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Laws and Regulations

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PROVINCE OF QUÉBEC

2nd SESSION

36th LEGISLATURE

QUÉBEC, 11 DECEMBER 2002

OFFICE OF THE LIEUTENANT-GOVERNOR

Québec, 11 December 2002

This day, at fifty-nine minutes past three o'clock in the afternoon, the Honourable the Administrator of Québec was pleased to sanction the following bills:

107 An Act respecting the Agence nationale d'encadrement du secteur financier

121 An Act to amend the Act respecting the Ministère du Revenu and other legislative provisions

127 An Act to facilitate the establishment of a pension plan for employees working in childcare services

150 Appropriation Act No. 3, 2002-2003

To these bills the Royal assent was affixed by the Honourable the Administrator of Québec.

Coming into force of Acts

Gouvernement du Québec

O.C. 1465-2002, 11 December 2002

An Act to amend the Professional Code and other legislative provisions as regards the health sector (2002, c. 33)
— Coming into force

Coming into force of the Act to amend the Professional Code and other legislative provisions as regards the health sector

WHEREAS the Act to amend the Professional Code and other legislative provisions as regards the health sector (2002, c. 33) was assented to on 14 June 2002;

WHEREAS, under section 34 of that Act, its provisions come into force on the date or dates to be fixed by the Government;

WHEREAS it is expedient to fix 30 January 2003 as the date of coming into force of the Act to amend the Professional Code and other legislative provisions as regards the health sector, except for the following provisions:

— the provisions of section 1 that replace paragraphs *c*, *m*, *n* and *o* of section 37 of the Professional Code (R.S.Q., c. C-26), those of section 2 that add paragraphs 1 to 4 of section 37.1 of the Code, except subparagraph *i* of paragraph 3, those of section 4 that add, in section 39.2 of the Code, a reference to paragraphs 24 and 34 to 36 of Schedule I as well as section 39.10 of the Code, those of section 12 that add subparagraph 14 of the second paragraph of section 36 of the Nurses Act (R.S.Q, c. I-8) and those of section 17 that add subparagraph 10 of the second paragraph of section 31 of the Medical Act (R.S.Q., c. M-9), which will come into force on 1 June 2003;

— the provisions of section 2 that add subparagraph *i* of paragraph 3 of section 37.1 of the Professional Code and those of section 10 that replace the provisions of section 12 of the Nurses Act;

IT IS ORDERED, therefore, on the recommendation of the Minister responsible for the administration of legislation respecting the professions:

THAT 30 January 2003 be fixed as the date of coming into force of the Act to amend the Professional Code and other legislative provisions as regards the health sector (2002, c. 33), except for the following provisions:

— the provisions of section 1 that replace paragraphs *c*, *m*, *n* and *o* of section 37 of the Professional Code (R.S.Q., c. C-26), those of section 2 that add paragraphs 1 to 4 of section 37.1 of the Code, except subparagraph *i* of paragraph 3, those of section 4 that add, in section 39.2 of the Code, a reference to paragraphs 24 and 34 to 36 of Schedule I as well as section 39.10 of the Code, those of section 12 that add subparagraph 14 of the second paragraph of section 36 of the Nurses Act (R.S.Q, c. I-8) and those of section 17 that add subparagraph 10 of the second paragraph of section 31 of the Medical Act (R.S.Q., c. M-9), which will come into force on 1 June 2003;

— the provisions of section 2 that add subparagraph *i* of paragraph 3 of section 37.1 of the Professional Code and those of section 10 that replace the provisions of section 12 of the Nurses Act.

JEAN ST-GELAIS,
Clerk of the Conseil exécutif

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Regulations and other acts

Gouvernement du Québec

O.C. 1437-2002, 11 December 2002

An Act respecting the Société immobilière du Québec (R.S.Q., c. S-17.1)

Signing of certain documents

By-law respecting the signing of certain documents of the Société immobilière du Québec

WHEREAS, under section 17 of the Act respecting the Société immobilière du Québec (R.S.Q., c. S-17.1), no document is binding on the Société unless it is signed by the president of the Société or, in the cases determined by by-law of the Société, a person designated by the Société;

WHEREAS, under the second paragraph of section 17 of that Act, the Société, by by-law, may, on the conditions it determines, allow a required signature to be affixed by means of an automatic device to the documents it determines, or a facsimile of a signature to be engraved, lithographed, or printed on them;

WHEREAS, by Order in Council 299-2000 dated 22 March 2000, the Government approved the By-law respecting the signing of certain documents of the Société immobilière du Québec;

WHEREAS, at its meeting of 24 October 2002, the Société made a By-law respecting the signing of certain documents of the Société immobilière du Québec, which updates and replaces the By-law currently in effect in order to take into account the operational needs of the Société;

WHEREAS it is expedient to approve the By-law;

IT IS ORDERED, therefore, upon the recommendation of the Minister responsible for Administration and the Public Service and Minister responsible for the administration of the Act respecting the Société immobilière du Québec:

THAT the By-law respecting the signing of certain documents of the Société immobilière du Québec, attached to this Order in Council, be approved.

JEAN ST-GELAIS,
Clerk of the Conseil exécutif

By-law respecting the signing of certain documents of the Société immobilière du Québec

An Act respecting the Société immobilière du Québec (R.S.Q., c. S-17.1, s. 17)

1. Every document signed, in accordance with the authorizations set forth hereinafter, by the holders of the positions or the officers responsible for the duties hereinafter designated or, where applicable, by the persons authorized on an interim basis to hold those positions or exercise those duties is binding on the Société immobilière du Québec and may be attributed to the Société as if it had been signed by the president and chief executive officer of the Société.

2. The vice-presidents and the secretary general of the Société immobilière du Québec are authorized to sign all the documents referred to in this By-law and any other deed or document including, but not limited to, cheques, drafts, orders of payment, promissory notes, bonds, bankers' acceptances, bills of exchange, bank transfers, or other negotiable instruments.

3. The director of financial administration is authorized to sign cheques, drafts, orders of payment, promissory notes, bonds, bankers' acceptances, bills of exchange, bank transfers, or other negotiable instruments.

4. Regional directors are authorized to sign

(1) proposals to clients and occupancy agreements and their riders;

(2) leases where the annual rent is less than $500,000;

(3) construction contracts, concession contracts, and contracts for services other than professional services where the amount is less than $500,000;

(4) deeds of receipt of a work related to a contract where the amount is less than $500,000;

(5) supply contracts where the amount is less than $100,000;

(6) contracts for professional services where the amount is less than $25,000;

(7) contracts for the alienation of movable or immovable property where the amount is less than $10,000; and

(8) supplements, orders for changes, and riders to construction contracts, concession contracts, and contracts for services other than professional services where the amount is less than $50,000, to contracts for professional services where the amount is less than $2500, to supply contracts where the amount is less than $10,000 and riders to the leases where the annual rent is less than $500,000.

5. Heads of the space management service are authorized to sign, for their regional branch,

(1) proposals to clients, occupancy agreements and their riders;

(2) construction contracts and contracts for services other than professional services where the amount is less than $250,000;

(3) deeds of receipt of a work related to a contract where the amount is less than $250,000;

(4) contracts for professional services where the amount is less than $25,000; and

(5) supplements, orders for changes, and riders to construction contracts, concession contracts, and contracts for services other than professional services where the amount is less than $25,000 and to contracts for professional services where the amount is less than $2500.

6. Heads of the immovable property management service are authorized to sign

(1) proposals to clients, construction contracts, concession contracts, and contracts for services other than professional services where the amount is less than $250,000;

(2) contracts for professional services where the amount is less than $25,000;

(3) supply contracts where the amount is less than $50,000;

(4) deeds of receipt of a work related to a contract where the amount is less than $250,000;

(5) alienation contracts for movable property where the amount is less than $5000; and

(6) supplements, orders for changes, and riders to construction contracts, concession contracts, and contracts for services other than professional services where the amount is less than $25,000, to supply contracts where the amount is less than $5000 and to contracts for professional services where the amount is less than $2500.

7. Heads of the stewardship are authorized to sign, for their regional branch,

(1) construction contracts, supply contracts, and contracts for services other than professional services where the amount is less than $25,000;

(2) deeds of receipt of a work related to a contract where the amount is less than $25,000; and

(3) supplements, orders for changes, and riders to construction contracts, supply contracts, and contracts for services other than professional services where the amount is less than $2500.

8. Immovable property technicians are authorized to sign, for their regional branch,

(1) proposals to clients and construction contracts and contracts for services other than professional services where the amount is less than $10,000;

(2) supply contracts where the amount is less than $5000;

(3) deeds of receipt of a work related to a contract where the amount is less than $10,000; and

(4) supplements, orders for changes, and riders to construction contracts and contracts for services other than professional services where the amount is less than $1000 and orders for changes and riders to supply contracts where the amount is less than $500.

9. Immovable property counsellors and managing engineers are authorized to sign, for their regional branch,

(1) proposals to clients, occupancy agreements and their riders;

(2) construction contracts where the amount is less than $100,000;

(3) contracts for professional services where the amount is less than $5000;

(4) contracts for services other than professional services where the amount is less than $25,000;

(5) supply contracts where the amount is less than $10,000;

(6) deeds of receipt of a work related to a contract where the amount is less than $100,000; and

(7) supplements, orders for changes, and riders to construction contracts where the amount is less than $10,000, to contracts for services other than professional services where the amount is less than $2500, to supply contracts where the amount is less than $1000, and to contracts for professional services where the amount is less than $500.

10. The head of the lease evaluation and management service is authorized to sign contracts for professional services where the amount is less than $25,000 and riders where the amount is less than $2500.

11. Supervisors are authorized to sign, for their regional branch, supply contracts where the amount is less than $2000.

12. Warehousemen are authorized to sign

(1) supply contracts where the amount is less than $25,000;

(2) contracts for services other than professional services and contracts for the alienation of movables where the amount is less than $2500; and

(3) supplements, orders for changes, and riders where the amount is less than $2500 to supply contracts.

13. Directors under the vice-president, construction, are authorized to sign

(1) construction contracts where the amount is less than $500,000;

(2) contracts for services other than professional services where the amount is less than $250,000;

(3) supply contracts where the amount is less than $100,000;

(4) contracts for professional services where the amount is less than $25,000;

(5) deeds of receipt of a work related to a contract where the amount is less than $500,000; and

(6) supplements, orders for changes, and riders to construction contracts where the amount is less than $50,000, to contracts for services other than professional services where the amount is less than $10,000, to contracts for professional services where the amount is less than $5000, and to supply contracts where the amount is less than $10,000.

14. Assistants to directors and project managers under the vice-president, construction, are authorized to sign

(1) construction contracts where the amount is less than $250,000;

(2) contracts for services other than professional services where the amount is less than $100,000;

(3) supply contracts where the amount is less than $50,000;

(4) contracts for professional services where the amount is less than $25,000;

(5) deeds of receipt of a work related to a contract where the amount is less than $250,000; and

(6) supplements, orders for changes, and riders to construction contracts where the amount is less than $25,000, to contracts for services other than professional services where the amount is less than $10,000, to supply contracts where the amount is less than $5000, and to contracts for professional services where the amount is less than $2500.

15. Project managers under the vice-president, construction, are authorized to sign

(1) construction contracts where the amount is less than $100,000;

(2) contracts for services other than professional services where the amount is less than $10,000;

(3) supply contracts where the amount is less than $10,000;

(4) deeds of receipt of a work related to a contract where the amount is less than $100,000; and

(5) supplements, orders for changes, and riders to construction contracts where the amount is less than $10,000, to contracts for services other than professional services where the amount is less than $1000, and to supply contracts where the amount is less than $1000.

16. Project management technicians under the vice-president, construction, are authorized to sign

(1) construction contracts where the amount is less than $25,000;

(2) contracts for services other than professional services where the amount is less than $10,000;

(3) supply contracts where the amount is less than $5000; and

(4) supplements, orders for changes, and riders to construction contracts where the amount is less than $2500, to contracts for services other than professional services where the amount is less than $1000, and to supply contracts where the amount is less than $500.

17. The director of information and office systems is authorized to sign

(1) supply contracts and contracts for computer services where the amount is less than $50,000 and their riders where the amount is less than $5000; and

(2) contracts for the alienation of movable computer property where the amount is less than $50,000.

18. The head of the accounts payable division is authorized to sign cheques and drafts where the amount is less than $5000.

19. The communications director is authorized to sign supply contracts and contracts for communication services where the amount is less than $25,000 and their riders where the amount is less than $1000.

20. Directors, service heads, the assistant to the president, and assistants to regional directors are authorized to sign the supply contracts and contracts for services where the amount is less than $2000.

21. The signatures of the president and chief executive officer, the vice-president for administration and finance, and the secretary general may be affixed by means of an automatic device and a facsimile of their signatures may be engraved, lithographed, or printed on the following documents:

(1) cheques for an amount of less than $50,000;

(2) employee paycheques; and

(3) cheques, drafts, orders of payment, promissory notes, bonds, bills of exchange, or other negotiable instruments used within the scope of the Société's financing operations.

22. This By-law replaces the By-law respecting the signing of certain documents of the Société immobilière du Québec approved by Order in Council 299-2000 dated 22 March 2000.

23. This By-law comes into force on the date of its approval by the Government.

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Gouvernement du Québec

O.C. 1440-2002, 11 December 2002

An Act respecting the Pension Plan of Elected Municipal Officers
(R.S.Q., c. R-9.3)

Supplementary benefits plans — Adoption

WHEREAS, in accordance with section 76.4 of the Act respecting the Pension Plan of Elected Municipal Officers (R.S.Q., c. R-9.3), enacted by section 171 of the Act to amend various legislative provisions concerning municipal affairs (2001, c. 25) and amended by section 90 of the Act to amend various legislative provisions concerning municipal affairs (2001, c. 68), the Union des municipalités du Québec (UMQ) and the Fédération québécoise des municipalités locales et régionales (FQM) jointly established a supplementary benefits plan providing for the payment of supplemental pension benefits to any person having participated in the plan at any time between 1 January 1989 and 31 December 2000 or having transferred to that plan sums from the retirement plan referred to in section 4 of the Act respecting the Pension Plan of Elected Municipal Officers;

WHEREAS, in accordance with section 76.5 of the Act respecting the Pension Plan of Elected Municipal Officers, enacted by section 171 of the Act to amend various legislative provisions concerning municipal affairs (2001, c. 25) and amended by section 91 of the Act to amend various legislative provisions concerning municipal affairs (2001, c. 68), the Union des municipalités du Québec (UMQ) and the Fédération québécoise des municipalités locales et régionales (FQM) approved the supplementary benefits plan established under the above-mentioned section 76.4, by their respective resolutions dated 22 November 2002 and 21 November 2002;

WHEREAS the supplementary benefits plan established under the above-mentioned section 76.4 must, to come into force, be adopted by a government order that shall take effect on 1 January 2002;

WHEREAS it is expedient to adopt the supplementary benefits plan by a government order;

WHEREAS, under section 80.1 of the Act respecting the Pension Plan of Elected Municipal Officers, enacted by section 93 of the Act to amend various legislative provisions concerning municipal affairs (2001, c. 68), the Government must establish a supplementary benefits plan providing for the payment of supplemental pension benefits to any person whose pension credits payable under the Act respecting the Pension Plan of Elected Municipal Officers exceed the fiscal limits established by the Income Tax Act (Revised Statutes of Canada, 1985, c. 1, 5th Supplement);

WHEREAS, under the above-mentioned section 80.1, the supplementary benefits plan takes effect on the date determined by the order, which date may be prior to the date on which the order is made;

WHEREAS it is expedient to establish such a supplementary benefits plan;

WHEREAS, under section 12 of the Regulations Act (R.S.Q., c. R-18.1), a regulation may be made without prior publication of a proposed regulation in the *Gazette officielle du Québec* if the authority making it is of the opinion that the urgency of the situation requires it;

WHEREAS, under section 18 of the Regulations Act, a regulation may come into force on the date of its publication in the *Gazette officielle du Québec* if the authority that has made it is of the opinion that the urgency of the situation requires it;

WHEREAS both supplementary benefits plans proposed affect only a targeted group of beneficiaries, that is, eligible elected municipal officers, and the benefits provided for by those plans are deemed to be conditions of employment attached to the duties carried out in elected positions during a given period;

WHEREAS the above-mentioned sections 76.4 and 80.1 specifically designate the beneficiaries of the supplementary benefits plans established by this Order in Council;

WHEREAS the benefits granted by those supplementary benefits are determined by using rules and circumstances fixed by the above-mentioned sections 76.4 and 80.1;

WHEREAS those supplementary benefits payable since 1 January 2002 are adjustments of the pension paid under the Pension Plan of Elected Municipal Officers in relation to past situations and introduce measures suppletory to fiscal limits affecting pension credits with respect to targeted beneficiaries, several of whom already receive a pension under the plan;

WHEREAS, the Government is of the opinion that the urgency due to the adoption of the supplemental benefits plan, established under section 76.4 of the Act respecting the Pension Plan of Elected Municipal Officers, and the establishment of the supplementary benefits plan, referred to in section 80.1 of that Act, warrants their coming into force on the date of their publication in the *Gazette officielle du Québec* without prior publication of drafts in the *Gazette officielle du Québec*;

IT IS ORDERED, therefore, on the recommendation of the Minister of Municipal Affairs and Greater Montréal:

THAT the supplementary benefits plan referred to in section 76.4 of the Act respecting the Pension Plan of Elected Municipal Officers established and approved by the Union des municipalités du Québec (UMQ) and the Fédération québécoise des municipalités locales et régionales (FQM), attached to this Order in Council, be adopted;

THAT the supplementary benefits plan referred to in section 80.1 of the Act respecting the Pension Plan of Elected Municipal Officers, attached to this Order in Council, be established.

JEAN ST-GELAIS,
Clerk of the Conseil exécutif

Supplementary benefits plans for elected municipal officers

An Act respecting the Pension Plan of Elected Municipal Officers
(R.S.Q., c. R-9.3, ss. 76.4, 76.5 and 80.1; 2001, c. 25, s. 171; 2001, c. 68, ss. 90, 91 and 93)

CHAPTER I
SUPPLEMENTARY BENEFITS PLAN REFERRED TO IN SECTION 76.4 OF THE ACT RESPECTING THE PENSION PLAN OF ELECTED MUNICIPAL OFFICERS

DIVISION I
SCOPE

1. A supplementary benefits plan is established for any person who participated in the pension plan established by the Act respecting the Pension Plan of Elected Municipal Officers (R.S.Q., c. R-9.3), at any given time between 1 January 1989 and 31 December 2000 or who participated in the general retirement plan referred to in section 4 of that Act before 1 January 1989 and whose contributions were transferred to the pension plan of elected municipal officers.

Furthermore, the person must be in one of the following situations:

(1) the person was participating in the Pension Plan of Elected Municipal Officers on 31 December 2000;

(2) the person was sitting on the council of a municipality on 31 December 2000 and was

(a) receiving a pension under that plan; or

(b) 69 years of age or more and was not receiving pension under that plan;

(3) the person was no longer sitting on the council of a municipality on 31 December 2000 and was receiving a pension under that plan;

(4) the person was no longer sitting on the council of a municipality on 31 December 2000 and was entitled to a pension or deferred pension under that plan; or

(5) the person is a surviving spouse who was receiving or was entitled to receive on 31 December 2000 a pension as such under the Pension Plan of Elected Municipal Officers.

DIVISION II
COMPUTATION AND PAYMENT OF SUPPLEMENTARY BENEFITS

2. A person referred to in subparagraph 1 or 2 of the second paragraph of section 1 is entitled to a supplementary benefit. It shall correspond, for each year of service recognized before 1 January 2002, to a supplementary pension credit equal to the excess of 3.75% of the pensionable salary over the pension credit acquired by the person under section 29 of the Act.

The following are not taken into account to determine the supplementary pension benefit:

(a) years of service redeemed in the plan since 21 June 2001;

(b) years recognized or transferred to the Pension Plan of Elected Municipal Officers other than those from the general retirement plan referred to in section 4 of the Act;

(c) years of service for which a person received payment of the actuarial value of the person's benefits before 1 January 2001 or was refunded his or her contributions; and

(d) years for which a person is only entitled to a refund of contributions.

3. A supplementary benefit shall be granted on 1 January 2002 to a person referred to in subparagraph 3, 4 or 5 of the second paragraph of section 1.

The benefit shall correspond

(1) for a person referred to in subparagraph 3 or 5 of the second paragraph of section 1, to 24.1% of the annual pension payable on 31 December 2001;

(2) for a person referred to in subparagraph 4 of the second paragraph of section 1, but who had not requested, on 31 December 2001, payment of his or her pension or deferred pension, to 24.1% of the annual pension payable and of the supplementary annual benefit provided for in Chapter II to which the person is entitled with respect to years prior to 1 January 2002.

To determine the supplementary benefit, the years of service referred to in the second paragraph of section 2 shall not be taken into account.

4. Every supplementary pension credit granted under section 2 is indexed annually on 1 January following the year covered by each credit and until 1 January preceding the date on which the pension becomes payable, according to the rate of increase in the Pension Index established under the Act respecting the Québec Pension Plan (R.S.Q., c. R-9).

5. The supplementary benefit provided for in section 2 that is granted to a member whose pension is reduced pursuant to section 27 of the Act shall also be reduced in the same manner.

6. Every supplementary benefit is granted for life and is payable from the date on which the pension or deferred pension of the member becomes payable under the Pension Plan of Elected Municipal Officers or from 1 January 2002 if the pension was paid to the member before that date.

For a pensioner whose pension was suspended on 31 December 2001, the supplementary benefit is payable to the pensioner on the date the pension is paid again.

7. Upon a pensioner's death, the benefit shall continue to be paid to the spouse or, if there is no spouse, to the successors until the first day of the month following the death.

DIVISION III
MISCELLANEOUS

8. From the date on which the pensioner's supplementary benefit is no longer paid because of death or from the date of death of a person at least 60 years of age, the spouse is entitled to receive as benefits 60% of the benefit that the pensioner received or of the benefit to which the person at least 60 years of age would have been entitled.

9. If a person dies before the age of 60 with at least two credited years of service, the spouse or, if there is no spouse, the successors are entitled to receive the actuarial value of the deferred supplementary benefit acquired by that person at the time of death and that would have become payable to him or her at 60 years of age.

10. Any supplementary benefit granted under this Chapter shall be adjusted in the manner prescribed by section 35 of the Act, adapted as required, after the date on which it becomes payable.

11. Any supplementary benefit granted under this plan is payable periodically and at the same time as the benefit determined under the Act respecting the Government and Public Employees Retirement Plan (R.S.Q., c. R-10) until the date the person ceases to be entitled thereto.

12. The annual contribution of a municipality to the plan provided for by this Chapter is equal to the sum

(1) of the amount corresponding to the proportion represented by the surplus attributed to that municipality over all the surplus established under section 76.1 of the Act, in relation to all the supplementary benefits paid during the year by the Commission under this plan; and

(2) of the amount corresponding to the proportion represented by the surplus attributed to that municipality over all the surplus established under section 76.1 of the Act, in relation to the expenses incurred during the year by the Commission to administer this plan.

13. Municipalities shall, within 30 days of the statement sent each year by the Commission, pay the amount of their contribution.

Any amount unpaid within the 30-day period bears interest at the rates provided for in Schedule IV to the Act respecting the Government and Public Employees Retirement Plan (R.S.Q., c. R-10).

14. Sections 38 to 40, 44, 45, 46 and 77 of the Act apply to this Chapter, adapted as required.

CHAPTER II
SUPPLEMENTARY BENEFITS PLAN REFERRED TO IN SECTION 80.1 OF THE ACT

15. Any person who has certain payable pension credits in excess of the fiscal limits established by the Income Tax Act (Revised Statutes of Canada, 1985, c. 1, 5th Supplement) is entitled to a supplementary benefit.

That supplementary benefit shall be established in respect of years of service credited after 31 December 1991, excluding the years referred to in subparagraphs *a* and *b* of the second paragraph of section 2, and it shall be equal to the amount by which the pension that would have been computed disregarding the benefit cap established under the Income Tax Act exceeds the pension payable according to those limits.

16. Sections 6 to 11, 13 and 14 apply, adapted as required.

17. The annual contribution of a municipality related to the plan provided for by this Chapter, with respect to persons entitled thereto and who are retired employees of that municipality, shall be equal to the sum of the supplementary benefits payable for those persons.

CHAPTER III
COMING INTO FORCE AND TAKING OF EFFECT

18. The supplementary benefits plan, established under Chapter I, and the supplementary benefits plan, established under Chapter II, come into force on the date of their publication in the *Gazette officielle du Québec* and have had effect since 1 January 2002.

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Gouvernement du Québec

O.C. 1466-2002, 11 December 2002

Professional Code
(R.S.Q., c. C-26)

Physical rehabilitation therapists
— Integration into the Ordre professionnel des physiothérapeutes du Québec
— Taking of effect

Taking of effect of the Order in Council concerning the integration of physical rehabilitation therapists into the Ordre professionnel des physiothérapeutes du Québec

WHEREAS, under the second paragraph of section 27.2 of the Professional Code (R.S.Q., c. C-26), the Government may, by order, integrate into an order referred to in Division III of Chapter IV of the Code, a group of persons to whom it considers necessary, for the protection of the public, to grant a reserved title, after consultation with the Office des professions du Québec, the Québec Interprofessional Council and the order concerned as well as with the organizations, if any, which represent the group of persons concerned;

WHEREAS, on 21 August 2002, the Government made Order in Council 923-2002 concerning the integration of physical rehabilitation therapists into the Ordre professionnel des physiothérapeutes du Québec;

WHEREAS, under the second paragraph of the operative part of the Order in Council, it will have effect from the date of coming into force of paragraph 3 of section 37.1 of the Professional Code, enacted by section 2 of the Act to amend the Professional Code and other legislative provisions as regards the health sector (2002, c. 33);

WHEREAS, under Order in Council 1465-2002 dated 11 December 2002, paragraph 3 of section 37.1 of the Professional Code, enacted by section 2 of the Act to amend the Professional Code and other legislative provisions as regards the health sector, comes into force on 1 June 2003;

WHEREAS it is expedient to advance the date of taking of effect of the Order in Council concerning the integration of physical rehabilitation therapists into the Ordre professionnel des physiothérapeutes du Québec to 30 January 2003;

IT IS ORDERED, therefore, upon the recommendation of the Minister responsible for the administration of legislation respecting the professions:

THAT the second paragraph of the operative part of Order in Council 923-2002 concerning the integration of physical rehabilitation therapists into the Ordre professionnel des physiothérapeutes du Québec, made on 21 August 2002, be replaced by the following:

"THAT this Order in Council take effect on 30 January 2003".

JEAN ST-GELAIS,
Clerk of the Conseil exécutif

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Gouvernement du Québec

O.C. 1467-2002, 11 December 2002

Professional Code
(R.S.Q., c. C-26)

Midwives
— Professional acts that persons other than midwives may engage in on certain terms and conditions

Regulation respecting professional acts that persons other than midwives may engage in on certain terms and conditions

WHEREAS, under paragraph *h* of section 94 of the Professional Code (R.S.Q., c. C-26), the Bureau of a professional order may, by regulation, determine, among the professional acts that may be engaged in by members of the order, those that may be engaged in by the persons indicated in the regulation, in particular persons serving a determined period of professional training, and the terms and conditions on which such persons may engage in such acts;

WHEREAS the Bureau of the Ordre des sages-femmes du Québec made the Regulation respecting professional acts that may be performed by persons other than midwives on certain terms and conditions;

WHEREAS, in accordance with the Regulations Act (R.S.Q., c. R-18.1), the draft Regulation was published in Part 2 of the *Gazette officielle du Québec* of 11 September 2002, with a notice that it could be submitted to the Government, which could approve it with or without amendment, upon the expiry of 45 days following that publication;

WHEREAS, in accordance with section 95 of the Professional Code, the Office des professions du Québec made its recommendations;

WHEREAS it is expedient to approve the Regulation with amendments;

IT IS ORDERED, therefore, upon the recommendation of the Minister responsible for the administration of legislation respecting the professions:

THAT the Regulation respecting professional acts than persons other that midwives may engage in on certain terms and conditions, attached to this Order in Council, be approved.

