form containing prescribed information within the time, on the conditions and in the manner prescribed by regulation, to the reimbursement of the amounts the dealer paid in a particular month under section 51.1 to a person holding a collection officer's permit, in respect of a quantity of fuel, if the amount the dealer collected under the first paragraph of section 12 in respect of the fuel sales the dealer made in the particular month is less than the amounts so paid.";

(2) by replacing "an Indian" in the second paragraph by "a First Nations member";

(3) by adding the following paragraph at the end:

"Despite the first paragraph, a retail dealer who operates a fuel retail outlet on a reserve during a period determined by the Minister and who, throughout that period, uses the computing solution in respect of the fuel sales made in that establishment to a First Nations member, a band, a tribal council or a band-empowered entity (in this paragraph referred to as "particular sales") is deemed, in respect of the period and the last day of the period, to apply for the reimbursement of the part of the amount paid under section 51.1 to a person holding a collection officer's permit that is equal to the tax provided for in section 2 that has not been paid or collected because of section 9.1 or 12.1 in respect of the particular sales."

(2) Subsection 1 has effect from 1 July 2023.

191. (1) Section 12.1 of the Act is amended by replacing "an Indian" by "a First Nations member".

(2) Subsection 1 has effect from 1 July 2023.

192. (1) Section 13 of the Act is amended

(1) by replacing the seventh paragraph by the following paragraph:

"Despite the third and fifth paragraphs and subject to the eighth paragraph, a retail dealer who operates a fuel retail outlet on a reserve shall, on or before the 15th day of each month, render an account to the Minister, using the prescribed form containing prescribed information, of the tax the dealer collected or should have collected during the preceding month and, if the amount that, but for sections 9.1 and 12.1, is the tax provided for in section 2 that should have been paid or collected, as the case may be, in accordance with this Act in respect of the total of all fuel sales made in that establishment by the retail dealer in the preceding month, each of which is a sale made to a First Nations member, a band, a tribal council or a band-empowered entity in respect of which either no tax provided for in section 2 was payable, in accordance with section 9.1, or the dealer was exempt from collecting such a tax, in accordance with section 12.1, and in respect of which no such tax was in fact collected, is less than the amount equal to the tax, determined in relation to a quantity of fuel, that the holder of a collection officer's permit is exempt from collecting, if applicable, from the retail dealer, in accordance with the sixth paragraph of section 51.1, for the preceding month, in relation to that establishment, the difference is to be remitted to the Minister at the same time.";

(2) by adding the following paragraph at the end:

"Despite the seventh paragraph, a retail dealer who operates a fuel retail outlet on a reserve and who, throughout a particular period determined by the Minister, uses the computing solution is not required to render an account to the Minister of the tax the dealer collected or should have collected during the preceding particular period."

(2) Subsection 1 has effect from 1 July 2023.

193. (1) Section 17.3 of the Act is amended by replacing the portion before paragraph *b* by the following:

"**17.3.** A retail dealer who operates a fuel retail outlet on a reserve and sells fuel to a purchaser who is a First Nations member, a band, a tribal council or a band-empowered entity in circumstances in which section 9.1 or 12.1 applies shall

(*a*) except in respect of retail sales for which the computing solution is used, keep, for each day of the year, in the prescribed form containing prescribed information, a register of retail sales relating to that establishment; and".

(2) Subsection 1 has effect from 1 July 2023.

194. (1) The heading of subdivision 1.1 of Division VI of the Act is replaced by the following heading:

"§1.1 — *Registration certificate for the program for administering the consumption tax exemption for First Nations*".

(2) Subsection 1 has effect from 1 July 2023.

195. (1) Section 26.1 of the Act is replaced by the following section:

"**26.1.** To obtain a registration certificate for the program for administering the consumption tax exemption for First Nations, a First Nations member, a band, a tribal council or a band-empowered entity shall make an application to that effect to the Minister in the prescribed form containing prescribed information and provide the prescribed documents."