JEAN ST-GELAIS,
Clerk of the Conseil exécutif

Regulation respecting professional acts that persons other than midwives may engage in on certain terms and conditions

Professional Code
(R.S.Q., c. C-26, s. 94, par. *h*)

1. In this Regulation,

"diploma meeting permit requirements" means a diploma recognized by regulation of the Government made under the first paragraph of section 184 of the Professional Code (R.S.Q., c. C-26) as meeting the requirements for the permit issued by the Ordre des sages-femmes du Québec or, until the coming into force of such a regulation the purpose of which is to determine for the first time the diplomas which meet permit requirements, the diploma of university studies in midwifery awarded by Université du Québec à Trois-Rivières; and

"midwifery program" means the theoretical and clinical training unit leading to a diploma meeting permit requirements.

2. A person enrolled in the midwifery program may, for the purposes of the program, engage in any professional act that a midwife may engage in on the same conditions but only under the supervision of a midwife.

3. A person may, during a course, a training period or any other training activity recommended by the Bureau for the purposes of the recognition of a diploma equivalence or training, engage in any professional act that a midwife may engage in on the same conditions but only under the supervision of a midwife.

4. This Regulation comes into force on the fifteenth day following the date of its publication in the *Gazette officelle du Québec.*

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Gouvernement du Québec

O.C. 1468-2002, 11 December 2002

Professional Code
(R.S.Q., c. C-26)

Court bailiffs
— Conciliation and arbitration procedure for the accounts

Regulation respecting the conciliation and arbitration procedure for the accounts of court bailiffs

WHEREAS, under section 88 of the Professional Code (R.S.Q., c. C-26), the Bureau of the Chambre des huissiers de justice du Québec must establish, by regulation, a conciliation and arbitration procedure for the accounts of the members of the order which may be used by persons having recourse to the services of the members;

WHEREAS the Bureau of the Chambre des huissiers de justice du Québec adopted the Regulation respecting the conciliation and arbitration procedure for the accounts of court bailiffs;

WHEREAS, under section 95.3 of the Professional Code, amended by section 8 of chapter 34 of the Statutes of 2001, a draft Regulation was sent to every member of the Chambre at least 30 days before its adoption by the Bureau;

WHEREAS, in accordance with sections 10 and 11 of the Regulations Act (R.S.Q., c. R-18.1), a draft Regulation was published in Part 2 of the *Gazette officielle du Québec* of 22 May 2002 with a notice that it could be submitted to the Government for approval upon the expiry of 45 days following that publication;

WHEREAS, in accordance with section 95 of the Professional Code, the Office des professions du Québec made its recommendations;

WHEREAS it is expedient to approve the Regulation with amendments;

IT IS ORDERED, therefore, upon the recommendation of the Minister responsible for the administration of legislation respecting the professions:

THAT the Regulation respecting the conciliation and arbitration procedure for the accounts of court bailiffs, attached to this Order in Council, be approved.

JEAN ST-GELAIS,
Clerk of the Conseil exécutif

Regulation respecting the conciliation and arbitration procedure for the accounts of court bailiffs

Professional Code
(R.S.Q., c. C-26, s. 88)

DIVISION I
GENERAL

1. This Regulation applies to any person required to pay a bailiff's account for fees, whether or not the account has already been paid in full or in part.

However, this Regulation does not apply to an account that has been taxed pursuant to article 480 of the Code of Civil Procedure (R.S.Q., c. C-25).

In this Regulation, "person" means a natural person or a legal person established for a private or public interest, a partnership within the meaning of the Civil Code of Québec, and a public body within the meaning of the Act respecting Access to documents held by public bodies and the Protection of personal information (R.S.Q., c. A-2.1).

2. The Bureau of the Chambre des huissiers de justice du Québec shall appoint a conciliator for the accounts of bailiffs.

The conciliator shall take the oath of office and discretion in the manner provided for in Schedule I.

3. The conciliator shall provide a copy of this Regulation to every person who requests one or who has applied for conciliation in respect of an account for fees.

4. The time limits in this Regulation are determined in accordance with the Code of Civil Procedure.

5. No bailiff may institute proceedings in respect of an account until the expiry of the 45-day period following receipt of the account by the addressee.

However, the conciliator may authorize the bailiff to institute proceedings if there is reason to believe that failure to do so will jeopardize recovery of the fees.

6. No bailiff may, as of receipt by the conciliator of an application for conciliation in respect of an account for fees, institute proceedings in respect of the account so long as the dispute can be settled by conciliation or arbitration.

However, the bailiff may apply for provisional measures in accordance with article 940.4 of the Code of Civil Procedure.

7. Where the fees or the procedure for determining them are set out in a written agreement between the bailiff and the person liable for the payment of the account, this conciliation and arbitration procedure may be used only to ensure that the services rendered are in conformity with the said agreement.

DIVISION II
CONCILIATION

8. An application for conciliation in respect of an account for fees must be sent to the conciliator within 45 days following receipt of the account.

Where an amount has been withdrawn or withheld by the bailiff from the funds held or received for or on behalf of another person, the 45-day period runs from the date of receipt of the account or from the time the person becomes aware of the withdrawal or withholding, whichever occurs later.

9. An application to the syndic to inquire into a dispute over the amount of an account for fees may constitute an application for conciliation, provided that it is filed within the period prescribed in section 8.

10. Within five days of receiving an application for conciliation, the conciliator must notify the bailiff thereof in writing at the bailiff's professional domicile.

11. The conciliator shall proceed with the conciliation in the manner he or she considers most appropriate.

To that end, the conciliator may require that the bailiff or the applicant for conciliation provide any information or document the conciliator considers necessary.

12. Any agreement reached during conciliation must be in writing and signed by the applicant for conciliation and the bailiff.

A signed copy of that agreement shall be sent to the conciliator.

13. If conciliation does not lead to an agreement within 60 days following receipt of the application for conciliation, the conciliator shall send a conciliation report to the parties as soon as possible, containing, where applicable, the following information:

(1) the reason why this Regulation does not apply to the application for conciliation;

(2) the amount of the account in dispute;

(3) the amount that the applicant for conciliation acknowledges owing and the amount that the bailiff acknowledges having to refund or is willing to accept in settlement of the dispute; and

(4) the amount suggested by the conciliator during conciliation as payment to the bailiff or as refund to the applicant.

The conciliator shall also send to the applicant for conciliation the form provided for in Schedule II and indicate to the applicant that the dispute may be submitted to arbitration within 30 days of receipt of the conciliation report.

DIVISION III
ARBITRATION

§1. Arbitration committee

14. The Bureau shall form an arbitration committee to process applications for arbitration, composed of at least four members appointed from among the bailiffs who have been on the roll of the Chambre for at least ten years, and shall designate the chair of the committee from among them.

The Bureau shall also designate a secretary of the arbitration committee.

15. Each member and the secretary of the committee shall take the oath of office and discretion in the manner provided for in Schedule I.

§2. Application for arbitration

16. The applicant may apply for arbitration of the account, on pain of forfeiture, within 30 days of receipt of the conciliation report provided for in section 13, by sending the duly completed form provided for in Schedule II to the secretary of the committee.

The conciliation report must be enclosed with the application for arbitration, together with any amount that the applicant acknowledged owing in conciliation and that is indicated in the conciliator's report.

17. Within five days of receiving an application for arbitration, the secretary of the committee must give a written notice thereof to the bailiff and enclose, where applicable, the amount deposited in accordance with section 16.

In such case, the arbitration shall pertain only to the amount still in dispute.

18. An application for arbitration may not be withdrawn unless it is in writing and with the consent of the bailiff.

19. Any agreement reached after the application for arbitration must be in writing and signed by the applicant for arbitration and the bailiff.

A signed copy of that agreement shall be sent to the secretary of the committee.

§3. Council of arbitration

20. When the amount in dispute is less than $1500, the application for arbitration shall be examined by a council of arbitration composed of a single arbitrator designated by the secretary of the committee from among the committee members.

When the amount in dispute is $1500 or more, the application for arbitration shall be examined by a council of arbitration composed of three arbitrators designated by the secretary of the committee from among the committee members, who shall choose from among themselves a chair and a secretary.

21. The secretary of the committee shall inform the parties and the council's arbitrator or arbitrators in writing that a council has been appointed.

22. In the event of an arbitrator's death or inability to act, the remaining arbitrators shall see the matter through and, where applicable, determine which of them will act as chair.

If the council of arbitration consists of a single arbitrator, or if two of the arbitrators are in one of the situations referred to in the first paragraph, the secretary of the committee shall see to the replacement of the arbitrator or arbitrators in accordance with section 20, and if necessary, the dispute shall be reheard.

23. An application for the recusation of an arbitrator may be made only on one of the grounds provided for in article 234 of the Code of Civil Procedure. The application must be sent in writing to the secretary of the committee, the council of arbitration, and the parties

within ten days after receipt of the notice provided for in section 21 or ten days after the grounds for the recusation become known to the party invoking it, whichever occurs later.

The administrative committee of the Chambre shall rule on the request and, as the case may be, the secretary of the committee shall see to the replacement of the recused arbitrator in accordance with section 20.

24. Any agreement reached by the parties after the council of arbitration has been appointed, but before the hearing, must be in writing, signed by the parties and filed with the secretary of the committee. In such case, the parties are jointly liable for the arbitration expenses, as fixed by the secretary of the committee in accordance with section 37.

§4. Hearing

25. The secretary of the committee shall set the date, time and place of the hearing and shall give the council and the parties at least ten days' written notice thereof.

26. The parties are entitled to be represented or assisted by an advocate.

27. The council may require each party to submit to the secretary of the committee, within a given time limit, a statement of their claims together with supporting documents. The secretary of the committee shall forward a copy of the statements to the council and the parties as soon as possible after receiving them.

The council may also require any record, document or information it considers necessary to settle the dispute. The parties must comply with any order to that effect.

28. The council shall, with diligence, hear the parties, receive their evidence or record any failure on their part.

To that end, the council shall follow the procedure and apply the rules of evidence that it considers most appropriate.

The council shall render an award that is fair and in accordance with the law.

29. A party that requests that testimony be recorded shall assume the organization and cost thereof.

30. The secretary of the council or the single arbitrator shall draw up the minutes of the hearing, which must be signed by the arbitrator or arbitrators.

31. Any agreement reached by the parties after the hearing shall be recorded in the arbitration award.

§5. Arbitration award

32. The council shall render its award within 60 days after the end of the hearing.

33. Where applicable, the award shall be a majority award of the members of the council ; failing a majority, it shall be rendered by the chair of the council.

34. The award must be reasoned and signed by the single arbitrator or the majority arbitrators. If an arbitrator refuses or is unable to sign, the others shall indicate that fact and the award shall have the same effect as though signed by all the arbitrators.

35. In its award, the council of arbitration may confirm or reduce the account in dispute. It may also, as required, determine the refund or payment to which a party may be entitled.

36. Each party shall bear its own costs incurred for the arbitration and may not recover them from the adverse party.

37. In its award, the council has full discretion to rule on the arbitration expenses, namely the expenses incurred by the Chambre for the arbitration. The total expenses to be borne by the parties shall not exceed 15% of the amount in dispute. However, in every case where expenses are awarded, they shall not be less than $50.

When the account in dispute is confirmed in full or in part, or when a refund is awarded, the council may also add interest and an indemnity in accordance with articles 1618 and 1619 of the Civil Code of Québec, computed from the date of the application for conciliation.

38. The award is binding on the parties, final, without appeal, and enforceable in accordance with articles 946 to 946.6 of the Code of Civil Procedure.

Articles 945, 945.3, and 945.5 to 945.8 of the Code of Civil Procedure apply, adapted as required, to an arbitration held pursuant to this Regulation.

39. The award shall be filed with the secretary of the committee, who shall send it to the parties or their advocates within ten days after the filing.

40. Once the arbitration award is rendered, the secretary of the council or the single arbitrator, as the case may be, shall send the complete arbitration record, including the minutes of the hearing duly signed by the arbitrator or arbitrators, to the secretary of the committee. The secretary of the committee may issue true copies thereof.

DIVISION IV
FINAL

41. This Regulation replaces sections 12 to 17 of the Regulation respecting the application of the Bailiffs Act (R.R.Q., 1981, c. H-4, r.2), which continues to apply as provided for in section 31 of the Court Bailiffs Act (R.S.Q., c. H-4.1).

The latter Regulation nevertheless continues to govern the procedure for conciliation and arbitration of disputes in respect of which an application for conciliation was filed before the date of coming into force of this Regulation.

42. This Regulation comes into force on the fifteenth day following the date of its publication of the *Gazette officielle du Québec*.

SCHEDULE I
(ss. 2 and 15)

OATH OF OFFICE AND DISCRETION

I declare under oath that I will discharge all the duties and exercise all the powers of conciliator (or arbitrator, as the case may be) faithfully, impartially, and honestly, to the best of my ability and knowledge.

I declare under oath that I will not reveal or disclose, unless authorized by law, anything that may come to my knowledge in the discharge of my duties.

_____
(Signature of the conciliator or arbitrator)

Declaration under oath before

_____
(Name and position, profession or capacity)

at _____ on _____
(municipality) (date)

_____
(Signature of the person administering the oath)

SCHEDULE II
(ss. 13 and 16)

APPLICATION FOR ARBITRATION

I, the undersigned, declare the following:

Identification of applicant

	IF APPLICABLE, represented by:
_____	_____
Name of applicant	Name of attorney
_____	_____
Number Street Apartment	Number Street
_____	_____
Town or city Province Postal Code	Town or city Province Postal Code
_____	_____
Tel. (office) Fax	Tel. Fax
_____	
Tel. (residence)	

Identification of bailiff

_____
Name of bailiff

_____
Number Street

_____
Town or city Province Postal Code

_____
Tel. Fax

(Fill in one of the following three boxes: Fees paid in full; Fees paid in part; or Fees unpaid. In the box selected, fill in Part 1 that applies to your situation and Part 2.)

Fees paid in full

1. On _____, I received an account for bailiff fees in the amount of (date of receipt of account)

$_____ for professional services rendered, a copy of which is attached hereto.

OR

1. On _____, I became aware that the amount
(date)
of $_____

had been deducted as payment of the bailiff fees from the funds held in trust on my behalf by the bailiff.

(*Check and fill in, if applicable*)
☐ I received the account for bailiff fees on _____.
☐ To date, I have received no account for bailiff fees.

2. Since the account has been paid, I hereby request a refund of $_____, considering that the amount of $_____ constitutes a just and reasonable fee for the professional services rendered.

Fees paid in part

1. On _____, I received an account for
(date of receipt of account)
bailiff fees in the amount of $_____ for professional services rendered, a copy of which is attached hereto.

OR

1. On _____, I became aware that the amount
(date)
of $_____

had been deducted as payment of the bailiff fees from the funds held in trust on my behalf by the bailiff.

(*Check and fill in, if applicable*)
☐ I received the account for bailiff fees on _____.
☐ To date, I have received no account for bailiff fees.

2. Since the account has been paid in part, I acknowledge owing $_____ considering that the amount of $_____ constitutes a just and reasonable fee for the professional services rendered.

Fees unpaid

1. On _____, I received an account for
(date of receipt of account)
bailiff fees in the amount of $_____ for professional services rendered, a copy of which is attached hereto.

OR

1. To date, I have received no account for bailiff fees detailing the professional services rendered.

2. Since the account has not been paid, I acknowledge owing the amount of $_____ that constitutes a just and reasonable fee for the professional services rendered.

3. Reasons for the application for arbitration:_____
_____
_____
_____
_____
_____
_____
_____
_____
(An explanatory letter may be attached if additional space is required.)

For prescription purposes, I hereby waive my benefit with respect to time elapsed.

The application for arbitration was filed because the conciliation procedure did not lead to an agreement between the parties as attested to by the copy of the conciliation report I have enclosed in this application.

Object of the dispute

The amount of $_____, which represents the difference between the account and the amount of $_____ that I acknowledge as constituting a just and reasonable fee for the professional services rendered.

I hereby request that the dispute be settled by arbitration held in accordance with the Regulation respecting the conciliation and arbitration procedure for the accounts of bailiffs, a copy of which I declare having received and taken cognizance of.

I hereby agree to comply with the decision of the council of arbitration that will be formed in accordance with this Regulation.

Signed at _____,

_____
(Signature of applicant or applicant's attorney)

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Gouvernement du Québec

O.C. 1469-2002, 11 December 2002

Professional Code
(R.S.Q., c. C-26)

Chiropraticiens
— Conciliation and arbitration procedure for the accounts of members of the Ordre
— Amendment

Regulation to amend the Regulation respecting the conciliation and arbitration procedure for the accounts of members of the Ordre des chiropraticiens du Québec

WHEREAS, under section 88 of the Professional Code (R.S.Q., c. C-26), the Bureau of a professional order must establish, by regulation, a conciliation and arbitration procedure for the accounts of the members of the order which may be used by persons having recourse to the services of the members;

WHEREAS the Bureau of the Ordre des chiropraticiens du Québec adopted the Regulation to amend the Regulation respecting the conciliation and arbitration procedure for the accounts of members of the Ordre des chiropraticiens du Québec;

WHEREAS, under section 95.3 of the Professional Code, amended by section 8 of chapter 34 of the Statutes of 2001, a draft Regulation was sent to every member of the Order at least 30 days before its adoption by the Bureau;

WHEREAS, in accordance with sections 10 and 11 of the Regulations Act (R.S.Q., c. R-18.1), the draft Regulation was published in Part 2 of the *Gazette officielle du Québec* of 14 August 2002 with a notice that it could be submitted to the Government for approval upon the expiry of 45 days following that publication;

WHEREAS, in accordance with section 95 of the Professional Code, the Office des professions du Québec made its recommendations;

WHEREAS it is expedient to approve the Regulation without amendment;

IT IS ORDERED, therefore, upon the recommendation of the Minister responsible for the administration of legislation respecting the professions:

THAT the Regulation to amend the Regulation respecting the conciliation and arbitration procedure for the accounts of members of the Ordre des chiropraticiens du Québec, attached hereto, be approved.

JEAN ST-GELAIS,
Clerk of the Conseil exécutif

Regulation to amend the Regulation respecting the conciliation and arbitration procedure for the accounts of members of the Ordre des chiropraticiens du Québec[*]

Professional Code
(R.S.Q., c. C-26, s. 88)

1. The Regulation respecting the conciliation and arbitration procedure for the accounts of members of the Ordre des chiropraticiens du Québec is amended by inserting the following paragraph after the first paragraph of section 2:

"Where a client and the member have agreed on a treatment schedule comprising several appointments, payable in one or more instalments, the application for conciliation may be made within 60 days of the last treatment received, provided that no more than a year has elapsed since the date of receipt of the account.".

2. This Regulation comes into force on the fifteenth day following the date of its publication in the *Gazette officielle du Québec.*

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[*] The Regulation respecting the conciliation and arbitration procedure for the accounts of members of the Ordre des chiropraticiens du Québec, approved by Order in Council 770-93 dated 2 June 1993 (1993, *G.O.* 2, 3138), has not been amended.

Gouvernement du Québec

O.C. 1470-2002, 11 December 2002

Tobacco Tax Act
(R.S.Q., c. I-2)

Taxation Act
(R.S.Q., c. I-3)

Licenses Act
(R.S.Q., c. L-3)

An Act respecting the Ministère du Revenu
(R.S.Q., c. M-31)

An Act respecting the Québec sales tax
(R.S.Q., c. T-0.1)

Fuel Tax Act
(R.S.Q., c. T-1)

Various regulations of a fiscal nature — Amendments

CONCERNING various regulations to amend regulations of a fiscal nature

WHEREAS section 13.1 of the Tobacco Tax Act (R.S.Q., c. I-2) provides that every package of tobacco prescribed by regulation that is intended for retail sale in Québec and that is in Québec must be identified by the persons, in the manner and on the conditions prescribed by regulation;

WHEREAS section 17.12 of that Act, enacted by section 15 of chapter 51 of the statutes of 2001, provides that every holder of a collection officer's permit shall, to obtain a refund of an amount equal to the tobacco tax under that section, fulfil the terms and conditions determined by regulation and that the Government may in particular, by regulation, determine a method for establishing the amount of the refund as well as the conditions and manner of use of that method;

WHEREAS section 17.14 of that Act, enacted by section 15 of chapter 51 of the statutes of 2001, provides that every holder of a collection officer's permit who recovers all or part of a bad debt in respect of which the collection officer obtained a refund under section 17.12 of that Act shall make a report to the Minister of Revenue on the amount equal to the tobacco tax computed using the method determined by regulation;

WHEREAS section 19 of that Act provides that for the purpose of carrying into effect the provisions of the Act according to their true intent or of supplying any deficiency therein, the Government may make such regulations, not inconsistent with that Act, as are considered necessary;

WHEREAS, under subparagraphs *e*, *e*.2 and *f* of the first paragraph of section 1086 of the Taxation Act (R.S.Q., c. I-3), the Government may make regulations to establish classes of property for the purposes of section 130 of that Act, to require any person included in one of the classes of persons it determines to file any return it may prescribe relating to any information necessary for the establishment of an assessment provided for in that Act and to send, where applicable, a copy of the return or a part thereof to any person to whom the return or of part thereof relates and to whom it indicates in the regulation, and to generally prescribe the measures required for the application of that Act;

WHEREAS, in accordance with the Licenses Act (R.S.Q., c. L-3), the Government may, under the second paragraph of section 79.11 of that Act, amended by section 140 of Chapter 9 of the Statutes of 2002, determine the percentage and the conditions for reducing the specific duty provided for in subparagraphs *b* and *c* of the first paragraph of that section;

WHEREAS, under the first paragraph of section 96 of the Act respecting the Ministère du Revenu (R.S.Q., c. M-31), the Government may make regulations in particular to prescribe the measures required to carry out that Act and to exempt from the duties provided for by a fiscal law;

WHEREAS, under the first paragraph of section 677 of that Act respecting the Québec sales tax (R.S.Q., c. T-0.1), amended by section 311 of chapter 51 of the statutes of 2001, by section 385 of chapter 53 of the statutes of 2001 and by section 174 of chapter 9 of the statutes of 2002, the Government may make regulations to prescribe the measures required for the purposes of the Act;

WHEREAS subparagraph *q* of the first paragraph of section 1 of the Fuel Tax Act (R.S.Q., c. T-1), amended by section 23 of Chapter 52 of the Statutes of 2001, provides that the word "regulation" means any regulation made by the Government under that Act;

WHEREAS paragraph *f* of section 9 of that Act provides that non-coloured fuel oil is exempt from the fuel tax where acquired or used in the cases, for the purposes and on the conditions providedby regulation;

WHEREAS the second paragraph of section 10.2 of the Fuel Tax Act provides that the Government may, for the purposes of this section, make regulations to define the words "Indian", "Band" and "reserve";

WHEREAS section 10.7 of that Act, amended by section 175 of chapter 9 of the statutes of 2002, provides that an application for reimbursement of the fuel tax provided for by that section shall be filed within the time, on the conditions and according to the modalities prescribed by regulation and that the Government may, by regulation, determine which motor vehicles are prescribed motor vehicles and which equipment is qualified equipment, determine the percentage of gasoline or non-coloured fuel oil attributable to the use, by a prescribed motor vehicle, of eligible equipment of the vehicle and determine, in respect of a carrier referred to in the International Fuel Tax Agreement, the time, the conditions and the modalities of such an application for reimbursement;

WHEREAS section 10.8 of that Act, enacted by section 312 of chapter 51 of the statutes of 2001, provides that every holder of a collection officer's permit shall, to obtain a refund of an amount equal to the fuel tax under that section, fulfil such terms and conditions as may be determined by regulation and that the Government may in particular, by regulation, determine a method for establishing the amount of the refund as well as the conditions and manner of use of that method;

WHEREAS section 10.10 of that Act, enacted by section 312 of chapter 51 of the statutes of 2001, provides that every holder of a collection officer's permit who recovers all or part of a bad debt in respect of which the collection officer obtained a refund under section 10.8 of the Act shall make a report to the Minister of Revenue on the amount equal to the fuel tax computed using the method determined by regulation;

WHEREAS the Regulation respecting the application of the Tobacco Tax Act was made by Order in Council 1929-86 dated 16 December 1986 under the Tobacco Tax Act, the Regulation respecting the Taxation Act (R.R.Q., 1981, c. I-3, r.1) was made under the Taxation Act, the Regulation respecting the application of the Licenses Act (R.R.Q., 1981, c. L-3, r.1) was made under the Licenses Act, the Regulation respecting fiscal administration (R.R.Q., 1981, c. M-31, r.1) was made under the Act respecting the Ministère du Revenu, the Regulation respecting the Québec sales tax was made by Order in Council 1607-92 dated 4 November 1992 under the Act respecting the Québec sales tax and the Regulation respecting the application of the Fuel Tax Act (R.R.Q., 1981, c. T-1, r.1) was made under the Fuel Tax Act;

WHEREAS it is expedient to amend the Regulation respecting the Taxation Act, the Regulation respecting the application of the Licenses Act, the Regulation respecting fiscal administration and the Regulation respecting the Québec sales tax, to give effect primarily to the fiscal measures and terminology-related amendments introduced into the Taxation Act, the Licenses Act, the Act respecting the Ministère du Revenu and the Act respecting the Québec sales tax by chapter 39 of the statutes of 1996, by chapter 16 of the statutes of 1998, by chapter 5 of the statutes of 2000, by chapters 7, 51, 52 and 53 of the statutes of 2001 and by chapters 5 and 9 of the statutes of 2002 and announced by the Minister of Finance in the Budget Speeches delivered on 9 May 1996, 25 March 1997, 31 March 1998, 9 March 1999, 14 March 2000, 29 March 2001 and 1 November 2001 and in the News Releases published by the Ministère des Finances, in particular on 24 April 1996, 19 December 1996, 18 December 1997, 23 June 1998, 17 September 1998, 6 November 1998, 30 June 1999, 22 December 1999, 20 October 2000, 27 October 2000, 20 December 2000, 21 December 2000, 1 March 2001 and 20 December 2001;

WHEREAS it is expedient, with a view to more efficient application of the Tobacco Tax Act, the Taxation Act, the Act respecting the Québec sales tax and the Fuel Tax Act, to amend the Regulation respecting the application of the Tobacco Tax Act, the Regulation respecting the Taxation Act, the Regulation respecting the Québec sales tax and the Regulation respecting the application of the Fuel Tax Act to make various technical amendments and consistency amendments;

WHEREAS it is expedient to amend the Regulation to amend the Regulation respecting the Taxation Act made by Order in Council 1451-2000 dated 13 December 2000 to introduce a transitional measure thereto;

WHEREAS it is expedient to amend the Regulation to amend the Regulation respecting the Taxation Act made by Order in Council 1463-2001 dated 5 December 2001 to retroactively amend a provision that it revokes;

WHEREAS under section 12 of the Regulations Act (R.S.Q., c. R-18.1), a proposed regulation may be made without the prior publication prescribed by section 8 of that Act if the authority making it is of the opinion that the fiscal nature of the norms established, amended or revoked in the regulation warrants it;

WHEREAS under section 18 of that Act, a regulation may come into force on the date of its publication in the *Gazette officielle du Québec* where the authority that has made it is of the opinion that the fiscal nature of the norms established, amended or revoked in the regulation warrants it;

WHEREAS the Government is of the opinion that the fiscal nature of the norms established, amended or revoked by the Rregulations warrants the absence of prior publication and such coming into force;

WHEREAS under section 27 of that Act, the Act does not prevent a regulation from taking effect before the date of its publication in the *Gazette officielle du Québec* where the Act under which it is made expressly provides therefor;

WHEREAS under section 20 of the Tobacco Tax Act, amended by section 16 of chapter 51 of the statutes of 2001 and by section 1 of chapter 52 of the statutes of 2001, every regulation made under that Act comes into force on the date of its publication in the *Gazette officielle du Québec* or on any later date fixed therein; it may also, once published and where it so provides, take effect on a date prior to its publication, but not prior to the date on which the legislative provision under which it is made takes effect;

WHEREAS under the second paragraph of section 1086 of the Taxation Act, the regulations made under that Act may, once published and if they so provide, apply to a period prior to their publication, but not prior to the taxation year 1972;

WHEREAS under section 5 of the Licenses Act, amended by section 229 of chapter 51 of the statutes of 2001 and by section 2 of chapter 52 of the statutes of 2001, every regulation made under that Act comes into force on the date of its publication in the *Gazette officielle du Québec* or on any later date fixed therein; it may also, once published and where it so provides, take effect on a date prior to its publication, but not prior to the date on which the legislative provision under which it is made takes effect;

WHEREAS under section 97 of the Act respecting the Ministère du Revenu, every regulation made under that Act shall come into force on the date of its publication in the *Gazette officielle du Québec* or on any later date fixed therein. Such a regulation may also, if it so provides, apply to a period prior to its publication;

WHEREAS under the second paragraph of section 677 of the Act respecting the Québec sales tax, amended by section 311 of chapter 51 of the statutes of 2001, by section 385 of chapter 53 of the statutes of 2001 and by section 174 of chapter 9 of the statutes of 2002, a regulation made under that Act comes into force on the date of its publication in the *Gazette officielle du Québec*, unless it fixes another date which may in no case be prior to 1 July 1992;

WHEREAS under section 56 of the Fuel Tax Act, amended by section 315 of chapter 51 of the statutes of 2001 and by section 26 of chapter 52 of the statutes of 2001, every regulation made under that Act comes into force on the date of its publication in the *Gazette officielle du Québec* or on any later date fixed therein; it may also, once published and where it so provides, take effect on a date prior to its publication, but not prior to the date on which the legislative provision under which it is made takes effect;

IT IS ORDERED, therefore, on the recommendation of the Minister of Revenue:

THAT the Regulations attached hereto and entitled as follows be made:

— Regulation to amend the Regulation respecting the application of the Tobacco Tax Act;

— Regulation to amend the Regulation respecting the Taxation Act;

— Regulation to amend the Regulation respecting the application of the Licenses Act;

— Regulation to amend the Regulation respecting fiscal administration;

— Regulation to amend the Regulation respecting the Québec sales tax;

— Regulation to amend the Regulation respecting the application of the Fuel Tax Act;

— Regulation to amend the Road Vehicle Supply Remission Regulation;

— Regulation to amend the Regulation to amend the Regulation respecting the Taxation Act made by Order in Council 1451-2000 dated 13 December 2000;

— Regulation to amend the Regulation to amend the Regulation respecting the Taxation Act made by Order in Council 1463-2001 dated 5 December 2001.

JEAN ST-GELAIS,
Clerk of the Conseil exécutif

Regulation to amend the Regulation respecting the application of the Tobacco Tax Act*

Tobacco Tax Act
(R.S.Q., c. I-2, s. 13.1, 17.12 and 17.14; 2001, c. 51, s. 15)

1. The Regulation respecting the application of the Tobacco Tax Act is amended by inserting, after section 2.1, the following:

"**2.1.1.** For the purposes of section 13.1 of the Act, where a package referred to, as the case may be, in subparagraph *a* of the first paragraph of section 2 or in the subparagraph *a* of the first paragraph of section 2.1, is offered for sale to a consumer in another container where the identification mark affixed on the package is not visible, the person who is required, under this Regulation, to affix an identification mark on the package, shall affix the identification mark provided for in subparagraph *b* of the first paragraph of section 2 so that the identification mark is clearly visible on one side of that other container.".

2. (1) The Regulation is amended by inserting, after section 11.3, the following:

"**11.4.** For the purposes of subparagraph *d* of the second paragraph of section 17.12 of the Act:

(a) the permit of the collection officer who files an application for a refund under this section shall be in force at the time of the sale of tobacco;

(b) dependent on whether the person to whom tobacco is sold is a collection officer or a retail vendor, that collection officer's permit, issued in accordance with subparagraph *a* of section 6 of the Act or the retail vendor's registration certificate, issued in accordance with section 3 of the Act, shall be in force at the time of the sale of tobacco;

(c) an application for a refund shall be filed for each person in respect of whom a bad debt is written off and that application shall contain the following information:

i. the date of fiscal year end for the collection officer who files the application and the date on which the person's bad debt was written off;

ii. the person's name and address;

iii. detailed information for each sale of tobacco, that is, the date of the sale, the number of the invoice and the number of cigarettes and of cigars sold at a retail price $0.15 or less per cigar, of grams of loose tobacco, of grams of leaf tobacco, of cigars sold at a retail price of $0.15 or more per cigar and of grams of any tobacco other than cigarettes, loose tobacco, leaf tobacco or cigars sold at the time of each sale;

iv. the amount equal to the tax provided for in section 17.2 of the Act applicable in respect of each sale of tobacco;

v. the amount of each invoice, including the tax payable under Part IX of the Excise Tax Act (Revised Statutes of Canada, 1985, chapter E-15) and, where applicable, the tax payable under Title I of the Act respecting the Québec sales tax (R.S.Q., c. T-0.1) and excluding the amount provided for in subparagraph *iv*;

vi. the amount of each invoice, including the amount provided for in subparagraph *iv* and excluding the tax payable under Part IX of the Excise Tax Act and the tax payable, where applicable, under Title I of the Act respecting the Québec sales tax.

11.5. For the purposes of the fourth paragraph of section 17.12 of the Act, a person referred to in that section may determine the amount of the refund to which the person is entitled by the formula

A/B x C.

For the purposes of this formula,

(a) A is the amount of the debt written off;

(b) B is the aggregate of the sales that are the amount of the debt to which the amount of the debt written off relates, including the amount provided for in section 17.2 of the Act, the tax payable under Part IX of the Excise Tax Act (Revised Statutes of Canada, 1985, chapter E-15) and, where applicable, the tax payable under Title I of the Act respecting the Québec sales tax (R.S.Q., c. T-0.1);

(c) C is the amount provided for in section 17.2 of the Act, included in the aggregate of the sales that are the amount of the debt to which the amount of the debt written off relates.

Persons who wish to use the computation method provided for in the first paragraph in their fiscal year shall inform the Minister of such election using the prescribed form at the time of the initial application for a

* The Regulation respecting the application of the Tobacco Tax Act, made by Order in Council 1929-86 dated 16 December 1986 (1986, *G.O.* 2, 3156), was last amended by the Regulation made by Order in Council 1463-2001 dated 5 December 2001 (2001, *G.O.* 2, 6328). For previous amendments, see the *Tableau des modifications et Index sommaire*, Éditeur officiel du Québec, 2002, updated to 1 September 2002.

refund filed in that fiscal year. They shall also indicate therein the period covered by the fiscal year and use that method for the entire duration of that fiscal year.

11.6. For the purposes of sections 11.4 and 11.5, the fiscal year of a person is that person's fiscal year within the meaning of section 458.1 of the Act respecting the Québec sales tax (R.S.Q., c. T-0.1).

11.7. For the purposes of section 17.14 of the Act, the amount provided for in section 17.2 of the Act shall be computed using the formula

A x B/C.

For the purposes of this formula,

(a) A is the amount of the recovered bad debt;

(b) B is the amount provided for in section 17.12 of the Act, included in the aggregate of the sales that are the amount of the debt to which the amount of the recovered bad debt relates;

(c) C is the aggregate of the sales that are the amount of the debt to which the amount of the recovered debt relates, including the amount provided for in section 17.2 of the Act, the tax payable under Part IX of the Excise Tax Act (Revised Statutes of Canada, 1985, chapter E-15) and, where applicable, the tax payable under Title I of the Act respecting the Québec sales tax (R.S.Q., c. T-0.1).".

(2) Subsection 1 applies in regard of a sale of tobacco made after 14 March 2000.

3. This Regulation comes into force on the date of its publication in the *Gazette officielle du Québec*.

Regulation to amend the Regulation respecting the Taxation Act*

Taxation Act
(R.S.Q., c. I-3, s. 1086, 1st par., subpar. *e*, *e*.2 and *f* and 2nd par.)

1. (1) Section 1R3 of the Regulation respecting the Taxation Act is amended by

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

"*(b)* a property is a prescribed property for a taxation year where";

(2) replacing, at the end of subparagraph *ii* of paragraph *b*, the period by a semicolon;

(3) adding, after subparagraph *ii* of paragraph *b*, the following subparagraph:

"iii. the property is a direct financing lease, or any other financing agreement, of a taxpayer that is reported as a loan in the taxpayer's financial statements for the year, prepared in accordance with generally accepted accounting principles, provided that an amount is deductible in computing the taxpayer's income for the year, in respect of the property that is the subject of the lease or agreement, under paragraph *a* of section 130 or the second paragraph of section 130.1 of the Act.".

(2) Subsection 1 applies to taxation years that end

(1) after 30 September 1997; or

(2) after 31 December 1995 and before 1 October 1997, where the taxpayer made the election referred to in paragraph 2 of subsection 2 of section 22 of the Act to amend the Taxation Act and other legislative provisions (2001, c. 7).

2. (1) Section 21.19R1 of the Regulation is amended by

(1) replacing, in subparagraph *h* of the first paragraph, "(S.B.C., 1989, c. 24)" by "(R.S.B.C., 1996, c. 112)";

(2) replacing, at the end of subparagraph *k* of the first paragraph, the period by a semicolon;

(3) adding, after subparagraph *k* of the first paragraph, the following:

"*(l)* section 11 of the Equity Tax Credit Act of Nova Scotia (S.N.S., 1993, c. 3).";

(4) replacing, in the French text of subparagraph *f* of the second paragraph, the word "agréée" by the word "enregistrée".

(2) Paragraph 1 of subsection 1 has effect from 10 June 2001.

* The Regulation respecting the Taxation Act (R.R.Q., 1981, c. I-3, r.1) was last amended by the Regulation made by Order in Council 1463-2001 dated 5 December 2001 (2001, *G.O.* 2, 6328). For previous amendments, see the *Tableau des modifications et Index sommaire*, Éditeur officiel du Québec, 2002, updated to 1 September 2002.

(3) Paragraphs 3 and 4 of subsection 1 apply from the taxation year 1997.

3. (1) Section 41.1.1R1 of the Regulation is amended by replacing paragraphs *a* and *b* by the following:

"*(a)* 16 cents, except where paragraph *b* applies; or

(b) 13 cents, where the individual referred to in that section 41.1.1 is engaged principally in selling or leasing automobiles and an automobile is made available in the year to the individual or to a person to whom the individual is related by the individual's employer or a person to whom the individual's employer is related.".

(2) Subsection 1 applies from the taxation year 2001.

4. (1) The Regulation is amended by inserting, after section 87R4, the following:

"**87R5.** For the purposes of paragraph *z*.4 of section 87 of the Act, a taxpayer's resource loss for a taxation year is equal to the amount determined by the formula

A - B.

In the formula referred to in the first paragraph,

(a) A is the aggregate of all amounts each of which is a Canadian exploration and development overhead expense, within the meaning of paragraph *f*.1 of section 360R2, made or incurred by the taxpayer in the year, other than an amount included therein because of section 181 or 182 of the Act;

(b) B is the taxpayer's adjusted resource profits for the year, within the meaning of section 145R1.1.".

(2) Subsection 1 applies to taxation years that begin after 31 December 1996.

5. (1) Section 92.11R0.1 of the Regulation is amended, in the French text, by

(1) inserting, after the definition of "anniversaire de la police", the following definition:

""avance sur police" a le sens que lui donne le paragraphe *a*.1.1 de l'article 966 de la Loi;";

(2) striking out the definition of "prêt sur police".

(2) Subsection 1 has effect from 20 December 2001.

6. (1) Section 92.11R1.0.1 of the Regulation is amended, in the French text, by

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

"*a)* l'expression "avance sur police" a le sens que lui donne le paragraphe *a*.1.1 de l'article 966 de la Loi;";

(2) replacing, in paragraph *c*, the words "ce prêt" by the words "cette avance".

(2) Subsection 1 has effect from 20 December 2001.

7. (1) Section 92.19R1 of the Regulation is amended by replacing, in the French text of subparagraph *a* of the first paragraph, the words "un prêt sur police" by the words "une avance sur police".

(2) Subsection 1 has effect from 20 December 2001.

8. (1) Section 92.19R7 of the Regulation is amended by replacing, wherever they appear in the French text of paragraph *b*, the words "prêts sur police alors impayés" by the words "avances sur police alors impayées".

(2) Subsection 1 has effect from 20 December 2001.

9. (1) Section 92.19R8 of the Regulation is amended by replacing, in the French text of paragraph *f*, the words "d'un prêt sur police" by the words "d'une avance sur police".

(2) Subsection 1 has effect from 20 December 2001.

10. (1) Section 99R2 of the Regulation is amended, in the second paragraph, by

(1) replacing subparagraph *iv* of paragraph *a* by the following:

"iv. $27,000, if the passenger vehicle was acquired after 31 December 1999 and before 1 January 2001;";

(2) adding, after subparagraph *iv* of paragraph *a*, the following subparagraph:

"v. $30,000, if the passenger vehicle was acquired after 31 December 2000;".

(2) Subsection 1 has effect from 1 January 2001.

11. (1) The Regulation is amended by inserting, after section 101.3R1, the following:

"**101.8R1.** For the purposes of paragraph *a* of section 101.8 of the Act, a prescribed property in respect of a taxpayer is a property that, if it was acquired by the taxpayer, would be included in Class 10 of Schedule B under paragraph *f* of subsection 2 of that class.

101.8R2. For the purposes of paragraph *b* of section 101.8 of the Act, the following properties are prescribed:

(a) a road, other than a specified temporary access road, sidewalk, runway, parking area, storage area or similar surface construction;

(b) a bridge;

(c) a property ancillary to any property referred to in paragraph *a* or *b*.".

(2) Subsection 1 has effect from 7 March 1996.

12. (1) Section 130R2 of the Regulation is amended by

(1) replacing, at the end of paragraph *q* of subsection 1, the period by a semicolon;

(2) adding, after paragraph *q* of subsection 1, the following paragraphs:

"*(r)* "specified temporary access road" means

i. a temporary access road to an oil or gas well in Canada; or

ii. a temporary access road in Canada, the cost of which would be a Canadian exploration expense under paragraph *c* or *c*.1 of section 395 of the Act if section 396 of the Act were read without reference to paragraph *c* thereof;

(s) "Canadian field processing" means:

i. the processing in Canada of raw natural gas at a field separation and dehydration facility;

ii. the processing in Canada of raw natural gas at a natural gas processing plant, to any stage that is not beyond the stage of natural gas that is acceptable to a common carrier of natural gas;

iii. the processing in Canada of hydrogen sulphide derived from raw natural gas to any stage that is not beyond the marketable sulphur stage;

iv. the processing in Canada of natural gas liquids, at a natural gas processing plant where the input is raw natural gas derived from a natural accumulation of natural gas, to any stage that is not beyond the marketable liquefied petroleum stage or its equivalent;

v. the processing in Canada of crude oil, other than heavy crude oil recovered from an oil or gas well or a tar sands deposit, recovered from a natural accumulation of petroleum to any stage that is not beyond the crude oil stage or its equivalent.";

(3) inserting, after subsection 1, the following:

"(1.1) For the purposes of subparagraphs *ii* to *iv* of paragraph *s* of subsection 1:

(a) gas is not considered to cease to be raw natural gas solely because of its processing in a field separation and dehydration facility until it is received by a common carrier of natural gas; and

(b) where all or part of a natural gas processing plant is devoted primarily to the recovery of ethane, the plant, or the part of the plant, as the case may be, is considered not to be a natural gas processing plant.";

(4) striking out subsection 5.0.1;

(5) replacing paragraph *g* of subsection 7 by the following:

"*(g)* producing industrial minerals;";

(6) replacing paragraphs *i* and *j* of subsection 7 by the following:

"*(i)* processing natural gas as part of the business of selling or distributing gas in the course of operating a public utility;

(j) processing heavy crude oil recovered from a natural reservoir in Canada, to a stage that is not beyond the crude oil stage or its equivalent;";

(7) adding, after paragraph *j* of subsection 7, the following paragraph:

"*(k)* Canadian field processing.";

(8) inserting, after the definition of "municipal waste" in subsection 11, the following definition:

""solution gas" means a fossil fuel that is gas that would otherwise be flared and has been extracted from a solution of gas and produced oil;";

(9) adding, after subsection 12, the following:

"(13) Where a taxpayer has acquired a property included in Class 43.1 of Schedule B by reason of the application of the fourth paragraph of that class, the following rules apply:

(a) the portion of the property's cost not exceeding the property's capital cost for the person from whom the property was acquired is included in that class;

(b) the portion of the property's cost that exceeds the property's capital cost for the person from whom the property was acquired is not included in that class.".

(2) Paragraph 1 of subsection 1 and paragraph 2 of subsection 1, where it enacts paragraph *r* of subsection 1 of section 130R2 of the Regulation, have effect from 7 March 1996.

(3) Paragraph 2, where it enacts paragraph *s* of subsection 1 of section 130R2 of the Regulation, and paragraphs 3 and 5 to 7 of subsection 1 apply to taxation years that begin after 31 December 1996.

(4) Paragraph 4 of subsection 1 applies to taxation years that begin after 6 March 1996.

(5) Paragraph 8 of subsection 1 has effect from 17 February 1999.

(6) Paragraph 9 of subsection 1 applies in respect of property acquired after 26 June 1996.

13. (1) Section 130R38 of the Regulation is amended by replacing paragraph *a* by the following:

"*(a)* the taxpayer's income for the year from the mine, determined without reference to paragraph *z*.4 of section 87 of the Act and before making any deduction under this section, sections 130R39 to 130R39.2, section 145 of the Act, Division II, III, IV or IV.2 of Chapter X of Title VI of Book III of Part I of the Act or section 88.4 of the Act respecting the application of the Taxation Act (R.S.Q., c. I-4);".

(2) Subsection 1 applies to taxation years that begin after 31 December 1996. However, where paragraph *a* of section 130R38 of the Regulation has effect before 12 June 1998, it shall be read with "section 88.4 of the Act respecting the application of the Taxation Act (R.S.Q., c. I-4)" replaced by "section 86 of the Act respecting the application of the Taxation Act (1972, c. 24)".

14. (1) Section 130R39 of the Regulation is amended by replacing paragraph *a* by the following:

"*(a)* the taxpayer's income for the year from the mines, determined without reference to paragraph *z*.4 of section 87 of the Act and before making any deduction under this section, section 130R39.2, section 145 of the Act, Division II, III, IV or IV.2 of Chapter X of Title VI of Book III of Part I of the Act or section 88.4 of the Act respecting the application of the Taxation Act (R.S.Q., c. I-4);".

(2) Subsection 1 applies to taxation years that begin after 31 December 1996. However, where paragraph *a* of section 130R39 of the Regulation has effect before 12 June 1998, it shall be read with "section 88.4 of the Act respecting the application of the Taxation Act (R.S.Q., c. I-4)" replaced by "section 86 of the Act respecting the application of the Taxation Act (1972, c. 24)".

15. (1) Section 130R39.1 of the Regulation is amended by replacing paragraph *a* by the following:

"*(a)* the taxpayer's income for the year from the mine, determined without reference to paragraph *z*.4 of section 87 of the Act and before making any deduction under this section, section 130R39 or 130R39.2, section 145 of the Act, Division II, III, IV or IV.2 of Chapter X of Title VI of Book III of Part I of the Act or section 88.4 of the Act respecting the application of the Taxation Act (R.S.Q., c. I-4);".

(2) Subsection 1 applies to taxation years that begin after 31 December 1996. However, where paragraph *a* of section 130R39.1 of the Regulation has effect before 12 June 1998, it shall be read with "section 88.4 of the Act respecting the application of the Taxation Act (R.S.Q., c. I-4)" replaced by "section 86 of the Act respecting the application of the Taxation Act (1972, c. 24)".

16. (1) Section 130R39.2 of the Regulation is amended by replacing paragraph *a* by the following:

"*(a)* the taxpayer's income for the year from the mines, determined without reference to paragraph *z*.4 of section 87 of the Act and before making any deduction under this section, section 145 of the Act, Division II, III, IV or IV.2 of Chapter X of Title VI of Book III of Part I of the Act or section 88.4 of the Act respecting the application of the Taxation Act (R.S.Q., c. I-4);".

(2) Subsection 1 applies to taxation years that begin after 31 December 1996. However, where paragraph *a* of section 130R39.2 of the Regulation has effect before 12 June 1998, it shall be read with "section 88.4 of the Act respecting the application of the Taxation Act (R.S.Q., c. I-4)" replaced by "section 86 of the Act respecting the application of the Taxation Act (1972, c. 24)".

17. (1) Section 130R42 of the Regulation is revoked.

(2) Subsection 1 applies in respect of payments made in accordance with the terms of a contract made after 6 March 1996.

18. (1) Section 130R55.7 of the Regulation is amended by replacing, in subparagraph *i* of subparagraph *a* of the second paragraph, "and 130R98.5.1" by ", 130R98.5.1 and 130R98.5.2".

(2) Subsection 1 applies in respect of property acquired after 14 March 2000.

19. (1) Section 130R56 of the Regulation is amended by replacing "section 130R98.5 or 130R98.5.1" by "any of sections 130R98.5, 130R98.5.1 or 130R98.5.2".

(2) Subsection 1 applies in respect of property acquired after 14 March 2000.

20. (1) Section 130R98.5.1 of the Regulation is amended by replacing the words "of the fourth paragraph" by "of subparagraphs *i* to *iii* of subparagraph *b* of the fourth paragraph".

(2) Subsection 1 applies in respect of property acquired after 14 March 2000.

21. (1) The Regulation is amended by inserting, after section 130R98.5.1, the following:

"**130R98.5.2.** A separate class shall be created for all property of a taxpayer included in Class 12 of Schedule B under subparagraph *iv* of subparagraph *b* of the fourth paragraph of that class.".

(2) Subsection 1 applies in respect of property acquired after 14 March 2000.

22. (1) Section 130R101 of the Regulation is amended by

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

"*(a)* the cost of which would be deductible in computing the taxpayer's income but for Divisions I to IV.1 of Chapter X of Title VI of Book III of Part I of the Act and Title II of Book V.2.1 of that Part;";

(2) inserting, after paragraph *a*, the following:

"*(a.1)* the cost of which is included the taxpayer's Canadian renewable and conservation expense, within the meaning assigned by section 399.7R1;".

(2) Paragraph 1 of subsection 1 applies to taxation years that end after 5 December 1996. However, where paragraph *a* of section 130R101 of the Regulation applies to taxation years preceding the taxation year 1998, it shall be read as follows:

"*(a)* the cost of which would be deductible in computing the taxpayer's income but for the provisions of Divisions I to IV.1 of Chapter X of Title VI of Book III of Part I of the Act;".

(3) Paragraph 2 of subsection 1 applies in respect of expenditures incurred after 5 December 1996.

23. (1) Section 133.2.1R1 of the Regulation is amended by replacing paragraphs *a* and *b* by the following:

"*(a)* the product of $0.41 multiplied by the number of those kilometres, up to and including 5,000;

(b) the product of $0.35 multiplied by the number of those kilometres in excess of 5,000; and".

(2) Subsection 1 applies in respect of kilometres driven after 31 December 2000.

24. (1) Section 140.1R1 of the Regulation is amended by inserting, after the definition of "specific provisions", the following definition:

""specified loan" means any of the following securities:

(a) a United Mexican States Collateralized Par Bond maturing in 2019;

(b) a United Mexican States Collateralized Discount Bond maturing in 2019;".

(2) Subsection 1 applies:

(1) from the taxation year 1997; or

(2) to taxation years that end after 31 December 1991 and before 1 January 1997, where the taxpayer made the election provided for in paragraph 2 of subsection 2 of section 25.

25. (1) Section 140.1R2 of the Regulation is amended, in the first paragraph, by

(1) inserting, after subparagraph *a*, the following:

"*(a.1)* where the taxpayer is a bank, the positive or negative amount that would be determined by the formula referred to in subparagraph *ii* of subparagraph *a*, in respect of specified loans owned by the taxpayer at the end of the year, if that subparagraph *ii* applied in respect of the loans;";

(2) striking out subparagraph *b*.

(2) Paragraph 1 of subsection 1 applies:

(1) from the taxation year 1997; or

(2) to taxation years that end after 31 December 1991 and before 1 January 1997, where the taxpayer elects in writing to have subparagraph *a*.1 of the first paragraph of section 140.1R2 of the Regulation apply for the year by filing with the Minister of Revenue the document attesting the election before the end of the third month following the month this Regulation is published in the *Gazette officielle du Québec*.

(3) Paragraph 2 of subsection 1 applies to taxation years that end

(1) after 30 September 1997; or

(2) after 31 December 1995 and before 1 October 1997, where the taxpayer made the election provided for in paragraph 2 of subsection 2 of section 22 of the Act to amend the Taxation Act and other legislative provisions (2001, c. 7).

(4) In addition, where subparagraph *b* of the first paragraph of section 140.1R2 of the Regulation, which paragraph 2 of subsection 1 strikes out, applies to taxation years that end after 31 December 1991 and before 1 October 1997, in respect of a taxpayer who made the election referred to in paragraph 2 of subsection 2, it shall be read with "and, where the taxpayer is a bank, its specified loans" added, in the portion before subparagraph *i*, after "subparagraph *ii* of subparagraph *a*".

26. (1) Section 140.1R5 of the Regulation is revoked.

(2) Subsection 1 applies to taxation years that end

(1) after 30 September 1997; or

(2) after 31 December 1995 and before 1 October 1997, where the taxpayer made the election provided for in paragraph 2 of subsection 2 of section 22 of the Act to amend the Taxation Act and other legislative provisions (2001, c. 7).

27. (1) Section 140.1R6 of the Regulation is amended by

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

"*(b)* where a taxpayer realizes a loss on the disposition of a loan or lending asset described in subparagraph *ii* of subparagraph *a* of the first paragraph of section 140.1R2 or on the disposition of a specified loan described in subparagraph *a*.1 of that first paragraph, referred to in this paragraph as the "former loan", for consideration that included another loan or lending asset that was a loan or lending asset described in that subparagraph *ii* or in that subparagraph *a*.1, referred to in this paragraph as the "new loan", and where, in the case of a former loan that is not a specified loan, that loss is included in computing his provisionable assets, as reported for the year with the Superintendent of Financial Institutions of Canada, pursuant to the guidelines established by him, for the purpose of determining the taxpayer's general provisions or specific provisions in respect of exposures to designated countries, the principal amount of the new loan outstanding at the time it was acquired by the taxpayer is deemed to be equal to the principal amount of the former loan outstanding immediately before that time;";

(2) adding the following paragraph:

"*(c)* where, at the end of a particular taxation year, a taxpayer is the owner of a specified loan that was described in an inventory of the taxpayer at the end of the preceding taxation year, the amortized cost of the specified loan for the taxpayer at the end of the particular taxation year is equal to its value determined in accordance with sections 83 to 85.6 of the Act at the end of the preceding taxation year for the purposes of computing the taxpayer's income for that preceding year.".

(2) Subsection 1 applies:

(1) from the taxation year 1997; or

(2) to taxation years that end after 31 December 1991 and before 31 December 1997, where the taxpayer made the election provided for in paragraph 2 of subsection 2 of section 25.

28. (1) Section 140.1R7 of the Regulation is revoked.

(2) Subsection 1 applies to taxation years that end

(1) after 30 September 1997; or

(2) after 31 December 1995 and before 1 October 1997, where the taxpayer made the election provided for in paragraph 2 of subsection 2 of section 22 of the Act to amend the Taxation Act and other legislative provisions (2001, c. 7).

29. (1) Section 145R1.1 of the Regulation is amended by

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

"(1) each amount deducted in computing the taxpayer's income for the year in respect of a rental or royalty paid or payable by the taxpayer, other than an amount prescribed in section 91R1, an amount paid or payable in respect of a specified royalty, within the meaning of paragraph *j*.2 of section 360R2, or an amount that is a production royalty within the meaning of paragraph *j*.1 of section 360R2, computed by reference to the amount or value of petroleum, natural gas or related hydrocarbons produced from a natural accumulation, other than a resource within the meaning of paragraph *k* of section 360R2, of petroleum or natural gas in Canada or an oil or gas well in Canada, or produced from a resource, within the meaning of that paragraph *k*, that is a bituminous sands deposit, oil sands deposit or oil shale deposit;";

(2) replacing subparagraph *c* of the second paragraph by the following:

"*(c)* C is the amount by which the aggregate of the following amounts exceeds the amount determined in accordance with the third paragraph:

i. the aggregate of all amounts, each of which is an amount included in the taxpayer's gross resource profits for the year in respect of a mining business or oil business, determined in accordance with section 360R12 or 360R14, as the case may be, as a rental or royalty, other than a specified royalty within the meaning of paragraph *j*.2 of section 360R2 or a production royalty within the meaning of paragraph *j*.1 of section 360R2, computed by reference to the amount or value of petroleum, natural gas or related hydrocarbons produced from a natural accumulation, other than a resource within the meaning of paragraph *k* of section 360R2, of petroleum or natural gas in Canada or an oil or gas well in Canada, or produced from a resource, within the meaning of that paragraph *k*, that is a bituminous sands deposit or oil shale deposit;

ii. 50% of the amounts included in the taxpayer's gross resource profits for the year in respect of a mining business or oil business, determined in accordance with section 360R12 or 360R14, as the case may be, in respect of specified royalties.";

(3) adding, after the second paragraph, the following:

"The amount referred to in subparagraph *c* of the second paragraph is equal to the total, where the taxation year ends after 6 March 1996, of all outlays and expenses that were made or incurred in respect of the aggregate described in subparagraph *i* of subparagraph *c* of the second paragraph, to the extent that the outlays and expenses were deducted in computing the taxpayer's gross resource profits in respect of a mining business or oil business for the year.".