(2) Subsection 1 has effect from 1 July 2023. However, a First Nations member, a band, a tribal council or a band-empowered entity holding a registration certificate for the Indian tax exemption management program, within the meaning assigned by subparagraph *o*.0.1 of the first paragraph of section 1 of the Act, as it read before 1 July 2023, is deemed, until its replacement by a registration certificate for the program for administering the consumption tax exemption for First Nations, to hold a registration certificate for the latter program.

196. (1) Section 51.1 of the Act is amended by replacing the sixth paragraph by the following paragraph:

"However, subject to the fourth paragraph, the Minister may, from the day the Minister determines, authorize the holder of a collection officer's permit who is the designated supplier of a retail dealer who operates a fuel retail outlet on a reserve (other than such a retail dealer who uses the computing solution in that establishment) to apply the percentage of reduction specified by the Minister to the total quantity of fuel subject to a contract between the collection officer and the retail dealer, in which case the collection officer is, despite the fifth paragraph, exempt from collecting the amount equal to the tax in respect of the quantity of fuel subject to the reduction."

(2) Subsection 1 has effect from 1 July 2023.

SECURITIES ACT

197. (1) Section 330.10 of the Securities Act (chapter V-1.1) is amended by replacing "Fonds de solidarité des travailleurs du Québec (F.T.Q.)" in the first paragraph by "Fonds de solidarité des travailleurs et des travailleuses du Québec (FTQ)".

(2) Subsection 1 applies from 1 June 2024.

ACT TO GIVE EFFECT TO FISCAL MEASURES ANNOUNCED IN THE BUDGET SPEECH DELIVERED ON 25 MARCH 2021 AND TO CERTAIN OTHER MEASURES

198. (1) Section 122 of the Act to give effect to fiscal measures announced in the Budget Speech delivered on 25 March 2021 and to certain other measures (2021, chapter 36) is amended by replacing "subparagraphs vi and xviii" in paragraph 2 of subsection 1 by "subparagraph vi".

(2) Subsection 1 has effect from 10 December 2021.

ACT TO GIVE EFFECT TO FISCAL MEASURES ANNOUNCED IN THE BUDGET SPEECH DELIVERED ON 22 MARCH 2022 AND TO CERTAIN OTHER MEASURES

199. (1) Section 108 of the Act to give effect to fiscal measures announced in the Budget Speech delivered on 22 March 2022 and to certain other measures (2023, chapter 2) is amended by replacing "2023" in subparagraph 5 of the first paragraph by "2024".

(2) Subsection 1 has effect from 1 July 2023.

ACT RESPECTING THE IMPLEMENTATION OF CERTAIN PROVISIONS OF THE BUDGET SPEECH OF 21 MARCH 2023 AND AMENDING OTHER PROVISIONS

200. (1) Section 65 of the Act respecting the implementation of certain provisions of the Budget Speech of 21 March 2023 and amending other provisions (2023, chapter 30) is amended by replacing "section 21.1 of the Money-Services Businesses Act is to be read as if" by "to the extent that it replaces the second paragraph of section 21.1 of the Money-Services Businesses Act, that section 21.1 is to be read as if".

(2) Subsection 1 has effect from 7 December 2023.

201. (1) Section 90 of the Act is amended

(1) by replacing "paragraph 3 of section 53" in paragraph 2 by "paragraph 2 of section 53 where it enacts paragraph 2.1 of section 65.1 of that Act";

(2) by replacing "paragraph 1 of section 47" in paragraph 3 by "section 47 where it replaces the second paragraph of section 21.1 of the Money-Services Businesses Act".

(2) Subsection 1 has effect from 7 December 2023.

FINAL PROVISION

202. This Act comes into force on 7 May 2024, except sections 167 and 168, which come into force on the date of coming into force of section 7 of the Act respecting the implementation of certain provisions of the Budget Speech of 22 March 2022 and amending other legislative provisions (2023, chapter 10).