(2) Subsection 1 applies to taxation years that end after 6 March 1996.

30. (1) Section 163.1R1 of the Regulation is amended, in the French text, by replacing the words "d'un prêt sur police qu'il a consenti en produisant" by the words "d'une avance sur police qu'il a consentie en présentant".

(2) Subsection 1 has effect from 20 December 2001.

31. (1) Section 230R1 of the Regulation is amended by replacing paragraph *a* by the following:

"*(a)* the cost of materials consumed or processed in such prosecution of scientific research and experimental development;".

(2) Subsection 1 applies to costs incurred after 23 February 1998.

32. (1) Section 241.0.1R1 of the Regulation is amended by replacing, in paragraph *c*, "(S.B.C., 1989, c. 24)" by "(R.S.B.C., 1996, c. 112)".

(2) Subsection 1 has effect from 10 June 2001.

33. (1) Section 241.0.1R2 of the Regulation is amended by replacing, in subparagraph *a*.1 of the first paragraph, "(S.B.C., 1989, c. 24)" by "(R.S.B.C., 1996, c. 112)".

(2) Subsection 1 has effect from 10 June 2001.

34. (1) Section 241.0.1R3 of the Regulation is amended by

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

"**241.0.1R3.** For the purposes of section 241.0.1 of the Act, a prescribed stock savings plan means a stock savings plan governed by any of the following statutes:";

(2) replacing, in paragraph *c*, "Nova Scotia Stock Savings Plan Act of Nova Scotia (S.N.S., 1987, c. 6)" by "Stock Savings Plan Act of Nova Scotia (R.S.N.S., 1990, c. 445)";

(3) replacing, in paragraph *d*, "(S.N., 1988, c. 14)." by "(R.S.N., 1990, c. S-28);";

(4) adding, after paragraph *d*, the following:

"*(e)* section 11.6 of the Income Tax Act of Manitoba (Continuing Consolidation of the Statutes of Manitoba, c. I10).".

(2) Subsection 1 applies from the taxation year 1999.

35. (1) Section 359.1R1 of the Regulation is amended by inserting, after paragraph *a* of the definition of "excluded obligation", the following:

"*(a*.1*)* an obligation of the corporation, in respect of the share, to distribute an amount representing a payment out of assistance to which the corporation is entitled under section 25.1 of the Income Tax Act of British Columbia (R.S.B.C., 1996, c. 215) as a consequence of the corporation making expenditures funded by consideration received for shares issued by the corporation in respect of which the corporation purports to renounce an amount under section 359.2 of the Act;".

(2) Subsection 1 has effect from 1 August 1998.

36. (1) Section 360R2 of the Regulation is amended by

(1) inserting, after paragraph *b*, the following:

"*(b*.0.1*)* "coal mine operator" means a person who undertakes all or substantially all of the activities related to coal production from a resource;";

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

"*(f*.1*)* "Canadian exploration and development overhead expense" of a taxpayer means a taxpayer's Canadian exploration expense or Canadian development expense that is not a Canadian renewable and conservation expense, within the meaning assigned by section 399.7R1, nor a taxpayer's share of such an expense incurred by a partnership, and that the taxpayer made or incurred after 31 December 1980;";

(3) replacing the portion of subparagraph *ii* of paragraph *h*.2 before subparagraph 1 by the following:

"ii. in respect of sections 360R17 and 360R17.0.1 and, where the taxpayer is not an individual referred to in subparagraph i, sections 360R16.2, 360R16.8, 360R16.10 and 360R16.16:";

(4) inserting, after paragraph *j*.1, the following:

"*(j*.2*)* "specified royalty" means a royalty created after 5 December 1996, otherwise than in accordance with an agreement in writing entered into on or before that date, where:

i. its cost is a Canadian development expense; and

ii. it was created in connection with an operation or an event, or a series of operations or events, further to which a depreciable property was acquired at a capital cost of less than its fair market value, determined without taking into account the royalty;";

(5) replacing paragraph *l* by the following:

"*(l)* "qualified resource", in respect of a property of a taxpayer used for processing, means a resource which, within a reasonable time after the taxpayer acquired the property, began producing in reasonable commercial quantities or was the subject of a major expansion by virtue of which the projected greatest capacity, measured according to the weight of input of ore, of the mill that processed the ore from the resource was, in the year immediately following the expansion, not less than 25% greater than it was in the year immediately preceding the expansion;".

(2) Paragraphs 1 and 4 of subsection 1 have effect from 7 March 1996. However, in respect of a royalty created after 6 March 1996 and before 6 December 1996, or after 6 March 1996 and before 1 January 1998 under an agreement in writing made not later than 5 December 1996, where one party to the royalty elects in writing to have this subsection apply by filing with the Minister of Revenue the document attesting the election before the end of the third month following the month this Regulation is published in the *Gazette officielle du Québec*, paragraph *j*.2 of section 360R2 of the Regulation shall be read as follows:

"*(j*.2*)* "specified royalty" means a royalty, other than a production royalty, created after 6 March 1996, otherwise than in accordance with an agreement in writing entered into on or before that date, where, as the case may be:

i. an amount paid or payable to the holder of the royalty, by reason of his right therein, is computed by reference to an expenditure;

ii. an arrangement involving the reimbursement of an expenditure, the contribution to an expenditure or an indemnity in respect of an expenditure was made after 6 March 1996 and it is reasonable to consider that one reason for making the arrangement is to avoid the application of subparagraph *i*, in respect of the royalty.".

(3) Paragraph 2 of subsection 1 applies in respect of an expenditure incurred after 5 December 1996.

(4) Paragraph 3 of subsection 1 applies from the taxation year 1999.

(5) Paragraph 5 of subsection 1 applies in respect of expansion work that begins after 13 September 2000.

37. (1) Section 360R2.1 of the Regulation is amended by

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

"*(a)* the production by the taxpayer of petroleum, natural gas or related hydrocarbons, or sulphur, from a natural accumulation, other than a mineral resource, of petroleum or natural gas in Canada, or from an oil or gas well in Canada;";

(2) inserting, after subparagraph *c* of the first paragraph, the following:

"*(c*.1*)* Canadian field processing, within the meaning assigned by paragraph *s* of subsection 1 of section 130R2, by the taxpayer;";

(3) replacing subparagraph *i* of subparagraph *e* of the second paragraph by the following:

"i. the activity is the transporting, transmitting or processing of petroleum, natural gas or related hydrocarbons, or sulphur, other than the processing of tar sands ore described in subparagraph *b* or *d* of the first paragraph and processing described in subparagraph *c* or *c*.1 of that first paragraph, or can reasonably be attributed to a service rendered by the taxpayer, and".

(2) Subsection 1 applies to taxation years that begin after 31 December 1996.

38. (1) Section 360R6 of the Regulation is amended by replacing subparagraphs *i* and *ii* of paragraph *a* by the following:

"i. 25% of the amount by which his resource profits in respect of an oil business for the year exceed 4 times the aggregate of the amounts deducted in respect of that business in computing his income for the year under section 360R7;

ii. 33 1/3% of the amount by which his resource profits in respect of a mining business for the year exceed 3 times the aggregate of the amounts deducted in respect of that business in computing his income for the year under section 360R7; and".

(2) Subsection 1 applies from the taxation year 1999.

39. (1) Section 360R7 of the Regulation is amended by

(1) replacing the second paragraph by the following:

"The amount referred to in subparagraph *b* of the first paragraph is equal to 25% of the part attributable to an oil business and 33 1/3% of the part attributable to a mining business of the amount by which the part of the income of the corporation, determined before any deduction under section 88.4 of the Act respecting the application of the Taxation Act (R.S.Q., c. I-4) or Chapter X of Title VI of Book III of Part I of the Act, exceeds the amount determined under the third paragraph and as if that income included no amount designated under subparagraph 1 of subparagraph *ii* of subparagraph *a* of the third paragraph of section 418.17 of the Act, that may reasonably be attributed to:

(a) the amount included in computing its income for the year under paragraph *e* of section 330 of the Act, that may reasonably be attributed to the disposition by the corporation, in the year or in a previous taxation year, of any interest in or right to the particular property, to the extent that the proceeds of the disposition was not included in computing an amount for any previous taxation year under this subparagraph, section 360R28.2.1, subparagraph *i* of subparagraph *a* of the third paragraph of section 418.16 or 418.18 of the Act, subparagraph *iii* of subparagraph *c* of the first paragraph of section 418.20 of the Act, section 418.28 of the Act or section 88.4 of the Act respecting the application of the Taxation Act, to the extent that that section refers to Division A of subparagraph *i* of paragraph *d* of subsection 25 of section 29 of the Income Tax Application Rules (Revised Statutes of Canada, 1985, chapter 2, 5th Supplement);

(b) its reserve amount for the year in respect of the original owner and each predecessor owner of the particular property;

(c) the production obtained from the particular property; or

(d) the processing, referred to in one of subparagraphs *ii* or *iii* of paragraph *b* of section 360R12 or in paragraph *b* of section 360R14, using the particular property.";

(2) adding, after the second paragraph, the following:

"The amount referred to in the second paragraph is equal to the aggregate of the following amounts:

(a) 4 times the part attributable to an oil business and 3 times the part attributable to a mining business of the aggregate of the other amounts deducted for the year under this section that may reasonably be attributed to the part of the income of the corporation for the year referred to in the second paragraph;

(b) the aggregate of the amounts each of which is an amount deducted for the year under section 418.16, 418.18, 418.19 or 418.21 of the Act or under section 88.4 of the Act respecting the application of the Taxation Act, to the extent that that section refers to subsection 25 of section 29 of the Income Tax Application Rules, that may reasonably be attributed to the part of the income of the corporation for the year referred to in the second paragraph.".

(2) Subsection 1 applies from the taxation year 1999.

40. (1) Section 360R14 of the Regulation is amended, in paragraph *b*, by

(1) replacing subparagraph *i* by the following:

"i. the production of petroleum, natural gas or related hydrocarbons, or sulphur, from a natural accumulation, other than a mineral resource, of petroleum or natural gas in Canada, or an oil or gas well in Canada, that is operated by the taxpayer,";

(2) replacing, in the English text, at the end of subparagraph *ii*, the word "and" by the word "or";

(3) adding, after subparagraph *ii*, the following:

"iii. the Canadian field processing, within the meaning assigned by subparagraph *s* of subsection 1 of section 130R2; and".

(2) Subsection 1 applies to taxation years that begin after 31 December 1996.

41. (1) Section 360R16 of the Regulation is amended by replacing subparagraphs *i* to *iii* of paragraph *b* by the following:

"i. any income or loss derived from the processing, other than the processing of tar sands ore described in any of subparagraphs *i* to *iii* of paragraph *b* of section 360R12 and the processing described in subparagraph *ii* or *iii* of paragraph *b* of section 360R14, transmitting or transporting of petroleum, natural gas or related hydrocarbons, or sulphur, from a natural accumulation of petroleum or natural gas,

ii. any income or loss arising because of the application of paragraph *z*, *z*.1 or *z*.4 of section 87 or any of sections 692.1 to 692.4 of the Act, or

iii. any income or loss that can reasonably be attributed to a service rendered by the taxpayer other than processing described in subparagraph *ii* or *iii* of paragraph *b* of section 360R12 or in subparagraph *ii* or *iii* of paragraph *b* of section 360R14 and the activities that the taxpayer carries on as a coal mine operator;".

(2) Subsection 1, where it enacts subparagraphs *i* and *ii* of paragraph *b* of section 360R16 of the Regulation, applies to taxation years that begin after 31 December 1996 and, where it enacts subparagraph *iii* of paragraph *b* of that section 360R16, applies to taxation years that begin after 6 March 1996.

42. (1) The Regulation is amended by inserting, after section 399R1, the following:

"**399.7R1.** Subject to section 399.7R2 and for the purposes of section 399.7 of the Act, the Canadian renewable and conservation expense means an expenditure incurred by a taxpayer, and payable to a person or to a partnership with whom the taxpayer is dealing at arm's length, in respect of the development of a project for which it is reasonable to expect that at least 50% of the capital cost of the depreciable property to be used in the project would be the capital cost of any property that is described in Class 43.1 of Schedule B or that would be such property but for this section, and includes such an expense incurred by the taxpayer

(a) for the purpose of making a service connection to the project for the transmission of electricity to a purchaser of the electricity, to the extent that the expense so incurred was not incurred to acquire property of the taxpayer;

(b) for the construction of a temporary access road to the project site;

(c) for a right of access to the project site before the earliest time at which a property described in Class 43.1 of Schedule B is used in the project for the purpose of earning income;

(d) for clearing land to the extent necessary to complete the project;

(e) for process engineering for the project, including collection and analysis of site data, calculation of energy, mass, water, or air balances, simulation and analysis of the performance and cost of process design options, and selection of the optimum process design;

(f) for the drilling or completion of a well for the project;

(g) for use of the taxpayer's test wind turbine for the project.

For the purposes of subparagraph *g* of the first paragraph, a test wind turbine means a fixed location device that is a wind energy conversion system that would, but for this section and section 399.7R2, be property included in Class 43.1 of Schedule B because of subparagraph *v* of subparagraph *a* of the second paragraph thereof, and in respect of which the Minister of Revenue of Canada, in consultation with the Minister of Natural Resources of Canada, determines that the device will be the first such device installed at the taxpayer's site for a proposed wind energy conversion system and the primary purpose of the device is to test the level of electrical production at the site.

399.7R2. A Canadian renewable and conservation expense does not include any expense that

(a) is described in sections 147, 160, 163, 176 and 176.4 of the Act; or

(b) is incurred directly or indirectly by a taxpayer and is

i. for the use of or the acquisition of, or the right to use, land, except as provided for in any of subparagraphs *b*, *c* or *d* of the first paragraph of section 399.7R1;

ii. for grading or levelling land or for landscaping, except as provided for in subparagraph *b* of the first paragraph of section 399.7R1;

iii. payable to a person who does not reside in Canada or a partnership that is not a Canadian partnership, except an expenditure referred to in subparagraph *g* of the first paragraph of section 399.7R1;

iv. included in the capital cost of property that, but for this section and section 399.7R1, would be a depreciable property, except as provided for in any of subparagraphs *b*, *d*, *e*, *f* or *g* of the first paragraph of section 399.7R1;

v. an expenditure that, but for this section and section 399.7R1, would be an intangible capital property amount, except as provided for in any of subparagraphs *a* to *e* of the first paragraph of section 399.7R1;

vi. included in the cost of inventory of the taxpayer;

vii. an expenditure on or in respect of scientific research and experimental development;

viii. a Canadian development expense or a Canadian oil and gas property expense;

ix. incurred, for a project, in respect of any time at or after the earliest time at which a property described in Class 43.1 of Schedule B was used in the project for the purpose of earning income;

x. incurred in respect of the administration or management of a business of the taxpayer; or

xi. a cost attributable to the period of the construction, renovation or alteration of depreciable property, other than property described in Class 43.1 of Schedule B, that relates to the construction, renovation or alteration of the property, except as provided for in any of subparagraphs *b*, *f* or *g* of the first paragraph of section 399.7R1, or the ownership of land during the period, except as provided for in any of subparagraphs *b*, *c* or *d* of the first paragraph.".

(2) Subsection 1 applies in respect of an expenditure incurred after 5 December 1996.

43. (1) Section 421.5R1 of the Regulation is replaced by the following:

"**421.5R1.** For the purposes of subparagraph *a* of the second paragraph of section 421.5 of the Act, the amount prescribed in respect of a passenger vehicle acquired either after 31 August 1989 and before 1 January 1997 or after 31 December 2000 is $300.".

(2) Subsection 1 has effect from 1 January 2001.

44. (1) Section 421.6R2 of the Regulation is amended, in the second paragraph, by

(1) replacing subparagraph *iv* of subparagraph *a* by the following:

"iv. where the passenger vehicle was leased under a lease entered into after 31 December 1999 and before 1 January 2001, $27,000,";

(2) adding, after subparagraph *iv* of subparagraph *a*, the following subparagraph:

"v. where the passenger vehicle was leased under a lease entered into after 31 December 2000, $30,000; and".

(2) Subsection 1 has effect from 1 January 2001.

45. (1) Section 487.0.2R1 of the Regulation is amended by

(1) replacing, at the end of paragraph *h*, the period by a semicolon;

(2) adding, after paragraph *h*, the following:

"*(i)* for the 1999 calendar year:

i. in the Province of Nova Scotia, the Counties of Annapolis, Colchester, Cumberland, Digby, Hants, Kings and Yarmouth;

ii. in the Province of British Columbia, the Regional District of Peace River;

iii. in the Province of Saskatchewan, the Rural Municipalities of Beaver River and Loon Lake;

iv. in the Province of Alberta, the Counties of Athabaska, Barrhead, Birch Hills, Grande Prairie, Lac Ste. Anne, Lakeland, Lamont, Saddle Hills, Smoky Lake, St. Paul, Thorhild, Two Hills, Westlock and Woodlands and the Municipal Districts of Big Lakes, Bonnyville, Clear Hills, East Peace, Fairview, Greenview, Lesser Slave Lake, MacKenzie, Northern Lights, Peace, Smoky River and Spirit River;

(j) for the 2000 calendar year:

i. in the Province of British Columbia, the Regional District of East Kootenay;

ii. in the Province of Saskatchewan, the Rural Municipalities of Antelope Park, Battle River, Big Stick, Biggar, Blaine Lake, Buffalo, Chesterfield, Clinworth, Cut Knife, Deer Forks, Douglas, Duck Lake, Eagle Creek, Enterprise, Eye Hill, Fox Valley, Glenside, Grandview, Grass Lake, Great Bend, Happyland, Hearth's Hill, Kindersley, Laird, Leask, Maple Creek, Mariposa, Marriott, Mayfield, Meeting Lake, Milton, Mountain View, Newcombe, North Battleford, Oakdale, Paynton, Piapot, Pleasant Valley, Prairiedale, Progress, Redberry, Reford, Reno, Rosemount, Rosthern, Round Valley, Senlac, St. Louis, Tramping Lake and Winslow;

iii. in the Province of Alberta, the Counties of Barrhead, Birch Hills, Cardston, Cypress, Flagstaff, Forty Mile, Grande Prairie, Kneehill, Lac Ste. Anne, Lethbridge, Newell, Paintearth, Saddle Hills, Starland, Stettler, Vulcan, Warner, Wheatland and Woodlands, the Improvement Districts of Kananaskis and Waterton, the Municipal Districts of Acadia, Fairview, Foothills, Greenview, Peace, Pincher Creek, Provost, Ranchland, Smoky River, Spirit River, Taber and Willow Creek, the Municipality of Crowsnest Pass and Special Areas 2, 3 and 4.".

(2) Subsection 1 has effect from 1 January 1999.

46. (1) The Regulation is amended by inserting, after section 487.0.2R1, the following section:

"**487.0.2R2.** For the purposes of section 487.0.2 of the Act, a drought region in respect of a year includes any particular area that is surrounded by one or several regions referred to in section 487.0.2R1 in respect of the year.".

(2) Subsection 1 has effect from 1 January 1988.

47. (1) Section 488R1 of the Regulation is amended by

(1) replacing paragraphs *d*.1 and *e* by the following:

"*(d*.1*)* an amount, other than an amount received or receivable by an individual, that is exempt from income tax in Québec or in Canada by virtue of a provision of a tax agreement entered into with a country other than Canada;

(e) an amount that is specifically exempt from income tax by virtue of a law of Québec or of Canada, other than the Income Tax Act (Revised Statutes of Canada, 1985, chapter 1, 5th Supplement), the Indian Act (Revised Statutes of Canada, 1985, chapter I-5), the Cree-Naskapi (of Québec) Act (Statutes of Canada, 1984, chapter 18), the Foreign Missions and International Organizations Act (Statutes of Canada, 1991, chapter 41) and the Act respecting industrial accidents and occupational diseases (R.S.Q., c. A-3.001), and which is not an amount that is exempt by virtue of a provision of a tax agreement with a country other than Canada;";

(2) replacing, at the end of paragraph *y*, the period by a semicolon;

(3) adding, after paragraph *y*, the following:

"*(z)* an amount described in paragraph *g*.4 of subsection 1 of section 81 of the Income Tax Act.".

(2) Paragraph 1 of subsection 1 applies from the taxation year 1998.

(3) Paragraphs 2 and 3 of subsection 1 apply in respect of amounts received after 31 December 2000.

48. (1) Section 752.0.11.1R1 of the Regulation is amended by

(1) replacing, at the end of paragraph *v*, the period by a semicolon;

(2) adding, after paragraph *v*, the following:

"*(w)* talking textbook prescribed by a medical practitioner for use by an individual with a perceptual disability, in connection with the individual's enrolment at an educational institution in Canada.".

(2) Subsection 1 applies from the taxation year 1999.

49. (1) Section 771R5.1 of the Regulation is replaced by the following:

"**771R5.1.** Where a corporation, other than a bank, or a partnership of which the corporation is a member operates an international financial centre, the proportion that the business carried on in Québec is of the aggregate of the business carried on in Canada or in Québec and elsewhere by the corporation, otherwise determined under this chapter and Chapters III and IV, shall be so determined taking into account neither the salaries and wages and the gross revenue, nor the net premiums, as the case may be, that are attributable to the operations of the international financial centre.".

(2) Subsection 1 applies to taxation years that end after 31 December 2000.

50. (1) Section 818R1 of the Regulation is amended by

(1) inserting, after paragraph *a*, the following:

"*(a*.1*)* "policy loan", "segregated fund", "amount payable", "segregated fund policy" and "participating life insurance policy" have the meaning assigned by section 835 of the Act;

(a.2*)* "foreign policy loan" means an amount advanced at a particular time by an insurer to a policyholder in accordance with the terms and conditions of a life insurance policy that is not a life insurance policy in Canada;";

(2) striking out paragraph *h*;

(3) replacing, wherever they appear in the French text of each of paragraphs *i*.1 and *i*.2, the words "prêts sur police" by the words "avances sur police";

(4) striking out paragraph *o*.1.

(2) Subsection 1 has effect from 20 December 2001.

51. (1) Section 818R4 of the Regulation is amended by replacing, wherever they appear in the French text of subparagraph *i* of subparagraph *c* of the second paragraph and in the French text of subparagraph *e* of that paragraph, the words "prêts sur police" by the words "avances sur police".

(2) Subsection 1 has effect from 20 December 2001.

52. (1) Section 818R9.5 of the Regulation is amended by replacing, in the French text of subparagraph *ii* of each of subparagraphs *a* and *b* of the second paragraph, the words "un prêt sur police consenti" by the words "une avance sur police consentie".

(2) Subsection 1 has effect from 20 December 2001.

53. (1) Section 818R14 of the Regulation is amended by replacing "paragraph *h*" by "paragraph *s*.2".

(2) Subsection 1 applies from the taxation year 1997.

54. (1.) Section 818R17 of the Regulation is amended by replacing, wherever they appear in the French text of paragraph *a*, the words "prêts sur police" by the words "avances sur police".

(2) Subsection 1 has effect from 20 December 2001.

55. (1) Section 818R24 of the Regulation is amended by replacing, in the French text, the words "un prêt sur police" by the words "une avance sur police".

(2) Subsection 1 has effect from 20 December 2001.

56. (1) Section 818R30 of the Regulation is amended by replacing, in the French text of subparagraph *ii* of paragraph *b*, the words "prêts sur police" by the words "avances sur police".

(2) Subsection 1 has effect from 20 December 2001.

57. (1) Section 840R1 of the Regulation is amended, in the French text, by:

(1) inserting, before the definition of "clause modificative générale", the following definition:

""avance sur police" a le sens que lui donne le paragraphe *h* de l'article 835 de la Loi;";

(2) replacing, in paragraph *a* of the definition of "prestation", the words "un prêt" by the words "une avance";

(3) striking out the definition of "prêt sur police".

(2) Subsection 1 has effect from 20 December 2001.

58. (1) Section 840R3.2 of the Regulation is amended by replacing, in the French text of paragraph *f*, the words "prêt sur police impayé" by the words "avance sur police impayée".

(2) Subsection 1 has effect from 20 December 2001.

59. (1) Section 840R9.1 of the Regulation is amended by:

(1) replacing, in the French text of paragraph *a*, the words "un prêt sur police impayé" and "ce prêt" by, respectively, the words "une avance sur police impayée" and "cette avance";

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

"*(b)* the amount by which the aggregate of the present value, at the end of the year, of any future modified net premium in respect of the policy and of the amount payable in respect of a policy loan outstanding at that time and made in respect of the policy or in respect of the interest accrued on that loan for the benefit of the insurer at the end of the year exceeds the present value, at that time, of the future benefits provided by the policy.".

(2) Subsection 1 has effect from 20 December 2001.

60. (1) Section 840R13 of the Regulation is amended by replacing, in the French text of each of paragraphs *a* and *b*, the words "un prêt sur police impayé" and "ce prêt" by, respectively, the words "une avance sur police impayée" and "cette avance".

(2) Subsection 1 has effect from 20 December 2001.

61. (1) Section 840R23.2 of the Regulation is amended by replacing, in the French text of subparagraph *e* of the second paragraph, the words "d'un prêt sur police consenti" and "un tel prêt sur police" by, respectively, the words "d'une avance sur police consentie" and "une telle avance sur police".

(2) Subsection 1 has effect from 20 December 2001.

62. (1) The Regulation is amended by inserting, after section 851.20R1, the following:

"**TITLE XXIII.0.1**
FINANCIAL INSTITUTIONS

851.22.1R1. For the purposes of the definition of "specified debt obligation" provided for in the first paragraph of section 851.22.1 of the Act, a property is a prescribed property throughout a taxation year if the property is a direct financing lease, or any other financing agreement, of a taxpayer that is reported as a loan in the taxpayer's financial statements for the year, prepared in accordance with generally accepted accounting principles, provided that an amount is deductible in computing the taxpayer's income for the year, in respect of the property that is the subject of the lease or agreement, under paragraph *a* of section 130 or the second paragraph of section 130.1 of the Act.".

(2) Subsection 1 applies to taxation years that end

(1) after 30 September 1997; or

(2) after 31 December 1995 and before 1 October 1997, where the taxpayer made the election referred to in paragraph 2 of subsection 2 of section 22 of the Act to amend the Taxation Act and other legislative provisions (2001, c. 7).

63. (1) Section 966R1 of the Regulation is amended, in the French text, by

(1) replacing, in the portion before paragraph *a*, the words "Aux fins du" by the words "Dans le";

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

"*(f)* "avance sur police" a le sens que lui donne le paragraphe *a*.1.1 de l'article 966 de la Loi;".

(2) Subsection 1 has effect from 20 December 2001.

64. (1) Section 976.1R1 of the Regulation is amended by replacing, in the French text of the first paragraph, the words "un prêt sur police impayé" by the words "une avance sur police impayée".

(2) Subsection 1 has effect from 20 December 2001.

65. (1) Section 1015R1 of the Regulation is amended by

(1) replacing paragraph *a* of the definition of "personal tax credits" by the following:

"*(a)* by the amount that the employee would be entitled to deduct from the employee's tax otherwise payable for the year under section 776.77 of the Act, if that section were read with, in the first paragraph, the words "the flat amount for the year" replaced by the words "the flat amount for the preceding year"; or";

(2) replacing the portion of paragraph *b* of the definition of "personal tax credits" before subparagraph *i* by the following:

"*(b)* where the employee has provided the employer with a return referred to in section 1015.3 of the Act, by the aggregate of all amounts that, according to the information set out in the most recent return referred to in section 1015.3 that the employee has provided to the employer, the employee ";

(3) replacing subparagraph *i* of paragraph *b* of the definition of "personal tax credits" by the following:

"i. would be entitled to deduct from the employee's tax otherwise payable for the year, under the portion of section 752.0.1 of the Act before paragraph *b*, if the references therein to $5,900 were read as the amount that is the sum of $5,900 and of the flat amount determined, for the preceding taxation year, in accordance with the second paragraph of section 776.77 of the Act;";

(4) replacing paragraphs *a* to *f* of the definition of "adjustment factor" by the following:

"*(a)* where the family income of the employee for the year does not exceed $34,920:

i. 4.25 where the employee's personal income for the year does not exceed $26,699;

ii. 3.25 where the employee's personal income for the year is greater than $26,699;

(b) where the family income of the employee for the year is greater than $34,920 without exceeding $43,135:

i. 3.75 where the employee's personal income for the year does not exceed $26,699;

ii. 2.75 where the employee's personal income for the year is greater than $26,699;

(c) where the family income of the employee for the year is greater than $43,135 without exceeding $51,350:

i. 3.25 where the employee's personal income for the year does not exceed $26,699;

ii. 2.50 where the employee's personal income for the year is greater than $26,699;

(d) where the family income of the employee for the year is greater than $51,350 without exceeding $59,565:

i. 2.75 where the employee's personal income for the year does not exceed $26,699;

ii. 2 where the employee's personal income for the year is greater than $26,699 without exceeding $53,405;

iii. 1.75 where the employee's personal income for the year is greater than $53,405;

(e) where the family income of the employee for the year is greater than $59,565 without exceeding $67,780:

i. 2.25 where the employee's personal income for the year does not exceed $26,699;

ii. 1.75 where the employee's personal income for the year is greater than $26,699 without exceeding $53,405;

iii. 1.50 where the employee's personal income for the year is greater than $53,405;

(f) where the family income of the employee for the year is greater than $67,780 without exceeding $75,995:

i. 1.75 where the employee's personal income for the year does not exceed $26,699;

ii. 1.25 where the employee's personal income for the year is greater than $26,699 without exceeding $53,405;

iii. 1 where the employee's personal income for the year is greater than $53,405;";

(5) adding, after paragraph *f* of the definition of "adjustment factor", the following paragraph:

(g) where the family income of the employee for the year is greater than $75,995:

i. 1.25 where the employee's personal income for the year does not exceed $26,699;

ii. 1 where the employee's personal income for the year is greater than $26,699;";

(6) replacing, in paragraph *k* of the definition of "remuneration", the words "retirement savings plan" by the word "annuitant";

(7) replacing, in the portion of subparagraph *iii* of paragraph *r* of the definition of "remuneration" before subparagraph 1, "$40,000" by "$50,000".

(2) Paragraphs 1, 3 and 7 of subsection 1 have effect from 1 January 1999.

(3) Paragraphs 4 and 5 of subsection 1 apply in respect of remuneration paid after 31 December 2001.

(4) Paragraph 6 of subsection 1 applies from the taxation year 2001.

66. (1) The Regulation is amended by inserting, after section 1015R1.0.1.1, the following:

"**1015R1.0.1.2.** Where the amount of $5,900 referred to in subparagraph *i* of paragraph *b* of the definition of "personal tax credit" in section 1015R1 must be used for a taxation year subsequent to the taxation year 2001, it shall be adjusted annually in such a manner that the amount used for that taxation year is equal to the total of the amount used for the preceding taxation year and the product obtained by multiplying that amount so used by the percentage determined by the formula

(A / B) - 1.

In the formula provided for in the first paragraph,

(a) A is the average Consumer Price Index for Québec for the 12-month period that ended on 30 September of the taxation year preceding that for which an amount is to be adjusted, and

(b) B is the average Consumer Price Index for Québec for the 12-month period that ended on 30 September of the taxation year next before the year preceding that for which the amount is to be adjusted.".

(2) Subsection 1 applies from the taxation year 2002.

67. (1) Section 1015R2.1 of the Regulation is amended by replacing paragraph *f* by the following:

"*(f)* where the amount that the employer is required to deduct under section 1015 of the Act in respect of the employee's remuneration is not established according to the mathematical formula referred to in the third paragraph of that section, 75% of the amount deducted from the employee's remuneration by the employer, pursuant to the employee's authorization, for the purchase by that employee as first purchaser of class "A" shares issued by the corporation governed by the Act to establish the Fonds de solidarité des travailleurs du Québec (F.T.Q.) (R.S.Q., c. F-3.2.1) or class "A" or "B" shares issued by the corporation governed by the Act to establish Fondaction, le Fonds de développement de la Confédération des syndicats nationaux pour la coopération et l'emploi (R.S.Q., c. F-3.1.2), without the total of the amounts determined under this paragraph exceeding, for a year, an amount equal to 75% of $5,000;".

(2) Subsection 1 applies from the taxation year 1998. However, where paragraph *f* of section 1015R2.1 of the Regulation applies before 1 July 2001, the rate of 75% shall be replaced, wherever it appears, by a rate of 65% and, where it applies after 30 June 2001 and before 1 January 2002, the rate of 75% shall be replaced, wherever it appears, by a rate of 67%.

68. (1) Section 1015R2.2 of the Regulation is amended by replacing paragraph *b* by the following:

"*(b)* an amount equal to the employee's premium consisting of class "A" shares issued by the corporation governed by the Act to establish the Fonds de solidarité des travailleurs du Québec (F.T.Q.) (R.S.Q., c. F-3.2.1) or class "A" or "B" shares issued by the corporation governed by the Act to establish Fondaction, le Fonds de développement de la Confédération des syndicats nationaux pour la coopération et l'emploi (R.S.Q., c. F-3.1.2), that is deducted directly from the employee's remuneration and transferred by the employer to the issuer, within the meaning of paragraph *c* of section 905.1 of the Act, of a plan under which the employee or the employee's spouse is the annuitant within the meaning of paragraph *b* of that section 905.1, without the total of the amounts determined under this paragraph exceeding for a year an amount equal to $5,000.".

(2) Subsection 1 applies from the taxation year 1998.

69. (1) Section 1015R2.3 of the Regulation is amended by

(1) replacing, in the portion of the second paragraph before subparagraph *a*, "return most recently filed with the employer in accordance with section 1015.3 of the Act:" by "most recent return referred to in section 1015.3 of the Act that the employee has provided to the employer:";

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

"*(a)* the amount by which the aggregate of the following amounts exceeds the flat amount determined, for the previous year, pursuant to the second paragraph of section 776.77 of the Act:";

(3) replacing, in subparagraph *ii* of subparagraph *a* of the second paragraph, "$2,400" and "6.5%" by, respectively, "$2,500" and "6.9%";

(4) striking out subparagraph *iii* of subparagraph *a* of the second paragraph;

(5) replacing, at the end of subparagraph *b* of the second paragraph, the period by a semicolon;

(6) adding, after subparagraph *b* of the second paragraph, the following:

"*(c)* the aggregate of the amounts that the employee is entitled to deduct, according to the information the employee set out in his most recent return referred to in section 1015.3 of the Act that he has provided to the employer, from the employee's tax otherwise payable for the year, under sections 752.0.14 to 752.0.16 and 752.0.19 of the Act, or that he would be entitled to deduct under that section 752.0.14 if that section were read without taking into account paragraph *d*.";

(7) striking out the third paragraph.

(2) Paragraphs 2, 4, 6 and 7 of subsection 1 have effect from 1 January 1999.

(3) Paragraph 3 of subsection 1 has effect from 1 January 2002.

70. Section 1015R3 of the Regulation is amended by replacing the word "deduct" by the words "deduct or withhold".

71. (1) Section 1015R5 of the Regulation is replaced by the following:

"**1015R5.** Where a payment of a bonus or a retroactive increase is made in a particular taxation year to an employee whose estimated annual pay, including the bonus or retroactive increase, does not exceed the amount determined in accordance with the second paragraph, the employer shall deduct 8% therefrom.

The amount referred to in the first paragraph is equal to the amount determined by the formula

(A x B) / C.

In the formula provided for in the second paragraph,

(a) A is the amount that the employee would be entitled to deduct in computing the employee's tax otherwise payable under section 776.77 of the Act for the taxation year preceding the particular year, if the percentage referred to in the first paragraph of that section were equal to 100% for that preceding year;

(b) B is the percentage described in any of the paragraphs in section 750.1 of the Act that applies for the particular taxation year;

(c) C is the rate described in any of the subparagraphs of paragraph *a* of section 750 of the Act that applies for the particular taxation year.

Where the amount determined in accordance with the second paragraph is not a multiple of 50, it shall be rounded to the nearest multiple of 50 or, if it is equidistant from two such multiples, to the higher thereof.".

(2) Subsection 1 applies in respect of payments made after 31 December 2000. However, where section 1015R5 of the Regulation applies in respect of payments made before 1 January 2002, it shall be read with, in the first paragraph, "8%" replaced by "9%".

72. (1) Section 1015R6 of the Regulation is amended by replacing the portion before paragraph *a* by the following:

"**1015R6.** Where a bonus is paid to an employee whose estimated annual pay, including the bonus, exceeds the amount determined in accordance with the second paragraph of section 1015R5, the amount to be deducted therefrom shall be established by the employer.".

(2) Subsection 1 has effect from 1 January 2001.

73. (1) Section 1015R7 of the Regulation is amended by replacing the portion before paragraph *a* by the following:

"**1015R7.** Where a retroactive increase in remuneration is paid to an employee whose estimated annual pay, including the retroactive increase, exceeds the amount determined in accordance with the second paragraph of section 1015R5, the amount to be deducted therefrom shall be established by the employer.".

(2) Subsection 1 has effect from 1 January 2001.

74. (1) Section 1015R9 of the Regulation is amended, in the second paragraph, by replacing ", or would be so deductible but for Title II of Book V.2.1 of Part 1 of the Act" by "or under section 776.70 of the Act".

(2) Subsection 1 has effect from 1 January 1998.

75. (1) The Regulation is amended by inserting, after section 1015R11.1, the following:

"**1015R11.2.** Every person making a payment described in paragraph *f*.1 of the definition of "remuneration" in section 1015R1 shall deduct, where that paragraph refers to an amount described in paragraph *e*.2 of section 311 of the Act as earnings supplements provided under a project sponsored by a government or government agency in Canada, otherwise than in connection with a program entitled "Return to Work Supplement" established by Emploi-Québec, an amount equal to 16% of the payment.".

(2) Subsection 1 applies in respect of payments made after 31 December 2001.

76. (1) Section 1015R12.1 of the Regulation is amended by

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

"**1015R12.1.** No amount shall be deducted from a payment made by a person as a benefit of a registered retirement savings plan or under such a plan paid during the lifetime of an individual contemplated in paragraph *a* of the definition of the term "annuitant" provided for in subsection 1 of section 146 of the Income Tax Act (Revised Statutes of Canada, 1985, chapter 1, 5th Supplement) for whom a retirement income is provided under the plan, if, at the time of payment, the individual certifies in prescribed form to that person that:

(a) the individual, or a disabled person related to the individual who is entitled to the deduction provided for in subsection 1 of section 118.3 of the Income Tax Act in computing his tax payable under Part I of that Act, has entered into an agreement in writing to acquire a dwelling;";

(2) inserting, after subparagraph *a* of the first paragraph, the following:

"*(a*.1*)* the individual intends that the individual or the disabled person, as the case may be, will use the dwelling as a principal place of residence in Canada within one year after its acquisition;";

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

"*(b)* the home has not previously been owned by him, by the disabled person or by either of their respective spouses;";

(4) striking out subparagraphs *b*.1 and *b*.2 of the first paragraph;

(5) replacing, at the end of subparagraph *d* of the first paragraph, the period by a semicolon;

(6) adding, after subparagraph *d* of the first paragraph, the following:

"*(e)* except where the individual certifies that the individual is a disabled person who is entitled to the deduction provided for in subsection 1 of section 118.3 of the Income Tax Act in computing the individual's tax payable under Part I of that Act, or that the withdrawal is made for the benefit of such a person, and that the individual is a qualified purchaser of a dwelling at the time of the certificate; and

(f) where, before the calendar year in which the certificate is made, the individual withdrew an eligible amount, within the meaning assigned by the first paragraph of section 935.1 of the Act, that the aggregate of all amounts each of which is an amount received by the individual before that calendar year, does not exceed the aggregate of all amounts each of which is an amount that the individual previously designated under section 935.3 of the Act or that the individual included in computing the individual's income under section 935.4 or 935.5 of the Act.";

(7) inserting, after the first paragraph, the following:

"For the purposes of the first paragraph, the individual is a qualified purchaser of a dwelling at a particular time except where:

(a) the individual had an owner-occupied dwelling during the period commencing at the beginning of the fourth calendar year preceding the particular time and ending on the thirty-first day before that particular time; or

(b) the individual's spouse had an owner-occupied dwelling, during the period referred to in subparagraph *a*, that was inhabited by the individual while the individual was married to that spouse.";

(8) replacing, in the second paragraph, the words "first paragraph" by the words "second paragraph";

(9) replacing, in the third paragraph, the words "first and second paragraphs" by "first, second and third paragraphs".

(2) Subsection 1 applies in respect of payments made after 31 December 1998.

77. (1) The Regulation is amended by inserting, after section 1015R12.1, the following:

"**1015R12.2.** No amount shall be deducted from a payment made by a person as a benefit of a registered retirement savings plan or under such a plan paid during the lifetime of an individual contemplated in paragraph *a* of the definition of the term "annuitant" provided for in subsection 1 of section 146 of the Income Tax Act (Revised Statutes of Canada, 1985, chapter 1, 5th Supplement) for whom a retirement income is provided under the plan, if, at the time of payment, the individual certifies in prescribed form to that person that:

(a) the individual or the individual's spouse fulfills any of the following conditions at the time of the certificate:

i. the individual is a full-time student in a qualifying educational program;

ii. the individual is a part-time student and is entitled to the deduction provided for in subsection 1 of section 118.3 of the Income Tax Act in computing his tax payable under Part I of that Act;

iii. the individual received a written notice indicating that the individual has the right, either absolutely or contingently, to enroll before March of the year following the certificate, as:

(1) a full-time student in a qualifying educational program; or

(2) a part-time student in a qualifying educational program, where the individual or the individual's spouse is entitled to the deduction provided for in subsection 1 of section 118.3 of the Income Tax Act in computing the individual's or the individual's spouse's tax payable under Part I of that Act;

(b) the individual is resident in Canada;

(c) the aggregate of the payment and all other similar payments received by the individual for the year and not later than that time does not exceed $10,000;

(d) the aggregate of the payments received by the individual not later than that time does not exceed $20,000 for the entire period in which the individual participates in the Lifelong Learning Plan.

For the purposes of the first paragraph, a qualifying educational program means a qualifying educational program within the meaning assigned by subsection 1 of section 146.02 of the Income Tax Act.".

(2) Subsection 1 applies in respect of payments made after 31 December 1998.

78. (1) Section 1029.8.21.17R3 of the Regulation is amended by:

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

"*(a)* the Bureau de promotion des produits forestiers du Québec (Q-Web);";

(2) inserting, after paragraph *a*, the following paragraph:

"*(a.1)* the Centre d'étude sur les médias inc., in respect of the Centre de veille sur les médias;";

(3) striking out paragraph *n*.

(2) Subsection 1 applies in respect of qualified expenditures incurred after 20 December 2001, in respect of products or services offered after that date.

79. (1) Section 1029.8.34R1 of the Regulation is revoked.

(2) Subsection 1 has effect from 20 December 2001. In addition, where section 1029.8.34R1 of the Regulation applies:

(1) after 31 December 1994, it shall be read with the following paragraph inserted, after paragraph *a*:

"*(a.1)* an amount that a corporation is deemed to have paid for a taxation year under subsection 3 of section 125.4 of the Income Tax Act (Revised Statutes of Canada, 1985, chapter 1, 5th Supplement);";

(2) after 31 January 2000, it shall be read with the following paragraph inserted, after paragraph *c*.1:

"*(c.2)* the amount of financial assistance granted by the Fonds de diversification de l'économie de la région de la Capitale;".

80. (1) Section 1086R8.1.6 of the Regulation is amended by:

(1) replacing the first paragraph by the following:

"**1086R8.1.6.** A corporation governed by an Act establishing a labour-sponsored fund shall file an information return in prescribed form in respect of the following shares:

(a) any class "A" share of its capital stock that it issues and, if it is governed by the Act to establish Fondaction, le Fonds de développement de la Confédération des syndicats nationaux pour la coopération et l'emploi (R.S.Q., c. F-3.1.2), any class "B" share of its capital stock that it issues;

(b) any replacement share, within the meaning assigned by the first paragraph of section 776.1.5.0.1 or 776.1.5.0.6 of the Act, which was not acquired and which should have been acquired in accordance with subdivision 2 of Division II of Chapter III of Title III of Book V of Part I of the Act or in accordance with subdivision 2 of Division III of that Chapter III, as the case may be.";

(2) replacing the portion of the second paragraph before subparagraph *a* by the following:

"The information return in respect of a share described in subparagraph *a* of the first paragraph shall be sent to the Minister not later than the following dates:";

(3) adding, after the second paragraph, the following paragraph:

"The information return in respect of a share described in subparagraph *b* of the first paragraph shall be sent to the Minister not later than 31 March of the calendar year following the calendar year for which that replacement share should have been acquired.".

(2) Subsection 1 has effect from 17 September 1998. However, where subparagraph *b* of the first paragraph of section 1086R8.1.6 of the Regulation applies before 1 January 1999, it shall be read as follows:

"*(b)* any replacement share, within the meaning assigned by the first paragraph of section 776.1.5.0.1 of the Act, which was not acquired and which should have been acquired in accordance with subdivision 2 of Division II of Chapter III of Title III of Book V of Part I of the Act.".

81. (1) The Regulation is amended by inserting, after section 1086R8.19, the following:

"**1086R8.20.** The Secrétariat au loisir et au sport shall issue, for a calendar year, to an individual recognized as an athlete having achieved the "Excellence", "Élite" or "Relève" performance level, as the case may be, in respect of an individual sport or a team sport in which the individual participated in the year, a certificate stating this recognition.

The certificate shall contain the individual's name and address, as well as the individual's social insurance number, and shall be sent to the individual in two copies, at the individual's last known address, not later than the last day of February of the following year.

1086R8.21. Subject to the third paragraph, a department of the Government of Québec or a budget-funded body referred to in Schedule 1 of the Financial Administration Act (R.S.Q., c. A-6.001) that pays, directly or indirectly, to a person or a partnership an amount in satisfaction of the price provided for in a contract described in the second paragraph, shall file an information return in respect of the amount in prescribed form, except in the case of any of the following amounts:

(a) an amount paid to a person whose identity must be protected;

(b) an amount paid for a service provided outside Canada, to a person who is not resident in Canada at the time that the service is provided;

(c) an amount not required to be included in computing an individual's income for a taxation year, where the individual is employed by the department or the budget-funded body;

(d) an amount in respect of which another information return in prescribed form must be filed under this title;

(e) an amount paid to a government or a person exempt from tax under Book VIII of Part I of the Act.

The contract described in the first paragraph shall be one of the following:

(a) a contract of enterprise or for services;

(b) a contract of carriage;

(c) an mandate contract;

(d) a contract in respect of the consumption of food or drink;

(e) a contract whose object is an enterprise, a service, carriage or a mandate and the sale or lease of a property, other than such a contract whose price is all or substantially all of the value of a property sold or leased in connection with the contract.

An information return shall not be filed by a department or a budget-funded body under the first paragraph where the aggregate of the amounts paid, other than an amount described in any of subparagraphs *a* to *e* of that paragraph, to a person or a partnership in a year is less than $1,000.

1086R8.22. A department of the Government of Québec or a body referred to in any of Schedules 1, 2 and 3 of the Financial Administration Act (R.S.Q., c. A-6.001) that pays an amount to a person or a partnership, in connection with a business or a property carried on by that person or that partnership or in respect of medical expenses giving right to the tax credit for medical expenses provided for in section 752.0.11 of the Act, as a form of assistance in respect of the cost of a property, an outlay or an expenditure, or as inducement, whether as a grant, a subsidy, a forgiveable loan, an allowance or a government transfer, shall file an information return in respect of the amount in prescribed form, except in the case of any of the following amounts:

(a) a benefit paid by the Commission de la santé et de la sécurité du travail under the Act respecting industrial accidents and occupational diseases (R.S.Q., c. A-3.001);

(b) an amount paid under the Crime Victims Compensation Act (R.S.Q., c. I-6);

(c) an amount paid under the Act to promote good citizenship (R.S.Q., c. C-20);

(d) an indemnity paid by the Société de l'assurance automobile du Québec under Chapter V of Title II of the Automobile Insurance Act (R.S.Q., c. A-25);

(e) a social assistance payment described in section 311.1R1;

(f) a government transfer paid to help fund the following organizations:

i. a public body;

ii. an organization of the health and education networks;

iii. a municipality;

iv. a municipal body;

(g) an amount in respect of which another information return in prescribed form must be filed under this title;

(h) an amount paid to a government or to a person exempt from tax under Book VIII of Part I of the Act.

1086R8.23. A department of the Government of Québec or a body required to file an information return under section 1086R8.20 or 1086R8.21 shall forward to each person or partnership in respect of whom the return is filed two copies of the part of the return that concerns that person or that partnership not later than the last day of February in respect of the previous calendar year.".

(2) Subsection 1, where it enacts section 1086R8.20 of the Regulation, applies from taxation year 2000.

(3) Subsection 1, where it enacts sections 1086R8.21 to 1086R8.23 of the Regulation, applies in respect of an amount paid after 31 December 2001.

82. Section 1086R23.5 of the Regulation is revoked.

83. (1) The Regulation is amended by inserting, before Title XXXI, the following:

"**CHAPTER IX**
EXCLUDED PROPERTY

1102.4R1. For the purposes of paragraph *e* of section 1102.4 of the Act, a prescribed property means any of the following properties:

(a) a property of an insurer that is not resident in Canada and that is a qualified insurance corporation;

(b) an option in respect of a property referred to in any of paragraphs *a* to *d* of that section 1102.4 or in subparagraph *a*, whether the property exists or not;

(c) an interest in a property referred to in any of paragraphs *a*, *c* or *d* of that section 1102.4 or in paragraph *a* or *b*.

For the purposes of the first paragraph, an insurer that is not resident in Canada is a qualified insurance corporation throughout the period in which it fulfils the following conditions:

(a) it is authorized, by virtue of a permit or otherwise, by the law of Canada or a province, to carry on an insurance business in Canada;

(b) it carries on an insurance business, within the meaning of section 817 of the Act, in Canada.".

(2) Subsection 1 has effect from 27 April 1995.

84. (1) Class 8 of Schedule B of the Regulation is amended, in paragraph *j*, by

(1) replacing subparagraph *iii* by the following:

"iii. an oil or gas well;";

(2) striking out subparagraph *v*;

(3) adding, after subparagraph *xi*, the following:

"xii. a specified temporary access road of the taxpayer;".

(2) Subsection 1 applies in respect of property acquired after 6 March 1996.

85. (1) Class 12 of Schedule B of the Regulation is amended by

(1) adding, after subparagraph *iii* of subparagraph *b* of the fourth paragraph, the following subparagraph:

"iv. equipment, for a microwave station, that consists of any of the following property:

(1) a decoder;

(2) an encoder;

(3) a modulator;

(4) a demodulator;

(5) a regenerator, including a repeater;

(6) a multiplexer;

(7) a demultiplexer;

(8) an asymmetric-mode transmitter-receiver capable of a throughput of at least 44.7 megabits per second;

(9) a symmetric-mode transmitter-receiver capable of a throughput of at least 51.8 megabits per second;";

(2) replacing subparagraph *c* of the fifth paragraph by the following:

"*(c)* in the administrative region of Québec, the Ville de Québec.".

(2) Paragraph 1 of subsection 1 applies in respect of property acquired by a taxpayer after 14 March 2000, excluding property that the taxpayer acquired in accordance with an agreement in writing entered into before 15 March 2000 or whose construction, by the taxpayer or on the taxpayer's behalf, was commenced 14 March 2000.

(3) Paragraph 2 of subsection 1 has effect from 1 January 2002.

86. (1) Class 17 of Schedule B of the Regulation is amended by replacing paragraph *b* of subsection 2 by the following:

"*(b)* a road, other than a specified temporary access road, sidewalk, runway, parking area, storage area or similar surface construction.".

(2) Subsection 1 applies in respect of property acquired after 6 March 1996.

87. (1) Class 28 of Schedule B of the Regulation is amended by replacing subparagraphs 1 and 2 of subparagraph *ii* of subparagraph *a* of the first paragraph by the following:

"(1) by virtue of that expansion, the greatest designed capacity, measured according to the weight of input of ore, of the mill that processed the ore from the mine was, in the year following the expansion, not less than 25% greater than it was in the year preceding the expansion; or

(2) in a case where, in the year preceding the expansion, no mill processed the ore from the mine or the mill that processed that ore also processed other ore, the Minister of Revenue of Canada, in consultation with the Minister of Natural Resources of Canada, determines that the greatest designed capacity of the mine immediately after the expansion, measured according to the weight of output of ore, exceeded that projected greatest capacity immediately before the expansion by at least 25%;".

(2) Subsection 1 applies in respect of expansion work that begins after 13 September 2000. In addition, where subparagraph 2 of subparagraph *ii* of subparagraph *a* of the first paragraph of Class 28 of Schedule B of the Regulation applies in respect of mine expansion work that begins after 18 June 1987 and before 14 September 2000, it shall be read by replacing the words "the anticipated increase in the greatest designed capacity" by the words "the greatest designed capacity".

88. (1) Class 29 of Schedule B of the Regulation is amended by replacing the portion before subparagraph *b* of the first paragraph by the following:

"**CLASS 29**
(ss. 130R2, 130R47)

Property that would otherwise be included in another class, that is not included in Class 41 by reason of subparagraph *c* or *d* of the first paragraph of that class and that is at the same time:

(a) property, the manufacture of which was completed by the taxpayer or acquired by him after 29 March 1973, to be used directly or indirectly by him in Canada primarily in the manufacturing or processing of goods for sale or lease, or to be leased in the ordinary course of carrying on a business in Canada of the taxpayer to a lessee who can reasonably be expected to use the property directly or indirectly in Canada, primarily in Canadian field processing carried on by the lessee or in the manufacturing or processing by the lessee of goods for sale or lease if, in the case where the property is leased, the taxpayer is a corporation whose principal business is leasing property, manufacturing property for sale or lease, lending money, purchasing sales contracts, accounts receivable, obligations secured by chattel mortgage, bills of exchange or other obligations representing part or all of the sale price of merchandise or services, selling, servicing or repairing a type of property that it also leases, or any combination thereof, unless use of the property by the lessee commenced before 30 March 1973;".

(2) Subsection 1 applies to taxation years that begin after 31 December 1996.

89. (1) Class 41 of Schedule B of the Regulation is amended, in the first paragraph, by

(1) replacing subparagraph 3 of subparagraph *ii* of subparagraph *a*.2 by the following:

"(3) is a mine in respect of which the Minister of Revenue of Canada, in consultation with the Minister of Natural Resources of Canada, determines that the greatest designed capacity of the mine immediately after the expansion, measured according to the volume of oil that is not beyond the crude oil stage or its equivalent, exceeded the greatest designed capacity of the mine immediately before the expansion by at least 25%;";

(2) replacing, at the end of subparagraph *b*, the period by a semicolon;

(3) adding, after subparagraph *b*, the following:

"*(c)* property that is acquired by the taxpayer after 29 March 1973 to be used directly or indirectly by the taxpayer in Canada primarily in Canadian field processing, where the property would be included in Class 29 if

i. subparagraph *c* of the first paragraph of that Class 29 were disregarded and if the reference, in subparagraph *b* of that paragraph, to a property that is a powered industrial lift truck or a property described in paragraph *f* or *g* of subsection 1 of Class 10 were disregarded;

ii. subsection 7 of section 130R2 were read without reference to paragraph *k* of that subsection; and

iii. Schedule B were read without reference to this class and Classes 39 and 43; or

(d) property that is acquired by the taxpayer after 5 December 1996, otherwise than in accordance with an agreement in writing entered into on or before that date, to be leased, in the ordinary course of carrying on a business in Canada of the taxpayer, to a lessee who can reasonably be expected to use the property directly or indirectly in Canada, primarily in Canadian field processing, where the property would be included in Class 29 if

i. subparagraph *c* of the first paragraph of that Class 29 were disregarded and if the reference, in subparagraph *b* of that paragraph, to a property that is a powered industrial lift truck or a property described in paragraph *f* or *g* of subsection 1 of Class 10 were disregarded;

ii. Schedule B were read without reference to this class and Classes 39 and 43.".

(2) Paragraph 1 of subsection 1 applies in respect of expansion work that begins after 13 September 2000.

(3) Paragraphs 2 and 3 of subsection 1 apply to a taxation year that begins after 31 December 1996.

90. (1) Class 43.1 of Schedule B of the Regulation is amended by

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

"*(b)* is located in Canada, has not been used for any purpose whatever before it is acquired by the taxpayer, except in the case of property described in the fourth paragraph, and that is, as the case may be,";

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

"(2) has a heat rate attributable to fossil fuel, other than solution gas, not exceeding 6,000 Btu per kilowatt-hour of electrical energy generated by the system, which heat rate is calculated as the fossil fuel, expressed as the high heat value of the fossil fuel, used by the system that is chargeable to gross electrical energy output on an annual basis, or";

(3) replacing, in subparagraph *vi* of subparagraph *a* of the second paragraph, "10 kilowatts" by "3 kilowatts";

(4) replacing the portion of subparagraph *b* of the second paragraph before subparagraph *i* by the following:

"*(b)* is located in Canada, has not been used for any purpose whatever before it was acquired by the taxpayer, except in the case of property described in the fourth paragraph, and that is, as the case may be,";

(5) adding, after the third paragraph, the following:

"The property described in subparagraph *b* of the first and second paragraphs is that which fulfils the following conditions:

(a) the property was depreciable property that was included in Class 34 or 43.1 of the person from whom it was acquired, or would have been included in Class 34 or 43.1 of that person if that person had made a valid election to include the property in Class 43.1 pursuant to paragraph *b* of section 130R65; and

(b) the property was acquired by the taxpayer not later than five years after the time it is considered to have become available for use, for the purposes of section 93.6 of the Act, by the person from whom it was acquired, and it remains at the same site in Canada as that at which that person used the property.".

(2) Paragraphs 1, 4 and 5 of subsection 1 apply in respect of property acquired after 26 June 1996. However:

(1) where a taxpayer acquires a property before 1 January 1998 under an agreement in writing made before 27 June 1996:

(a) the portion of subparagraph *b* of the first and second paragraphs of Class 43.1 of Schedule B of the Regulation before subparagraph *i* shall be read without reference to "is located in Canada," and ", except in the case of property referred to in the fourth paragraph,";

(b) Class 43.1 of Schedule B of the Regulation shall be read without reference to the fourth paragraph thereof;

(2) where subparagraph *b* of the fourth paragraph of Class 43.1 of Schedule B of the Regulation applies before 1 August 2001, it shall be read with the words "is considered to have become available for use" replaced by the words "became available for use".

(3) Paragraph 2 of subsection 1 applies in respect of property acquired after 16 February 1999.

(4) Paragraph 3 of subsection 1 applies in respect of property acquired after 18 February 1997.

91. This Regulation comes into force on the date of its publication in the *Gazette officielle du Québec*.

Regulation to amend the Regulation respecting the application of the Licenses Act*

Licenses Act
(R.S.Q., c. L-3, s. 5, 3rd par. and s. 79.11, 2nd par.; 2001, c. 51, s. 229, 2001, c. 52, s. 2 and 2002, c. 9, s. 140)

1. (1) Section 10 of the Regulation respecting the application of the Licenses Act is amended by replacing, in the portion before subparagraph *a* of the first paragraph, "20,000,000,000" by "30,000,000,000".

(2) Subsection 1 applies in respect of a sale made after 14 March 2000.

2. (1) Section 11 of the Regulation is amended by replacing paragraphs *a* and *b* by the following:

"*(a)* 67%, from the first to the 7,500,000,000th millilitre of beer in respect of which a specific duty, or a specific tax imposed under Title II of the Act respecting the Québec sales tax (R.S.Q., c. T-0.1), is payable in a particular calendar year; or

(b) 33%, from the 7,500,000,001th to the 15,000,000,000th millilitre of beer in respect of which a specific duty, or a specific tax imposed under Title II of the Act respecting the Québec sales tax, is payable in a particular calendar year.".

* The Regulation respecting the application of the Licenses Act (R.R.Q., 1981, c. L-3, r.1) was last amended by the Regulation made by Order in Council 1466-98 dated 27 November 1998 (1998, *G.O.* 2, 4610). For previous amendments, see the *Tableau des modifications et Index sommaire*, Éditeur officiel du Québec, 2002, updated to 1 September 2002.

(2) Subsection 1 applies in regard of a sale made after 31 December 2001. However, in respect of a sale made between 15 March 2000 and 31 December 2001, paragraphs *a* and *b* of section 11 of the Regulation shall be read as follows:

"*(a)* 67%, from the first to the 2,500,000,000th millilitre of beer in respect of which a specific duty, or a specific tax imposed under Title II of the Act respecting the Québec sales tax (R.S.Q., c. T-0.1), is payable in a particular calendar year; or

(b) 33%, from the 2,500,000,001th to the 15,000,000,000th millilitre of beer in respect of which a specific duty, or a specific tax imposed under Title II of the Act respecting the Québec sales tax, is payable in a particular calendar year.".

3. This Regulation comes into force on the date of its publication in the *Gazette officielle du Québec*.

Regulation to amend the Regulation respecting fiscal administration*

An Act respecting the Ministère du Revenu
(R.S.Q., c. M-31, s. 7, 8, 69.0.0.12, 1st par., 94.7, 96 and 97; 2002, c. 5, s. 7)

1. Section 7R3.2 of the Regulation respecting fiscal administration is amended by replacing, in the second paragraph, the words "The first paragraph" by "Subparagraph 1 of the first paragraph".

2. (1) Section 7R7 of the Regulation is amended by replacing paragraph 4 by the following:

"(4) sections 1, 165, 166, 167, 350.17.3, 350.17.4 and 383 of the Act respecting the Québec sales tax (R.S.Q., c. T-0.1).".

(2) Subsection 1 has effect from 31 March 1998.

3. Section 7R14 of the Regulation is amended by:

(1) inserting, in paragraph 2 and after "35.6", ", 36";

(2) replacing paragraph 3 by the following:

"(3) sections 7.10, 7.12, 13.3 and 13.3.1 of the Tobacco Tax Act (R.S.Q., c. I-2);";

(3) replacing, in paragraph 5, "202 and 383" by "202, 383 and 416.1".

4. Section 7R15 of the Regulation is replaced by the following:

"**7R15.** A public servant governed by the collective labour agreement for professionals who holds a position of tax audit professional or a position of special investigations expert at the Direction principale des enquêtes within the Direction générale de la législation et des enquêtes or a public servant governed by the collective labour agreement for public servants who holds a position of tax audit officer, a position of inspection or investigation officer, a position of supporting documents and registers inspector or a position of sales tax inspector at the Direction principale des enquêtes within the Direction générale de la législation et des enquêtes is authorized to sign the documents required for the purposes of article 2631 of the Civil Code of Québec (S.Q., 1991, chapter 64).".

5. (1) Section 7R15.2 of the Regulation is amended by replacing the words "business process analyst" with the words "collection agreement advisor".

(2) Subsection 1 has effect from 1 July 2001.

6. (1) The heading "***§§2.*** *Direction générale du traitement et des technologies*" in subdivision 1 of Division II of the Regulation is repositioned before section 7R16.

(2) Subsection 1 has effect from 1 July 2001.

7. Section 7R16 of the Regulation is amended by replacing the words "Head of the Service des dossiers de particuliers at the Direction de la gestion des dossiers or Head of the Service de traitement systémique et de réception des déclarations de revenus" by the words "Head of the Service de l'accès à l'information et de la gestion des dossiers des particuliers at the Direction de la gestion des dossiers or Head of the Service de traitement systémique, d'appariement et de mise en lots or Head of the Service de réception et de dépouillement du courrier".

8. Section 7R22 of the Regulation is amended by:

(1) inserting, in subparagraph 2 of the first paragraph and after "31.1.1", ", 36";

* The Regulation respecting fiscal administration (R.R.Q., 1981, c. M-31, r.1) was last amended by the Regulation made by Order in Council 1463-2001 dated 5 December 2001 (2001, *G.O.* 2, 6328). For previous amendments, see the *Tableau des modifications et Index sommaire*, Éditeur officiel du Québec, 2002, updated to 1 September 2002.

(2) inserting, in subparagraph 4 of the first paragraph and after the words "acquittance for subrogation", the words ", article 1697 respecting an acquittance for the amount provided for in the certificate of section 13 of the Act".

9. Section 7R28 of the Regulation is amended by inserting, in paragraph 2 and after "35.6", ", 36".

10. Section 7R30 of the Regulation is amended by inserting, in subparagraph 2 of the first paragraph and after "35.6", ", 36".

11. Section 7R31 of the Regulation is amended by inserting, in subparagraph 1 of the first paragraph and after the word "sections", "36,".

12. Section 7R32 of the Regulation is amended by inserting, in subparagraph 1 of the first paragraph and after "31", ", 36".

13. Section 7R33 of the Regulation is amended by inserting, in subparagraph 1 of the first paragraph and after "30.1", ", 36".

14. Section 7R35 of the Regulation is amended by:

(1) inserting, in paragraph 2 and after the word "sections", "36,";

(2) inserting, in paragraph 3 and before the word "paragraph", the words "subparagraphs *ii* and *iii* of subparagraph *f* of the first paragraph of section 832.23, subparagraphs *ii* and *iii* of subparagraph *f* of the first paragraph of section 832.24, subparagraph *ii* of subparagraph *i* of the first paragraph of section 935.12 respecting the definition of "eligible amount", paragraph *d* of section 935.13,".

15. Section 7R39 of the Regulation is amended by inserting, in the portion before subparagraph 1 of the first paragraph and after the words "Direction des services à la clientèle", the words "(particuliers et sociétés)".

16. Section 7R40 of the Regulation is amended by:

(1) inserting, in the portion before subparagraph 1 of the first paragraph and after the word "Chaudière-Appalaches", the words "or the position of Head of the Centre d'assistance aux services à la clientèle of the Direction régionale du Bas-Saint-Laurent et de la Gaspésie – Îles-de-la-Madeleine";

(2) inserting, in subparagraph 1.1 of the first paragraph and after "35.6", ", 36";

(3) inserting, in subparagraph 3 of the first paragraph and after "776.33,", the words "subparagraphs *ii* and *iii* of subparagraph *f* of the first paragraph of section 832.23, subparagraphs *ii* and *iii* of subparagraph *f* of the first paragraph of section 832.24, sections 895.0.1 and 898.1, subparagraph *ii* of subparagraph *i* of the first paragraph of section 935.12 respecting the definition of "eligible amount", paragraph *d* of section 935.13, sections";

(4) inserting, after subparagraph 5 of the first paragraph, the following subparagraph:

"(5.1) section 34.0.0.4 of the Act respecting the Régie de l'assurance maladie du Québec (R.S.Q., c. R-5);".

17. Section 7R53 of the Regulation is amended by:

(1) striking out, in the portion before subparagraph 1 of the first paragraph, the words "head of a tax analysis and fiscal examination service";

(2) inserting, in subparagraph 2 of the first paragraph and after "35.6", ", 36";

(3) replacing subparagraph 5 of the first paragraph by the following:

"(5) sections 7.0.6, 7.3, 21.22, 21.24, 42.15, 84.1, 85, 85.6, 98, 165.4, 195, 216 and 286.1, subparagraph *c* of the second paragraph of section 309.1, sections 325, 359.12.1, 361, 435, 444, 519.1, 520, 525, 527.1 and 581, the second paragraph of section 647, the second paragraph of section 678, subparagraph *e* of the second paragraph of section 725.1.2, sections 752.0.7, 752.0.16, 771.1.4, 776.33, subparagraphs *ii* and *iii* of subparagraph *f* of the first paragraph of section 832.23, subparagraphs *ii* and *iii* of subparagraph *f* of the first paragraph of section 832.24, sections 895.0.1 and 898.1, sections 965.5, 965.11.9, 965.11.13 and 965.11.19.3, paragraph *f* of subsection 2 of section 1000, sections 1001, 1006, 1029.7.6, 1029.7.9, 1056.4, 1082.13, 1098, 1100, 1102.1 and 1141.7 and subsection 1 of section 1168 of the Taxation Act (R.S.Q., c. I-3);";

(4) inserting, after subparagraph 6 of the first paragraph, the following subparagraph:

"(6.1) section 34.0.0.4 of the Act respecting the Régie de l'assurance maladie du Québec (R.S.Q., c. R-5);";

(5) replacing, in subparagraph 7 of the first paragraph, "202 and 383" by "202, 383, 427.5 and 427.6".

18. Section 7R61 of the Regulation is amended by:

(1) inserting, after subparagraph 2 of the first paragraph, the following subparagraph:

"(2.1) subparagraphs *ii* and *iii* of subparagraph *f* of the first paragraph of section 832.23 and subparagraphs *ii* and *iii* of subparagraph *f* of the first paragraph of section 832.24 of the Taxation Act (R.S.Q., c. I-3);";

(2) adding, after subparagraph 3 of the first paragraph, the following subparagraph:

"(4) section 34.0.0.4 of the Act respecting the Régie de l'assurance maladie du Québec (R.S.Q., c. R-5).".

19. (1) Section 7R62 of the Regulation is amended by:

(1) inserting, in subparagraph 2 of the first paragraph and after "35.6", ", 36";

(2) inserting, in subparagraph 5 of the first paragraph and after "725.1.2", the words ", sections 895.0.1 and 898.1, subparagraph *ii* of subparagraph *i* of the first paragraph of section 935.12 respecting the definition of "eligible amount", paragraph *d* of section 935.13".

(2) Subparagraph 1 of subsection 1 has effect from 1 January 2002.

20. (1) Section 7R66 of the Regulation is amended by:

(1) inserting ", 36" in subparagraph 2 of the first paragraph and after "35.5";

(2) replacing subparagraph 6 of the first paragraph by the following:

"(6) subparagraph *c* of the second paragraph of section 309.1, subparagraph *e* of the second paragraph of section 725.1.2, subparagraphs *ii* and *iii* of subparagraph *f* of the first paragraph of section 832.23, subparagraphs *ii* and *iii* of subparagraph *f* of the first paragraph of section 832.24, sections 895.0.1 and 898.1, subparagraph *ii* of subparagraph *i* of the first paragraph of section 935.12 respecting the definition of "eligible amount", paragraph *d* of section 935.13 and sections 985.15, 1082.13 and 1102.1 of the Taxation Act (R.S.Q., c. I-3);";

(3) inserting, after subparagraph 8 of the first paragraph, the following subparagraph:

"(8.1) section 34.0.0.4 of the Act respecting the Régie de l'assurance maladie du Québec (R.S.Q., c. R-5);".

(2) Subparagraph 1 of subsection 1 has effect from 1 January 2002.

21. Section 7R70 of the Regulation is amended by replacing, in the portion before subparagraph 1 of the first paragraph, the words "a position of Director, Services to Individuals, Director, Services to Individuals and Individuals in Business, Director, Client Services, or a position of Director in any of the" by "Director, Services to Individuals and Individuals in Business, Director, Client Services, or a position of Director in any of the directorates of services to individuals,".

22. Section 7R73 of the Regulation is amended by:

(1) inserting, in subparagraph 5 of the first paragraph and after "1006,", "1082.13";

(2) inserting, after subparagraph 7.1 of the first paragraph, the following subparagraph:

"(7.2) section 34.0.0.4 of the Act respecting the Régie de l'assurance maladie du Québec (R.S.Q., c. R-5);";

(3) replacing, in subparagraph 8 of the first paragraph, "56 and 383" by "56, 383 and 532".

23. (1) Section 7R74 of the Regulation is amended by:

(1) inserting, in subparagraph 2 of the first paragraph and after "35.6", of ", 36";

(2) inserting, in subparagraph 8 of the first paragraph and after "725.1.2", "subparagraphs *ii* and *iii* of subparagraph *f* of the first paragraph of section 832.23, subparagraphs *ii* and *iii* of subparagraph *f* of the first paragraph of section 832.24, sections 895.0.1 and 898.1, subparagraph *ii* of subparagraph *i* of the first paragraph of section 935.12 respecting the definition of "eligible amount", paragraph *d* of section 935.13".

(2) Subparagraph 1 of subsection 1 has effect from 1 January 2002.

24. Section 7R75 of the Regulation is amended by adding, after subparagraph 2 of the first paragraph, the following subparagraph:

"(3) sections 427.5 and 427.6 of the Act respecting the Québec sales tax (R.S.Q., c. T-0.1).".

25. (1) Section 7R78 of the Regulation is amended by replacing "Direction des services aux sociétés 1" by the words "Direction des services administratifs et techniques".

(2) Subsection 1 has effect from 1 April 2002.

26. Section 7R79 of the Regulation is amended by:

(1) striking out, in subparagraph 1 of the first paragraph, "5,";

(2) replacing, in subparagraph 2 of the first paragraph, the words "the second paragraph of section 16, sections 23.1, 25" by "sections 16, 23.1".

27. Section 7R84 of the Regulation is amended by replacing the words "Secretary General of the Ministère du Revenu" by the words "Secretary General and Director of the Deputy Minister's Office".

28. Section 8R3 of the Regulation is amended by replacing the words "Secretary General of the Ministère du Revenu" by the words "Secretary General and Director of the Deputy Minister's Office".

29. The Regulation is amended by inserting, after section 58.1R4, the following:

"**DIVISION VI.0.1**
COMMUNICATION TO A POLICE FORCE

69.0.0.12R1. For the purposes of section 69.0.0.12 of the Act, a public servant who, at the Direction principale des enquêtes within the Direction générale de la législation et des enquêtes of the Ministère du Revenu, holds the position of Senior Director of Investigations, Director of Investigations — Québec or Director of Investigations — Montréal is authorized to communicate information contained in a tax file to a member of a police force.".

30. (1) Section 94.5R1 of the Regulation is amended by:

(1) replacing, at the end of subparagraph 4, the period by a semi-colon;

(2) adding, after subparagraph 4, the following:

"(5) he shall not have become bankrupt in the calendar year that includes the year.".

(2) Subsection 1 applies as from taxation year 1997.

31. (1) Section 96R14.1 of the Regulation is amended by replacing the definition of "Indian territory" by the following:

"Indian territory" means the Indian settlements of Hunter's Point, Kitcisakik (Grand-Lac-Victoria) and Pakuashipi and an Indian settlement within the meaning of section 2 of the Indians and Bands on certain Indian Settlements Remission Order or section 1 of the Indians and Bands on certain Indian Settlements Remission Order (1997) made by Order in Council P.C. 1997-1529 dated 23 October 1997 under the Financial Administration Act, located in Québec.".

(2) Subsection 1 applies in respect of a taxable supply made:

(1) after 31 December 1995, where the acquirer is a Band;

(2) after 22 October 1997, where the acquirer is an Indian.

32. This Regulation comes into force on the date of its publication in the *Gazette officielle du Québec*.

Regulation to amend the Regulation respecting the Québec sales tax*

An Act respecting the Québec sales tax
(R.S.Q., c. T-0.1, s. 677, 1st par., ss. 7.1, 10.01, 18.1, 22, 31, 31.0.1, 40.1.1, 44.0.1, 45, 50.1.1, 52.1, 52.2, 55.1; 2001, c. 51, s. 311, 2001, c. 53, s. 385 and 2002, c. 9, s. 174)

1. (1) The Regulation respecting the Québec sales tax is amended by replacing, in the English text, the words "arrival in" by the words "bringing into" , in the first paragraph of sections 17R4 to 17R12.

(2) Subsection 1 has effect from 1 July 1992.

2. (1) The Regulation is amended by inserting, before the heading preceding section 24R1, the following:

"PLACE OF SUPPLY

22.30R1. For the purposes of section 22.30 of the Act, the supplies described in sections 22.30R5 to 22.30R14 are prescribed supplies.

22.30R2. For the purposes of sections 22.30R5 to 22.30R14, the expression:

* The Regulation respecting the Québec sales tax, made by Order in Council 1607-92 dated 4 November 1992 (1992, *G.O.* 2, 4952), was last amended by the Regulation made by Order in Council 1463-2001 dated 5 December 2001 (2001, *G.O.* 2, 6328). For previous amendments, see the *Tableau des modifications et Index sommaire*, Éditeur officiel du Québec, 2002, updated to 1 September 2002.

"Canadian rights", in respect of incorporeal movable property, means that part of the property that can be used in Canada;

"computer-related service" means:

(1) a technical support service that is provided by means of telecommunications and relates to the operation or use of computer hardware or software; or

(2) a service involving the electronic storage of information and computer-to-computer transfer of information;

"final recipient" , in respect of a computer-related service or in respect of access to the Internet, means a person who is the recipient of a supply of the service or access and who acquires it otherwise than for the purpose of supplying it to another person;

"leg" of a flight of an aircraft means a part of the flight that begins where passengers embark or disembark the aircraft, where freight is loaded on the aircraft or unloaded from it or where the aircraft is stopped to allow for its servicing or refueling, and that ends where it is next stopped for any of those purposes;

22.30R3. For the purposes of sections 22.30R5 to 22.30R14, the following rules apply:

(1) a property is deemed to be delivered in Québec where the supplier

(a) ships the property to a destination in Québec that is specified in the contract for carriage of the property or transfers possession of the property to a common carrier or consignee that the supplier has retained on behalf of the recipient to ship the property to such a destination, or

(b) sends the property by mail or courier to an address in Québec; and

(2) a property is deemed to be delivered outside Québec where the supplier

(a) ships the property to a destination in another province that is specified in the contract for carriage of the property or transfers possession of the property to a common carrier or consignee that the supplier has retained on behalf of the recipient to ship the property to such a destination, or

(b) sends the property by mail or courier to an address in another province.

The first paragraph does not apply where the property is corporeal movable property supplied by way of sale that is, or is to be, delivered outside Canada to the recipient.

22.30R4. For the purposes of sections 22.30R5 to 22.30R14, a supply is made in Canada where it is deemed made in Canada under Part IX of the Excise Tax Act (Revised Statutes of Canada, 1985, chapter E-15).

22.30R5. The supply of a service in respect of the importation of goods is a prescribed supply where the goods are situated in Québec at the time of their release, within the meaning of subsection 1 of section 2 of the Customs Act (Revised Statutes of Canada, 1985, chapter 1, 2nd Supplement) and where the service is

(1) the arranging for that release; or

(2) the fulfilling, in respect of the importation, of any requirement under that Act or the Customs Tariff (Revised Statutes of Canada, 1985, chapter 41, 3rd Supplement) to report, to provide information or to remit any amount.

The first paragraph does not apply to the supply of any service provided in relation to an objection, appeal, redetermination, re-appraisal, review, refund, abatement, remission or drawback, or in relation to a request for any of the foregoing.

22.30R6. A supply of railway rolling stock is a prescribed supply where made otherwise than by way of sale and where the supplier delivers the rolling stock or makes it available to the recipient of the supply in Québec.

Where a supply of railway rolling stock made by way of lease, licence or similar arrangement is a prescribed supply for the first lease interval, within the meaning of section 32.2 of the Act, in the total period during which possession or use of the rolling stock is provided under the arrangement, the supply of the rolling stock for each of the other lease intervals under the arrangement in that period is also a prescribed supply.

22.30R7. Subject to the second paragraph, where continuous possession or use of railway rolling stock is given by a supplier to a recipient throughout a period under two or more successive leases, licenses or similar arrangements entered into between the supplier and the recipient, the rolling stock is deemed, for the purposes of section 22.30R6, to have been delivered to the recipient under each of those arrangements at the location at which it is delivered or made available to the recipient under the first of those arrangements.

Where a supply of railway rolling stock otherwise than by way of sale is made under an agreement that has effect from 1 April 1997 and, under the agreement, the rolling stock was delivered or made available to the recipient before that day, the following rules apply:

(1) the rolling stock is deemed, under the agreement, to have been delivered or made available to the recipient outside Québec; and

(2) where the recipient retains continuous possession or use of the rolling stock under a renewal agreement entered into with the supplier that immediately succeeds the agreement, the first paragraph applies as if the renewal agreement were the first arrangement between the supplier and the recipient for the supply of the rolling stock.

22.30R8. The supply of a membership is a prescribed supply where it is made to an individual and the Canadian rights in respect of the membership can be exercised otherwise than exclusively outside Québec, if the mailing address of that individual is in Québec.

22.30R9. Where a supplier receives a particular corporeal movable property of another person for the purpose of supplying a service of repairing, maintaining, cleaning, adjusting or altering the property, or producing a negative, transparency, photographic print or other photographic-related good, the supply of the service, and of any property supplied in connection with it, or of the photographic-related good is a prescribed supply where the supplier delivers the particular property or good, as the case may be, in Québec to the recipient of the supply after the service or production of the good is completed.

22.30R10. A supply of a service in respect of a trust governed by a registered retirement savings plan, a registered retirement income fund or a registered education savings plan, within the meaning assigned by section 1 of the Taxation Act (R.S.Q., c. I-3), provided by a trustee of the trust is a prescribed supply where the mailing address of the annuitant of the registered retirement savings plan or registered retirement income fund or of the subscriber of the registered education savings plan is in Québec.

22.30R11. A supply of a service provided by telephone and accessed by calling a number beginning with the digits 1-900 or 1-976 is a prescribed supply where the telephone call originates in Québec.

22.30R12. A supply made in Canada by a particular supplier of a computer-related service or access to the Internet is a prescribed supply and where there is to be only one final recipient of the service or access, as the case may be, who acquires it under an agreement either with the particular supplier or another supplier and

(1) where, if there is a single ordinary location at which the final recipient avails himself of the service or that access, as the case may be, and either the particular supplier maintains information sufficient to determine that location or it is the normal business practice of the particular supplier to obtain information sufficient to determine that location, that location is in Québec; and

(2) in any other case, where the mailing address of the recipient of the supply is in Québec.

22.30R13. A supply made in Canada by a particular supplier of a computer-related service or access to the Internet is a prescribed supply and where there is to be multiple final recipients of the service or access, as the case may be, each of whom acquires it under an agreement either with the particular supplier or another supplier and

(1) where, in the case of each of those final recipients, there is a single location at which the final recipient avails himself of the service or that access, as the case may be, and either the particular supplier maintains information sufficient to determine that location or it is the normal business practice of the particular supplier to obtain information sufficient to determine that location, the particular supply would be made in Québec under section 22.11 or 22.15 of the Act if the service were performed, or that access were attainable, as the case may be, in each location in which, and to the same extent to which, the final recipients avail themselves of the service or access, as the case may be; and

(2) in any other case, where the mailing address of the recipient of the supply is in Québec.

22.30R14. A supply of an air navigation service, within the meaning of subsection 1 of section 2 of the Civil Air Navigation Services Commercialization Act (Statutes of Canada, 1996, chapter 20) is a prescribed supply where the flight or leg of the flight in respect of which the services are performed originates in Québec.".

(2) Subsection 1 has effect from 1 April 1997.

3. (1) The Regulation is amended by inserting, after section 38R1, the following:

"**41.2.1R1.** For the purposes of section 41.2.1 of the Act, the following property is prescribed property:

(1) cut flowers and foliage, bedding plants, nursery stock, potted plants and plant bulbs and tubers;

(2) horses;

(3) motor vehicles designed for highway use;

(4) machinery and equipment, other than office equipment, designed for use in:

(a) the exploration for, or the development or production of, petroleum, natural gas, minerals or water;

(b) mining, quarrying or logging;

(c) the construction or demolition of capital works, buildings, structures, roads, bridges, tunnels or other projects;

(d) the manufacture or production of corporeal movable property, the development of manufacturing or production processes or the development of corporeal movable property for manufacture or production;

(e) the treatment or processing of toxic waste or the detection, measurement, prevention, treatment, reduction or removal of pollutants;

(f) carrying refuse or waste from, or exhausting dust and noxious fumes produced by, manufacturing or producing operations; or

(g) the prevention of accidents in the workplace or the mitigation of their effects;

(5) attachments for corporeal movable property included in paragraph 4; and

(6) repair or replacement parts for corporeal movable property included in paragraph 4 or 5.".

(2) Subsection 1 has effect from 1 April 1997.

4. (1) The Regulation is amended by inserting, after the heading preceding section 146R1, the following section:

"**138.1R1.** For the purposes of paragraph 9 of section 138.1 of the Act, a game of chance organized by the Société des loteries du Québec is a prescribed game of chance.".

(2) Subsection 1 applies to a game of chance in which the right to play or participate was supplied for consideration that became due or was paid after 31 December 1996.

5. (1) The heading before section 279R1 of the Regulation is replaced by the following:

"NET TAX FOR GAMES OF CHANCE".

(2) Subsection 1 has effect from 1 July 1992.

6. (1) Section 279R1 of the Regulation is replaced by the following:

"**279R1.** For the purposes of section 279 of the Act:

(1) the Société des loteries du Québec and a corporation that is a subsidiary wholly-owned corporation of the Société des loteries du Québec are registrants referred to in that section;

(2) the manner, referred to in that section, of determining the net tax is that prescribed in sections 279R2 to 279R29.".

(2) Subsection 1 has effect from 1 July 1992.

7. (1) The Regulation is amended by inserting, after section 279R1, the following:

"**279R2.** For the purposes of sections 279R1 to 279R29, the expression:

"casino operating service" means a service of managing, administering and carrying on the day-to-day operations of the gaming authority's gaming activities that are connected with a casino of the authority;

"consideration", in respect of a supply of a service, other than a service referred to in section 279R3, made to the gaming authority by a distributor of the authority, does not include a reimbursement;

"distributor" has the meaning assigned by section 350.8 of the Act;

"face value" of a right to play or participate in a game of chance that is evidenced by a ticket, card or other printed device, or face value of such a device, means the amount shown on the device as its price inclusive of tax under Part IX of the Excise Tax Act (Revised Statutes of Canada, 1985, chapter E-15) and of tax under Title I of the Act;

"gaming activity" means commercial activity of the gaming authority except to the extent to which the activity involves the making of non-gaming supplies by the authority and includes anything done by the authority in connection with the acquisition, establishment, disposition or termination of the commercial activity;

"gaming authority" means the Société des loteries du Québec;

"imputed input tax refund" means the amount that would be the input tax refund in respect of the property or service for the reporting period of the gaming authority if the amount in respect of the property or service that the authority is required under any of subparagraphs i to iii of subparagraph *e* of paragraph 1 of the second paragraph of section 279R13 to include in determining the imputed tax payable by the authority for the period were tax that became payable by the authority during the period in respect of that property or service;

"instant win game" means a game of chance the right to play or participate in which is evidenced by a ticket, card or other printed device that contains sufficient information to ascertain, without reference to any other information, whether a holder of the device is entitled to receive a prize or winnings;

"instant win ticket" means a ticket, card or other printed device that is or is evidence of a right to play or participate in an instant win game;

"manufacturing" in respect of property, includes the production, processing or packaging of the property;

"non-gaming activity" means a commercial activity of the gaming authority except to the extent to which the activity is a gaming activity;

"non-gaming supply" means a supply other than

(1) a supply of a service of accepting a bet on a game of chance, race or other event or occurrence;

(2) a supply of a right to play or participate in a game of chance, or a ticket, card or other printed device that is evidence of such a right, made to a distributor of the gaming authority;

(3) a supply referred to in paragraph 2 of section 350.11 of the Act that, but for that section, would be a supply by the gaming authority to a distributor of the authority;

(4) a supply of a prize in kind; and

(5) a promotional supply;

"non-taxable reimbursement" means a reimbursement paid or payable to a distributor of the gaming authority in respect of an expense incurred by the distributor in connection with supplying a casino operating service to the authority, where the expense is

(1) consideration, other than interest, for an exempt supply of movable property or a service or a zero-rated supply made to the distributor, other than a supply that would be deemed under section 350.11 of the Act not to be a supply if it were made to the authority instead of the distributor; or

(2) property tax payable by the distributor;

"prize in kind" means property or a service that is given as a prize or winnings in a game of chance;

"promotional supply" means a supply of property or a service made by the gaming authority for no consideration, for nominal consideration or for consideration that is less than the basic cost to the authority of the property or service;

"property tax" means a tax imposed by a municipality or other local authority on an immovable or in respect of the ownership, occupation or use of an immovable;

"reimbursement" means an amount of consideration that

(1) is paid or payable by the gaming authority to a distributor of the authority as an allowance or reimbursement in respect of an expense incurred or to be incurred by the distributor otherwise than as a mandatary of the authority; and

(2) is invoiced or charged to the authority separately from amounts that are not in respect of specific expenses incurred or to be incurred by the distributor;

"right" of the gaming authority has the meaning assigned by section 350.8 of the Act.

279R3. For the purposes of sections 279R1 to 279R29, the basic cost to the gaming authority of corporeal movable property or a service is equal to:

(1) in the case of food or a beverage prepared by the authority, the total of all consideration paid or payable by the authority to purchase the food or beverage and the ingredients used in its preparation, to the extent that these considerations are a cost to the authority of the prepared food or beverage;

(2) in the case of particular corporeal movable property, other than food or a beverage, manufactured in whole or in part by or for the authority, the total of all consideration paid or payable by the authority to purchase the following property and services to the extent that these considerations are a cost to the authority of the particular property:

(a) corporeal movable property incorporated into or forming a constituent or component part of the particular property;

(b) corporeal movable property consumed or expended directly in the process of manufacturing the particular property; and

(c) a service of manufacturing the particular property in whole or in part;

(3) in the case of corporeal movable property that is purchased by the authority and is not further manufactured by or for the authority, the consideration paid or payable by the authority to purchase the property; and

(4) in the case of a service, the consideration paid or payable by the authority to purchase the service.

279R4. For the purposes of sections 279R1 to 279R29, the sale of a right to play or participate in a game of chance conducted by the gaming authority to a person other than a distributor of the authority is deemed to be a supply of a service of accepting a bet on the game in an amount equal to the selling price of the right, and the purchase of the right is deemed to be the betting of that amount on the game.

279R5. The net tax of the gaming authority for a reporting period of the authority is the positive or negative amount determined by the formula

A + B.

For the purposes of this formula,

(1) A is the authority's net tax for the period attributable to gaming activities determined in accordance with sections 279R6 to 279R17; and

(2) B is the authority's positive or negative net tax for the period attributable to non-gaming activities determined in accordance with section 279R18.

279R6. The gaming authority's net tax attributable to gaming activities for a reporting period of the authority is the amount determined by the formula

A - B.

For the purposes of this formula,

(1) A is the total of all amounts that the authority is required under section 279R7 or 279R8 to add in determining its net tax for the period; and

(2) B is the total of all credits of the authority for the period in respect of prizes or winnings determined under section 279R9 or 279R10 and the authority's additional credits in respect of gaming activities for the period determined under section 279R11.

279R7. Where a person bets an amount with the gaming authority, other than by purchasing an instant win ticket from a distributor of the authority, the authority shall, in determining its net tax attributable to gaming activities for the reporting period in which it becomes ascertainable whether an amount is payable as a prize or winnings in respect of the bet, add the amount determined by multiplying the total amount that is paid by the person in respect of the bet, including any amount payable by that person as the tax provided for in Part IX of the Excise Tax Act (Revised Statutes of Canada, 1985, chapter E-15) and the tax provided for in Title I of the Act, by the tax fraction.

279R8. Where the gaming authority has delivered or agreed to deliver an instant win ticket to a distributor of the authority and, during a reporting period of the authority, the distributor pays or becomes liable to pay an amount in respect of the ticket to the authority, the authority shall, in determining its net tax attributable to gaming activities for the period, add the amount determined by multiplying the face value of the ticket by the tax fraction.

279R9. A credit of the gaming authority for a reporting period of the authority in respect of an amount of money that the authority becomes liable, during the period, to pay as a prize or winnings in a game of chance conducted by the authority, other than a prize or winnings in respect of a bet made by purchasing an instant win ticket from a distributor of the authority, is the amount determined by multiplying the amount of money by the tax fraction.

279R10. A credit of the gaming authority for a reporting period of the authority in respect of a prize or winnings in respect of an instant win ticket of a particular kind that the authority has delivered or agreed to deliver to a distributor of the authority and in respect of which the distributor pays or becomes liable to pay, during the period, an amount to the authority is the amount determined by multiplying the expected value, determined on the basis of mathematical probability, of the prize or winnings in respect of each instant win ticket of that kind supplied by the authority by the tax fraction.

279R11. The gaming authority's additional credit in respect of gaming activities for a reporting period of the authority is the amount determined by the formula

A - B - C.

For the purposes of this formula,

(1) A is the total of all amounts that the authority is required, under section 279R7 or 279R8, to add in determining its net tax for the period;

(2) B is the total of all amounts each of which is a credit of the authority in respect of a prize or winnings for the period determined under section 279R9 or 279R10; and

(3) C is the imputed tax payable by the authority on gaming expenses for the period determined under sections 279R12 to 279R17.

279R12. The imputed tax payable by the gaming authority on gaming expenses for a particular reporting period of the authority is the amount determined by the formula

A + B + C + D + E.

For the purposes of this formula,

(1) A is the amount determined by the formula in section 279R13;

(2) B is the total of all amounts each of which is an amount of tax that would have become payable by the authority during the particular period in respect of consideration for a supply of a casino operating service made to the authority by a distributor of the authority if section 350.11 of the Act did not apply to the supply and the consideration for the supply were equal to the amount determined by the formula in section 279R14;

(3) C is the total of all amounts each of which is an amount determined by the formula in section 279R15;

(4) D is the total of all amounts each of which is a positive or negative amount determined, in respect of each distributor of the authority, by the formula in section 279R16; and

(5) E is:

(a) if the particular period includes the last day of February in a calendar year, the total of all amounts, if any, each of which is determined by the formula in section 279R17;

(b) in any other case, zero.

279R13. The formula referred to in paragraph 1 of the second paragraph of section 279R12 is

A.1 - A.2.

For the purposes of this formula,

(1) A.1 is the total of all amounts each of which is, as the case may be:

(a) an amount of tax, other than tax that is deemed under section 256 or 257 of the Act to have been paid or that is calculated on a reimbursement, that became payable during the period, or that was paid during this period without having become payable, by the authority in respect of property or a service, other than a casino operating service or a prize in kind, that was acquired or brought into Québec by the authority;

(b) twice the amount determined under section 279R27 for the period as the imputed tax payable by the authority in respect of expenses incurred by the Interprovincial Lottery Corporation;

(c) an amount of tax that the authority is deemed to have collected during the period under section 259 of the Act;

(d) the total of all amounts each of which is determined by the formula in the fourth paragraph;

(e) twice the value of all amounts each of which is, as the case may be:

i. an amount that, but for sections 75.1 and 334 of the Act, would have become payable by the authority during the period as tax under section 16 of the Act in respect of a supply made to the authority;

ii. an amount that would have become payable by the authority during the period as tax under any of sections 17, 18 or 18.0.1 of the Act if the authority's gaming activities were not commercial activities; or

iii. an amount determined under the sixth paragraph; and

(2) A.2 is the total of all amounts each of which is determined by the formula

A.5 x A.6.

For the purposes of this formula,

(1) A.5 is, as the case may be:

(a) an input tax refund of the authority for the period that is in respect of an amount included under subparagraph *a* of paragraph 1 of the second paragraph for that period; or

(b) twice the value of an imputed input tax refund of the authority for the period that is in respect of an amount included under any of subparagraphs *i* to *iii* of subparagraph *e* of paragraph 1 of the second paragraph for that period; and

(2) A.6 is the extent, expressed as a percentage, to which the authority is, subject to sections 279R19 to 279R25, entitled to include the input tax refund or imputed input tax refund, as the case may be, in determining the total referred to in paragraph 2 of the second paragraph for the period.

The formula referred to in subparagraph *d* of paragraph 1 of the second paragraph is

A.3 x A.4.

For the purposes of this formula,

(1) A.3 is a reimbursement that became payable during the period, or that was paid during that period without having become payable, by the authority to a distributor of the authority, other than:

(a) a non-taxable reimbursement;

(b) a reimbursement of the cost to the distributor of a right to play or participate in a game of chance given away free of charge by the distributor;

(c) a reimbursement of salaries, wages or other remuneration paid or payable by the distributor to an employee of the distributor to the extent that that remuneration is a cost to the distributor of supplying a casino operating service to the authority; or

(d) a reimbursement of an expense incurred by the distributor in the course of supplying a service referred to in subparagraph *c* of paragraph 1 of section 350.11 of the Act; and

(2) A.4 is 7.5%.

The amount referred to in subparagraph *iii* of subparagraph *e* of paragraph 1 of the second paragraph is equal to the amount by which the total described in paragraph 1 exceeds the total described in paragraph 2:

(1) the total of all amounts each of which is tax that would have become payable by the authority during the period under section 16 of the Act in respect of an exempt supply of an immovable made to the authority by way of lease, or a taxable supply of property or a service made to the authority at less than fair market value, if the supply were a taxable supply made at fair market value, or, if section 279R29 applies to the supply, at the amount determined by the formula in that section;

(2) the total amount of tax under section 16 of the Act that became payable by the authority during the period in respect of those supplies.

279R14. The formula referred to in paragraph 2 of the second paragraph of section 279R12 is

B.1 - (B.2 + B.3).

For the purposes of this formula,

(1) B.1 is the consideration for the casino operating service determined under Title I of the Act without reference to section 350.11 of the Act;

(2) B.2 is the total of all amounts each of which is determined by the formula

B.4 x B.5.

For the purposes of this formula,

(1) B.4 is an amount of salaries, wages or other remuneration, other than an amount described in paragraph 1 of the fourth paragraph, paid or payable by the distributor to an employee of the distributor; and

(2) B.5 is the extent, expressed as a percentage, to which the amount of salaries, wages or other remuneration is a cost to the distributor of supplying the casino operating service to the authority; and

(3) B.3 is the total of all amounts each of which is determined by the formula

B.6 x B.7.

For the purposes of this formula,

(1) B.6 is an amount that is in respect of a supply of property or a service made by the distributor, or an amount paid by the distributor, to an employee of the distributor or a person related to the employee and that the employee is required under any of sections 37, 41, 41.1.1 or 41.1.2 of the Taxation Act (R.S.Q., chapter I-3) to include in computing the employee's income for a taxation year of the employee; and

(2) B.7 is the extent, expressed as a percentage, to which the amount is a cost to the distributor of supplying the casino operating service to the authority.

279R15. The formula referred to in paragraph 3 of the second paragraph of section 279R12 is

C.1 x C.2.

For the purposes of this formula,

(1) C.1 is the total of all amounts each of which is an amount that, but for section 350.11 of the Act, would be consideration for a supply, other than a supply of a casino operating service, made by a distributor of the authority to the authority or would be a reimbursement paid or payable by the authority to a distributor of the authority, other than a reimbursement that is a non-taxable reimbursement or a reimbursement of the cost to the distributor of a right to play or participate in a game of chance given away free of charge by the distributor, where:

(a) if the amount represents a commission in respect of the sale, by the distributor on behalf of the authority, of a right to play or participate in a game of chance, other than an instant win game, it became ascertainable in the period whether a prize or winnings were payable in respect of the right; and

(b) in any other case, the amount became due to the distributor during the period or was paid to the distributor during the period without having become due; and

(2) C.2 is 7.5%.

279R16. The formula referred to in paragraph 4 of the second paragraph of section 279R12 is

(D.1 - D.2) x D.3.

For the purposes of this formula,

(1) D.1 is the amount by which the amount described in subparagraph *a* exceeds the amount described in subparagraph *b*:

(a) the total face value of all rights of the authority evidenced by tickets, cards or other printed devices that were acquired by the distributor from the authority for the purpose of supply on the distributor's own behalf otherwise than as prizes in kind and in the case of instant win tickets, the consideration for the supplies of which by the authority to the distributor became due during the period or was paid during the period without having become due, or in any other case, in respect of which it became ascertainable in the period whether amounts were payable as prizes or winnings;

(b) the total amount paid or payable for the supplies referred to in subparagraph *a* made by the authority to the distributor; and

(2) D.2 is the amount by which the amount described in subparagraph *a* exceeds the amount described in subparagraph *b*:

(a) the total face value of all rights of the authority evidenced by tickets, cards or other printed devices that were supplied to the distributor by the authority, the face value of which is included in determining the value under subparagraph *a* of paragraph 1 for the period or a preceding reporting period of the authority and that are returned by the distributor to the authority during the period;

(b) the total amount paid or payable for the supplies referred to in subparagraph *a* made by the authority to the distributor;

(3) D.3 is 7.5%.

279R17. The formula referred to in subparagraph *a* of paragraph 5 of the second paragraph of section 279R12 is

E.1 x (100% - E.2) x E.3.

For the purposes of this formula,

(1) E.1 is an amount, in this paragraph referred to as the "benefit amount",

(a) that:

i. was paid by the authority to an individual who was an employee of the authority during the previous calendar year or to a person related to the individual; or

ii. is in respect of a supply of property or a service, other than property or a service in respect of which the authority was not entitled to claim an input tax refund because of section 203 or 206.1 of the Act, made by the authority to an individual who was an employee of the authority during the previous calendar year or to a person related to the individual; and

(b) that the individual is required under any of sections 37, 41, 41.1.1 or 41.1.2 of the Taxation Act (R.S.Q., c. I-3) to include in computing the individual's income for that previous calendar year;

(2) E.2 is the extent, expressed as a percentage, to which the benefit amount is a cost to the authority of making non-gaming supplies; and

(3) E.3 is:

(a) where the benefit amount is required under section 41.1.1 or 41.1.2 of the Taxation Act to be included in computing the individual's income, the percentage referred to in section 290R1;

(b) where the benefit amount is required under section 37 or 41 of the Taxation Act to be included in computing the individual's income, the tax fraction.

279R18. The gaming authority's net tax attributable to non-gaming activities for a reporting period of the authority is the positive or negative amount determined by the formula

A - B.

For the purposes of this formula,

(1) A is the total of all amounts each of which is, as the case may be:

(a) an amount that became collectible by the authority during the period, or that was collected by the authority during the period without having become collectible, on account of tax under section 16 of the Act in respect of a non-gaming supply made by the authority; or

(b) an amount that is required under any of sections 444 to 457.1.2 of the Act to be added in determining the authority's net tax for the period; and

(2) B is the total of:

(a) all amounts each of which is any of the following amounts claimed in the return filed under Chapter VIII of the Act by the authority for the period:

i. an input tax refund, other than an input tax refund referred to in subparagraph *b*, for the period or a preceding reporting period of the authority; or

ii. an amount in respect of a non-gaming supply that may be deducted under any of sections 444 to 450, 455 or 455.1 of the Act in determining the authority's net tax for the period;

(b) twice the value of all amounts each of which is any of the following amounts claimed in the return filed under Chapter VIII of the Act by the authority for the period:

i. an input tax refund of the authority for the period or a preceding reporting period of the authority in respect of tax deemed under section 256 or 257 of the Act to have been paid by the authority; or

ii. an input tax refund of the authority for the period or a preceding reporting period of the authority determined under section 233 of the Act;

(c) all amounts each of which is determined by the formula

B.1 x (100% - B.2).

For the purposes of this formula,

(1) B.1 is an amount of:

(a) a reduction, refund or credit of tax for which a credit note is received, or a debit note is issued, in the period by the authority in circumstances described in section 449 of the Act; or

(b) a rebate received in the period by the authority on account of tax in the circumstances described in section 350.6 of the Act; and

(2) B.2 is the extent, expressed as a percentage, to which the authority was entitled to claim an input tax refund in respect of that tax in determining the authority's net tax for any reporting period.

279R19. An input tax refund, other than an input tax refund determined under section 233 of the Act, or an imputed input tax refund, in respect of property or a service shall not be included in determining the total referred to in paragraph 2 of the second paragraph of section 279R13, or a total referred to in paragraph 2 of the second paragraph of section 279R18, to the extent that the property or service, as the case may be:

(1) was acquired or brought into Québec by the authority for consumption or use in gaming activities of the authority, in improving capital property used in gaming activities of the authority or in making promotional supplies;

(2) was acquired or brought into Québec by the authority for the purpose of making a promotional supply;

(3) is corporeal movable property that was acquired or brought into Québec by the authority for use as an ingredient in preparing food or beverages the supply of which by the authority is a promotional supply;

(4) is corporeal movable property that was acquired or brought into Québec by the authority for the purpose of being incorporated into or forming a constituent or component part of, or being consumed or expended directly in the process of manufacturing, corporeal movable property, other than food or beverages, that the authority manufactures or engages another person to manufacture for the purpose of making a supply of the property that is a promotional supply; or

(5) is a service that is the manufacturing for the authority of corporeal movable property, other than food or beverages, and that the authority acquires for the purpose of making a supply of the property that is a promotional supply.

279R20. For the purposes of sections 233 to 234.1 and of Subdivision 5 of Division II of Chapter V of the Act in determining the net tax of the gaming authority, the following rules apply:

(1) sections 43 to 46, 234 and 240 to 244 of the Act do not apply to the authority;

(2) section 233 of the Act applies, with such modifications as the circumstances require, to all property, other than a passenger vehicle, acquired or brought into Québec by the authority for use as capital property of the authority as if the authority were not a public sector body and, in the case of movable property, the property acquired or brought into Québec by the authority for that use were an immovable;

(3) sections 256 to 259 of the Act apply, with such modifications as the circumstances require, to movable property acquired or brought into Québec by the authority for use as capital property of the authority, and to improvements to movable property that is capital property of the authority, as if the movable property were an immovable and the references in those sections to "acquired" were references to "acquired or brought into Québec";

(4) where the authority acquires or brings into Québec property for use as capital property of the authority in commercial activities of the authority, the authority is deemed to have acquired or brought into Québec the property for use in the authority's commercial activities only to the extent to which the property was acquired or brought into Québec for use in the authority's non-gaming activities; and

(5) where the authority uses property as capital property of the authority in commercial activities of the authority, that use is deemed to be use in the authority's commercial activities only to the extent to which the property is used in the authority's non-gaming activities.

279R21. An amount shall not be included in determining the total referred to in paragraph 1 of the second paragraph of sections 279R6 and 279R18 for a reporting period of the gaming authority to the extent that that amount was included in that total for a preceding reporting period of the authority.

279R22. An amount shall not be included in determining the total referred to in paragraph 2 of the second paragraph of section 279R18 for a particular reporting period of the gaming authority to the extent that that amount was claimed or included in that total in determining the net tax for a preceding reporting period of the authority unless

(1) the authority was not entitled to claim the amount in determining the net tax for that preceding period only because the authority did not satisfy the requirements of section 201 of the Act in respect of the amount before the return for that preceding period was filed; and

(2) where the authority is claiming the amount in a return for the particular reporting period and the Minister has not disallowed the amount as an input tax refund in assessing the fees, interest and penalties of the authority under the Act for that preceding reporting period:

(a) the authority reports in writing to the Minister, on or before the time the return for the particular reporting period is filed, that the authority made an error in claiming that amount in determining the net tax of the authority for that preceding period; and

(b) where the authority does not report the error to the Minister at least three months before the expiration of the time limited by the second paragraph of section 25 of the Act respecting the Ministère du Revenu (R.S.Q., c. M-31) for assessing the fees, interest and penalties of the authority for that preceding period, the authority pays, on or before the day the return for the particular reporting period is filed, that amount and any interest and penality payable to the Minister.

279R23. An amount shall not be included in determining the total referred to in paragraph 2 of the second paragraph of section 279R18 for a reporting period of the gaming authority to the extent that, before the end of the period, the amount was refunded to the authority under the Act or under any other Act of the Legislature of Québec or was remitted to the authority under the Act respecting the Ministère du Revenu (R.S.Q., c. M-31).

279R24. Sections 444 to 457.1.2 of the Act do not apply for the purpose of determining the net tax of the gaming authority except as otherwise provided in any of sections 279R2 to 279R29.

279R25. The methods used by a person in a fiscal year to determine the extent to which a property or a service is acquired or brought into Québec by the person for consumption or use in particular activities or for particular purposes, and the extent to which the consumption or use by the person of a property or a service is made in particular activities or for particular purposes, shall be fair and reasonable and shall be used consistently by the person throughout the fiscal year.

For the purposes this section, the fiscal year of a person is that person's fiscal year within the meaning of section 458.1 of the Act.

279R26. Where a proceed from a game of chance conducted by the Interprovincial Lottery Corporation, in this section referred to as the "Corporation", is distributed in whole or in part to the gaming authority, the following rules apply for the purposes of sections 279R2 to 279R29 in determining the net tax of the authority:

(1) the rights to play or participate in that game to which the authority's share of the proceeds is attributable are deemed to be rights of the authority and not of the Corporation; and

(2) in relation to the particular rights:

(a) the game is deemed to be conducted by the authority and not the Corporation;

(b) the bets related to a right to play or to participate in a game of chance are deemed to be made with and accepted by the authority and not the Corporation; and

(c) the liability for the payment of any related prizes or winnings is deemed to be that of the authority and not the Corporation.

279R27. Where the Interprovincial Lottery Corporation, in this section referred to as the "Corporation", incurs expenses in conducting a game of chance and those expenses are not charged to the gaming authority as consideration for a taxable supply but are charged at any time to the authority otherwise than as consideration for a supply or are taken into account in determining the amount of proceeds from the game that are paid, at any time, to the authority, the imputed tax payable by the authority in respect of those expenses for the reporting period of the authority that includes that time is, for the purposes of subparagraph *b* of paragraph 1 of the second paragraph of section 279R13, the amount determined by the formula

7.5% x (A - B).

For the purposes of this formula,

(1) A is the amount of the expenses; and

(2) B is the total determined in respect of the authority for that reporting period in accordance with element B of the formula described in section 13 of the Games of Chance (GST/HST) Regulations (SOR/98-440, (1998) 132 Can. Gaz., Part II, 2556).

279R28. The net tax for a reporting period of a corporation that is a subsidiary wholly-owned corporation of the gaming authority and that supplies to the authority, by way of lease, licence or similar arrangement, an immovable acquired by the authority for use as the authority's head office is the amount that would be the corporation's net tax for the period determined under sections 428 to 432 of the Act if the amount collectible by it as or on account of tax under section 16 of the Act in respect of each such supply of that immovable to the authority were the amount determined in accordance with section 279R29.

279R29. Where a corporation that is a subsidiary wholly-owned corporation of the gaming authority makes a supply to the authority by way of lease, license or similar arrangement, other than a supply to which sections 328 to 336 of the Act apply, of an immovable that the authority acquires for use as the authority's head office, the tax payable in respect of the supply is deemed, for the purposes of sections 279R2 to 279R29 and for the purposes of Title I of the Act in determining the net tax of the corporation, to be the tax that would be payable in respect of the supply if the value of the consideration for the supply were the amount determined by the formula

A - B.

For the purposes of this formula,

(1) A is the value of the consideration for the supply determined without reference to this section; and

(2) B is the total of all amounts each of which is determined by the formula

B.1 x B.2 x B.3.

For the purposes of this formula,

(1) B.1 is an amount that is property tax payable by the corporation in respect of the property or consideration paid or payable by the corporation for a zero-rated supply, or an exempt supply of movable property or a service, other than a supply that would be deemed under section 350.11 of the Act not to be a supply if it were made to the authority instead of the corporation;

(2) B.2 is the extent, expressed as a percentage, to which the amount referred to in paragraph 1 is a cost to the corporation of making the supply of the immovable to the authority; and

(3) B.3 is the extent, expressed as a percentage, to which the authority acquires the supply of the immovable for use as the authority's head office.

(2) Subsection 1 has effect from 1 July 1992. However:

(1) where section 272R2 of the Regulation applies for the purposes of determining the gaming authority's net tax for a reporting period that begins before 30 January 1998, it shall be read without reference to the definition of "imputed input tax refund";

(2) where paragraph 1 of the sixth paragraph of section 279R13 of the Regulation applies for the purposes of determining the gaming authority's net tax for a reporting period that begins before 16 September 1998, it shall be read by replacing the words "taxable supply of property or a service" by the words "taxable supply of an immovable";

(3) where the third paragraph of section 279R13 of the Regulation applies for the purposes of determining the gaming authority's net tax for a reporting period that begins before 30 January 1998, it shall be read as follows:

"For the purposes of this formula,

(1) A.5 is an input tax refund of the authority for the period that is in respect of an amount included under subparagraph *a* of paragraph 1 of the second paragraph for this period; and

(2) A.6 is the extent, expressed as a percentage, to which the authority is, subject to sections 279R19 to 279R25, entitled to include the input tax refund in determining the total referred to in paragraph 2 of the second paragraph for the period.".

(4) where section 279R13 of the Regulation applies for the purposes of determining the gaming authority's net tax for a reporting period that begins before 30 January 1998, it shall be read without reference to subparagraph *e* of paragraph 1 of the second paragraph of that section and without reference to the sixth paragraph of that section;

(5) for the period prior to 1 January 1998, paragraph 2 of the fifth paragraph of section 279R13 of the Regulation shall be read as follows:

"(2) A.4 is the tax rate applicable, under Title I of the Act, to the property or the service to which the amount relates.";

(6) for the period prior to 1 January 1998, paragraph 2 of the second paragraph of section 279R15 of the Regulation shall be read as follows:

"(2) C.2 is the tax rate applicable, under Title I of the Act, to the property or the service to which the amount relates.";

(7) for the period prior to 1 January 1998, paragraph 3 of the second paragraph of section 279R16 of the Regulation shall be read as follows:

"(3) D.3 is the tax rate applicable, under Title I of the Act, to the supply to which the amount relates.";

(8) where the calendar year referred to in subparagraph *b* of paragraph 1 of the second paragraph of section 279R17 of the Regulation ends before 1 January 1996, it shall be read by replacing "any of sections 37, 41, 41.1.1 or 41.1.2" by "section 37 or 41.2";

(9) where paragraph 3 of the second paragraph of section 279R17 of the Regulation applies:

(a) in respect of a benefit from which an individual benefits after 30 June 1992 and before 13 May 1994, it shall be read as follows:

"(3) E.3 is the tax rate applicable, under Title I of the Act, to the property or the service to which the benefit relates.";

(b) in respect of a benefit that an individual is required to include in computing his income for a calendar year prior to 1996 and from which he benefits after 12 May 1994, it shall be read as follows:

"(3) E.3 is 6.5%.";

(c) in respect of a benefit that an individual is required to including in computing his income for the 1996 calendar year, it shall be read by replacing subparagraph *b* by the following:

"*(b)* in any other case, 6.5/106.5.";

(d) in respect of a benefit that an individual is required to include in computing his income for the 1997 calendar year, it shall be read by replacing, in subparagraph *b*, the words "tax fraction" by "6.5/106.5";

(10) where section 279R19 of the Regulation applies for the purposes of determining the gaming authority's net tax for a reporting period that begins before 30 January 1998, it shall be read without reference to, in the portion before paragraph 1, ", or an imputed input tax refund,".

8. (1) The Regulation is amended by inserting, after the heading following section 279R1, the following:

"**287.3R1.** For the purposes of section 287.3 of the Act, a person who makes a taxable supply of road vehicles in Québec by way of sale or lease and who, to that end, is the holder of a registration certificate issued by the Minister under the Act is a prescribed registrant.

287.3R2. For the purposes of section 287.3 of the Act, the prescribed value is:

(1) where the registrant acquired the motor vehicle by a supply made in Québec, the value of the consideration for the supply;

(2) where the registrant acquired, at a particular time, the motor vehicle by a supply made outside Québec, the value that would have been the value of the consideration for the supply if the supply had been made in Québec at the particular time.".

(2) Paragraph 1 has effect from 1 May 1999.

9. The Regulation is amended by replacing the heading before section 388.1R1 by the following:

"COMPENSATION TO MUNICIPALITIES".

10. The Regulation is amended by inserting, after section 388.1R3, the following:

"**388.2R1.** For the purposes of section 388.2 of the Act, the prescribed amount is:

(1) for the Ville de Laval, $2,000,000 in respect of the year 2001, $4,000,000 in respect of the year 2002 and $6,500,000 in respect of the year 2003;

(2) for the Ville de Montréal, $31,900,000 in respect of the year 2001;

(3) for the Ville de Québec, $6,700,000 in respect of the year 2001.".

11. (1) The Regulation is amended by inserting, after section 389R11, the following:

"MOTOR VEHICLES SHIPPED OUT OF QUÉBEC

402.12R1. For the purposes of section 402.12 of the Act, the following terms and conditions are the prescribed terms and conditions:

(1) a person who is entitled to a rebate shall file a return signed by the mandatary indicating that the mandatary acted on that person's behalf for the acquisition of the motor vehicle;

(2) the motor vehicle shall have been registered in the name of the mandatary and of the person entitled to the rebate;

(3) other than the persons indicated paragraph 2, only the supplier can have registered the vehicle in his name before the vehicle is shipped out of Québec;

(4) the motor vehicle's registration shall have been cancelled within 15 days of the vehicle's delivery to the mandatary;

(5) before the motor vehicle is shipped out of Québec, the motor vehicle shall not have been the object of a supply other than that between the supplier, the mandatary and the person entitled to the rebate;

(6) the application for a rebate shall be accompanied by the original of the following documents:

(a) the purchase contract for each vehicle;

(b) proof of payment of the tax;

(c) the document provided by the Société de l'assurance automobile du Québec confirming the cancellation of the vehicle's registration within 15 days of the vehicle's delivery to the mandatary and that bears the indication "Cancellation of registration of vehicle licensed elsewhere";

(d) where the motor vehicle is exported outside Canada, a customs document proving that the vehicle was exported or, where the vehicle is shipped out of Québec but within Canada, a document from the carrier confirming that the motor vehicle was shipped out of Québec;

(7) the person shall not file more than one application per month.".

(2) Paragraph 1 has effect from 1 July 1999.

12. (1) The Regulation is amended by inserting, after section 425R3, the following:

"**425.1R1.** For the purposes of the first paragraph of section 425.1 of the Act, the following information is prescribed information:

(1) the value of the consideration for the supply for the purposes of determining the tax payable by the recipient under Part IX of the Excise Tax Act (Revised Statutes of Canada, 1985, chapter E-15);

(2) the value of the consideration for the supply for the purposes of determining the tax payable under section 16 of the Act, determined without taking into account the tax payable by the recipient under Part IX of the Excise Tax Act;

(3) the amount of tax paid or payable under Part IX of the Excise Tax Act in respect of the supply;

(4) the amount credited to the recipient in respect of the trade-in, in accordance with section 54.1 of the Act, where applicable;

(5) the time that the motor vehicle is delivered to the recipient.

425.1R2. For the purposes of the second paragraph of section 425.1 of the Act, any registrant who is the holder of a dealer's licence issued under the Highway Safety Code (R.S.Q., c. C-24.2) is a prescribed registrant.

425.1R3. For the purposes of the second paragraph of section 425.1 of the Act, the following information is prescribed information:

(1) the information described in section 425.1R1;

(2) the tax payable by the recipient under section 16 of the Act in respect of the supply.

425.1R4. For the purposes of the second paragraph of section 425.1 of the Act, the prescribed manner consists of reporting all the information described in section 425.1R3 in the appropriate box of the document referred to in section 425.1R5, which is:

(1) in the case of the information described in paragraph 1 of section 425.1R1, in the box "Prix de vente" or in a similar box;

(2) in the case of the information described in paragraph 2 of section 425.1R1, in the box "Valeur pour TVQ avant TPS" or in a similar box;

(3) in the case of the information described in paragraph 3 of section 425.1R1, in the box "TPS perçue" or in a similar box;

(4) in the case of the information described in paragraph 4 of section 425.1R1, in the box "Échange" or in a similar box;

(5) in the case of the information described in paragraph 5 of section 425.1R1, in the box "Date de livraison" or in a similar box;

(6) in the case of the tax payable by the recipient under section 16 of the Act in respect of the supply:

(a) if the tax must be collected by the supplier in accordance with section 422 of the Act, in the box "TVQ perçue commerçant" or in a similar box;

(b) if the tax must be remitted in accordance with section 473.1.1 of the Act, in the box "TVQ à payer par client à la SAAQ" or in a similar box.

425.1R5. For the purposes of the second paragraph of section 425.1 of the Act, the form entitled "Attestation de transaction avec un commerçant" or a similar form that the Société de l'assurance automobile du Québec supplies for the purpose of registering a motor vehicle under the Highway Safety Code (R.S.Q., c. C-24.2) is the prescribed document.".

(2) Paragraph 1 has effect from 21 February 2000.

13. Section 434R0.13 of the Regulation is amended, in the second paragraph, by striking out subparagraph *c* of subparagraph 3.

14. (1) Section 434R2 of the Regulation is amended by replacing paragraph 1 by the following:

"(1) the registrant is, on the first day of that reporting period, a specified facility operator, a qualifying non-profit organization, a charity that is designated under sections 350.17.1 to 350.17.4 of the Act or a selected public service body;".

(2) Paragraph 1 applies, for the purposes of determining the net tax of a registrant, in respect of a reporting period that begins after 24 February 1998.

15. (1) The Regulation is amended by inserting, after section 473.1R1, the following:

"**473.1.1R1.** For the purposes of section 473.1.1 of the Act, the Société de l'assurance automobile du Québec is a prescribed person.".

(2) Paragraph 1 applies in respect of a supply for which all or part of the consideration becomes due after 20 February 2000 and is not paid before 21 February 2000. However, it does not apply in respect of any part of the consideration that becomes due or was paid before 21 February 2000.

16. (1) The Regulation is amended by inserting, after section 489.1R6, the following:

"REBATE OF AN AMOUNT EQUAL TO THE SPECIFIC TAX

505.1R1. For the purposes of subparagraph 4 of the second paragraph of section 505.1 of the Act, the following are the prescribed terms and conditions:

(1) the registration certificate of the collection officer who applies for the rebate shall be in force at the time of the sale of the alcoholic beverages;

(2) the registration certificate of the person to whom the alcoholic beverages are sold shall be in force at the time of the sale of those alcoholic beverages;

(3) an application for a rebate shall be filed for each person in respect of whom a bad debt is written off and that application shall contain the following information:

(a) the date of fiscal year end for the collection officer who files the application and the date on which the person's bad debt was written off;

(b) the person's name and address;

(c) detailed information for each sale of alcoholic beverages, that is, the date of the sale, the number of the invoice, the number of litres of beer and alcoholic beverages other than beer sold and the rate of the amount equal to the specific tax provided for in section 487 of the Act, applicable as the case may be, to each sale of beer or alcoholic beverages other than beer;

(d) the amount of each invoice, including the tax payable under Part IX of the Excise Tax Act (Revised Statutes of Canada, 1985, chapter E-15) and the tax payable under Title I of the Act and excluding the amount equal to the specific tax provided for in section 487 of the Act;

(e) the amount of each invoice, including the amount equal to the specific tax provided for in section 487 of the Act and excluding the tax payable under Part IX of the Excise Tax Act and the tax payable under Title I of the Act.

505.1R2. For the purposes of the third paragraph of section 505.1 of the Act:

(1) the prescribed terms and conditions of use are, for any person who wishes to use the prescribed manner in the fiscal year of the person, to inform the Minister of such election in prescribed form at the time of the initial application for a rebate filed in that fiscal year. The person shall also indicate therein the period covered by the fiscal year and use that manner throughout that fiscal year;

(2) the prescribed manner is to determine the amount of the rebate by the formula

A/B x C.

For the purposes of that formula,

(a) A is the amount of the debt written off;

(b) B is the aggregate of the sales that are the amount of the debt to which the amount of the debt written off relates, including the amount provided for in section 497 of the Act, the tax payable under Part IX of the Excise Tax Act (Revised Statutes of Canada, 1985, chapter E-15) and the tax payable under Title I of the Act;

(c) C is the amount provided for in section 497 of the Act, included in the aggregate of the sales that are the amount of the debt to which the amount of the debt written off relates.

505.1R3. For the purposes of sections 505.1R1 and 505.1R2, the fiscal year of a person is that person's fiscal year within the meaning of section 458.1 of the Act.

505.3R1. For the purposes of section 505.3 of the Act, the prescribed manner is to determine the amount provided for in section 497 of the Act by the formula

A x B/C.

For the purposes of that formula,

(1) A is the amount of the recovered bad debt;

(2) B is the amount provided for in section 497 of the Act, included in the aggregate of the sales that are the amount of the debt to which the amount of the recovered bad debt relates;

(3) C is the aggregate of the sales that are the amount of the debt to which the amount of the recovered debt relates, including the amount provided for in section 497 of the Act, the tax payable under Part IX of the Excise Tax Act (Revised Statutes of Canada, 1985, chapter E-15) and the tax payable under Title I of the Act.".

(2) Subsection 1 applies in respect of a sale of alcoholic beverages made after 14 March 2000.

17. (1) Section 541.47R4 of the Regulation is amended by:

(1) replacing subparagraph *a* by the following:

"*(a)* Longueuil, excluding the former municipalities of Boucherville and Saint-Bruno-de-Montarville, as they existed at 31 December 2001;";

(2) replacing subparagraph *c* by the following:

"*(c)* Montréal.".

(2) Subsection 1 has effect from 1 January 2002.

18. (1) Schedule II.2 of the Regulation is replaced by the following:

"**SCHEDULE II.2**
(section 541.24R2)

PRESCRIBED TOURIST REGIONS

Tourist Regions	**Included Municipalities**
Charlevoix	Baie-Saint-Paul; Baie-Sainte-Catherine; Clermont; La Malbaie; Les Éboulements; L'Isle-aux-Coudres; Notre-Dame-des-Monts; Petite-Rivière-Saint-François; Saint-Hilarion; Saint-Aimé-des-Lacs; Saint-Irénée; Saint-Siméon; Saint-Urbain.
Laval	Laval.
Montréal	Montréal.
Outaouais	Alleyn-et-Cawood; Aumond; Blue Sea; Boileau; Bois-Franc; Bouchette; Bowman; Bristol; Bryson; Campbell's Bay; Cantley; Cayamant; Chelsea; Chénéville; Chichester; Clarendon; Déléage; Denholm; Duhamel; Egan-Sud; Fassett; Fort-Coulonge; Gatineau; Grand-Calumet; Grand-Remous; Kazabazua; Lac-des-Plages; Lac-Sainte-Marie; Lac-Simon; L'Ange-Gardien; La Pêche; Leslie-Clapham-et-Huddersfield; L'Isle-aux-Allumettes; Litchfield; Lochaber; Lochaber-Partie-Ouest; Low; Maniwaki; Mansfield-et-Pontefract; Mayo; Messines; Montcerf-Lytton; Montebello; Montpellier; Mulgrave-et-Derry; Namur; Notre-Dame-de-Bon-Secours-Partie-Nord; Notre-Dame-de-la-Paix; Notre-Dame-de-la-Salette; Papineauville; Plaisance; Pontiac; Portage-du-Fort; Rapides-des-Joachims; Ripon; Saint-André-Avellin; Saint-Émile-de-Suffolk; Saint-Sixte; Sainte-Thérèse-de-la-Gatineau; Shawville; Sheen-Esher-Aberdeen-et-Malakoff; Thorne; Thurso; Val-des-Bois; Val-des-Monts; Waltham; Wright-Gracefield-Northfield.
Québec	Beaupré; Boischatel; Stoneham-et-Tewkesbury; Cap-Santé; Château-Richer; Deschambault-Grondines; Donnacona; Fossambault-sur-le-Lac; Lac-Beauport; Lac-Delage; Lac-Saint-Joseph; Lac-Sergent; L'Ange-Gardien; Neuville; Notre-Dame-des-Anges; Québec; Pont-Rouge; Portneuf; Rivière-à-Pierre; Saint-Alban; Saint-Basile; Saint-Casimir; Saint-Ferréol-les-Neiges; Saint-François; Saint-Gabriel-de-Valcartier; Saint-Gilbert; Saint-Jean; Saint-Joachim; Saint-Laurent-de-l'Île-d'Orléans; Saint-Léonard-de-Portneuf; Saint-Louis-de-Gonzague-du-Cap-Tourmente; Saint-Marc-des-Carrières; Saint-Pierre-de-l'Île-d'Orléans; Saint-Raymond; Saint-Thuribe; Saint-Tite-des-Caps; Saint-Ubalde; Sainte-Anne-de-Beaupré; Sainte-Brigitte-de-Laval; Sainte-Catherine-de-la-Jacques-Cartier; Sainte-Christine-d'Auvergne; Sainte-Famille; Sainte-Pétronille; Shannon; Wendake.
Saguenay–Lac-Saint-Jean	Albanel; Alma; Bégin; Chambord; Desbiens; Dolbeau-Mistassini; Ferland-et-Boilleau; Girardville; Hébertville; Hébertville-Station; Labrecque; Lac-Bouchette; La Doré; Lamarche; L'Anse-Saint-Jean; Larouche; L'Ascension-de-Notre-Seigneur; Métabetchouan–Lac-à-la-Croix; Normandin; Notre-Dame-de-Lorette; Péribonka; Petit-Saguenay; Rivière-Éternité; Roberval; Saguenay; Saint-Ambroise; Saint-André-du-Lac-Saint-Jean; Saint-Augustin; Saint-Bruno; Saint-Charles-de-Bourget; Saint-David-de-Falardeau; Saint-Edmond; Saint-Eugène-d'Argentenay; Saint-Félicien; Saint-Félix-d'Otis; Saint-François-de-Sales; Saint-Fulgence; Saint-Gédéon; Saint-Henri-de-Taillon; Saint-Honoré; Saint-Ludger-de-Milot; Saint-Nazaire; Saint-Prime; Saint-Stanislas; Saint-Thomas-Didyme; Sainte-Hedwidge; Sainte-Jeanne-d'Arc; Sainte-Monique; Sainte-Rose-du-Nord.".

(2) Subsection 1 applies to the Charlevoix tourist region and to the municipalities included in that region, in respect of the supply of a sleeping-accommodation unit that is invoiced after 30 September 2001 by the operator of a sleeping-accommodation establishment for an occupancy after that date, unless the price of the unit was fixed in an agreement entered into before 1 October 2001 between the operator of the establishment and a travel agent within the meaning of section 2 of the Travel Agents Act (R.S.Q., c. A-10), a foreign tour operator or a convention organizer that supplies the sleeping-accommodation units to attendees and the occupancy of the unit occurs between 30 September 2001 and 1 July 2002.

(3) Subsection 1 has effect from 1 April 1997 for the Laval and Montréal tourist regions and for the municipalities included in those regions. However:

(1) for the period that begins after 31 March 1997 and that ends before 1 January 2000, the municipalities included in the Montréal tourist region are the following: "Montréal-Est; Anjou; Saint-Léonard; Montréal-Nord; Montréal; Westmount; Verdun; LaSalle; Montréal-Ouest; Saint-Pierre; Côte-Saint-Luc; Hampstead; Outremont; Mont-Royal; Saint-Laurent; Lachine; Dorval; L'Île-Dorval; Pointe-Claire; Kirkland; Beaconsfield; Baie-d'Urfé; Sainte-Anne-de-Bellevue; Senneville; Pierrefonds; Sainte-Geneviève; Dollard-des-Ormeaux; Roxboro; L'Île-Bizard.";

(2) for the period that begins after 31 December 1999 and that ends before 1 January 2002, the municipalities included in the Montréal tourist region are those listed in the second paragraph but for "Saint-Pierre".

(4) Subsection 1 applies to the Outaouais tourist region and to the municipalities included in that region, in respect of the supply of a sleeping-accommodation unit that is invoiced after 30 September 2001 by the operator of a sleeping-accommodation establishment for an occupancy after that date, unless the price of the unit has been fixed under an agreement entered into before 1 October 2001 between the operator of the establishment and a travel agent within the meaning of section 2 of the Travel Agents Act (R.S.Q., c. A-10), a foreign tour operator or a convention organizer that supplies the sleeping-accommodation units to attendees and the occupancy of the unit occurs between 30 September 2001 and 1 July 2002. However:

(1) for the period that begins after 30 September 2001 and that ends before 1 January 2002, the list of municipalities included in the Outaouais tourist region shall be read as if "Aylmer", "Buckingham", "Gracefield", "Hull", "Masson-Angers", "Northfield" and "Wright" were listed therein and without reference to "Wright-Gracefield-Northfield";

(2) for the period that begins after 31 December 2001 and that ends before 13 March 2002, the list of municipalities included in the Outaouais tourist region shall be read as if "Gracefield", "Northfield" and "Wright" were listed therein and without reference to "Wright-Gracefield-Northfield".

(5) Subsection 1 applies to the Québec tourist region and to the municipalities included in that region, in respect of the supply of a sleeping-accommodation unit that is invoiced after 30 June 2001 by the operator of a sleeping-accommodation establishment for an occupancy after that date, unless the price of that unit has been fixed under an agreement entered into before 1 July 2001 between the operator of the establishment and a travel agent within the meaning of section 2 of the Travel Agents Act (R.S.Q., c. A-10), a foreign tour operator or a convention organizer that supplies the sleeping-accommodation units to attendees and the occupancy of the unit occurs between 30 June 2001 and 1 April 2002. However:

(1) for the period that begins after 30 June 2001 and that ends before 1 January 2002, the list of municipalities included in the Québec tourist region shall be read as if "Beauport", "Cap-Rouge", "Charlesbourg", "Deschambault", "Grondines", "Lac-Saint-Charles", "L'Ancienne-Lorette", "Loretteville", "Notre-Dame-de-Portneuf", "Saint-Augustin-de-Desmaures", "Saint-Émile", "Sainte-Foy", "Sillery", "Val-Bélair" and "Vanier" were listed therein and without reference to "Deschambault-Grondines";

(2) for the period that begins after 31 December 2001 and that ends before 27 February 2002, the list of municipalities included in the Québec tourist region shall be read as if "Deschambault", "Grondines"and "Notre-Dame-de-Portneuf" were listed therein and without reference to "Deschambault-Grondines";

(3) for the period that begins after 26 February 2002 and that ends before 4 July 2002, the list of municipalities included in the Québec tourist region shall be read as if "Notre-Dame-de-Portneuf" were listed therein.

(6) Subsection 1 applies to the Saguenay–Lac-Saint-Jean tourist region and to the municipalities included in that region, in respect of the supply of a sleeping-accommodation unit that is invoiced after 30 June 2002 by the operator of a sleeping-accommodation establishment for an occupancy after that date, unless the price of that unit has been fixed under an agreement entered into before 1 July 2002 between the operator of the establishment and a travel agent within the meaning of section 2 of the Travel Agents Act (R.S.Q., c. A-10), a foreign tour operator or a convention organizer that supplies the sleeping-accommodation units to attendees and the occupancy of the unit occurs between 30 June 2002 and 1 April 2003.

19. This Regulation comes into force on the date of its publication in the *Gazette officielle du Québec*.

Regulation to amend the Regulation respecting the application of the Fuel Tax Act*

Fuel Tax Act
(R.S.Q., c. T-1, s. 1, par. 2, subpar. *q*, s. 2, par. 6, subpar. *a*, 9, par. *f*, 10.2, 10.7, 10.8 and 56, 2nd par.; 2001, c. 51, s. 312 and s. 315, 2001, c. 52, s. 23 and s. 26 and 2002, c. 9, s. 175)

1. (1) The Regulation respecting the application of the Fuel Tax Act is amended by inserting, in section 2R1, after the words "*Gazette officielle du Québec*" wherever they appear "of 15 July 1992".

(2) Subsection 1 has effect from 1 July 1995.

2. (1) The Regulation is amended by inserting, after section 9R1, the following:

"**9R1.1.** For the purposes of paragraph *f* of section 9 of the Act, non-coloured fuel oil when used in the preparation of the mixture referred to in the first paragraph of section 18R3.".

(2) Subsection 1 applies from 16 September 2002.

3. (1) Section 10R3 of the Regulation is replaced by the following:

"**10R3.** In the case of fuel which, immediately before its use, was contained in a tank supplying a propulsion engine and a stationary engine simultaneously, a refund of the tax paid shall be granted only in the cases contemplated in subparagraph *viii* of paragraph *a* and subparagraph *iv* of paragraph *b* of section 10 and in section 10.7 of the Act.".

(2) Subsection 1 applies in respect of a sale of fuel made after 30 June 1999.

4. (1) Section 10.2R1 of the Regulation is amended by adding, at the end of paragraph *c*, the following:

"and an Indian settlement within the meaning of section 1 of the Indians and Bands on certain Indian Settlements Remission Order (1997) made by Order in Council P.C. 1997-1529 dated 23 October 1997 under the Financial Administration Act, located in Québec.".

(2) Subsection 1 applies in respect of a purchase made:

(1) after 31 December 1995, by a Band;

(2) after 22 October 1997, by an Indian.

5. (1) The Regulation is amended by inserting, after section 10.6R1, the following:

"**10.7R1.** For the purposes of section 10.7 of the Act, the person referred to in that section must file, along with the prescribed form duly completed for the period covered by the application, the following documents:

(a) the original of each invoice for the purchase of fuel covered by the application which must indicate:

i. the name and address of the retail dealer and the name of the purchaser;

ii. the date of the purchase;

iii. the type of fuel, the price paid and the volume of fuel purchased;

(b) in the case of an initial application in respect of a prescribed motor vehicle leased for a period of less than one year, a photocopy of the rental contract;

(c) in the case of an initial application in respect of qualified equipment, a photocopy of the purchase or rental documents for that equipment.

At the Minister's request, the person shall also file, within the time indicated, a photocopy of the documents provided for in subparagraphs *b* and *c* of the first paragraph and those in respect of the purchase or the rental for a period of one year or more of a prescribed motor vehicle covered by the application for a refund.

A refund shall be applied for within 15 months of the beginning of the period covered by the application. The period of the application for a refund begins on the date of the first purchase of fuel covered by the application. The application for a refund shall cover purchases of fuel for a minimum period of three months or the purchase of at least 3,000 litres of fuel and a maximum period of 12 months.

* The Regulation respecting the application of the Fuel Tax Act (R.R.Q., 1981, c. T-1, r.1) was last amended by the Regulation made by Order in Council 1463-2001 dated 5 December 2001 (2001, *G.O.* 2, 6328). For previous amendments, see the *Tableau des modifications et Index sommaire*, Éditeur officiel du Québec, 2002, updated to 1 September 2002.

In addition, in the case of an application for a refund made by a carrier referred to in Division IX.1 of the Act, in respect of a motor vehicle referred to in section 10.7 of the Act that is also a prescribed motor vehicle referred to in that Division, the period covered by the application shall correspond to one or several quarters determined in accordance with the second paragraph of section 50.0.5 of the Act.

10.7R2. For the purposes of section 10.7 of the Act, the fuel covered by an application for a refund filed under that section shall have been used in Québec.

In addition, the tax shall not be credited or refunded in accordance with section 50.0.4 of the Act.

10.7R3. The person referred to in section 10.7R1 shall keep and retain an inventory containing a description of each prescribed motor vehicle covered by the application and of all qualified equipment and a register showing, for each vehicle, the volumes of fuel put on each occasion into the fuel tank of the propulsion engine.

The person shall also keep and retain:

(a) in the case of an engine equipped with an hour-meter, a register of the accumulated hours indicating the reading at the beginning and at the end of each month;

(b) in the case of an engine not equipped with an hour-meter, a daily register of the operating hours of the machine;

(c) in the case of a motor vehicle equipped with an odometer, a monthly register of the number of kilometres travelled indicating the reading at the beginning and at the end of each month.

10.7R4. For the purposes of section 10.7 of the Act and sections 10.7R1 and 10.7R3 to 10.7R6, the following motor vehicles are prescribed motor vehicles:

(a) in the case of motor vehicles designed to be driven usually off-road:

i. motor vehicles, other than dump trucks, that are fitted only with qualified equipment;

ii. motor vehicles, other than dump trucks, that are fitted with both qualified equipment and unqualified equipment, provided the qualified equipment is used significantly;

(b) in the case of motor vehicles designed to be driven usually on the road:

i. cement-mixers;

ii. trucks designed for refuse collection or recycling;

iii. sewer cleaning trucks and septic pumping trucks;

iv. concrete pumping trucks;

v. firetrucks;

vi. trucks equipped with an aerial basket, a percussion drill, an auger, a loading arm or other similar equipment;

vii. trucks equipped with a blower or a unloading auger;

viii. tank trucks equipped with a pump;

ix. trucks equipped with a drill rig;

x. highway cranes.

10.7R5. For the purposes of section 10.7 of the Act, the percentage of the volume of gasoline or of non-coloured fuel oil attributable to the use of qualified equipment by a prescribed motor vehicle is as follows:

(a) in the case of a vehicle referred to in subparagraph *i* of paragraph *a* of section 10.7R4, 70%;

(b) in the case of a vehicle referred to in subparagraph *iv* or *ix* of paragraph *b* of section 10.7R4, 40%;

(c) in the case of a vehicle referred to in subparagraph *ii* of paragraph *a* of section 10.7R4, 35%;

(d) in the case of a vehicle referred to in subparagraph *i*, *ii*, *iii*, *v* or *x* of paragraph *b* of section 10.7R4, 30%;

(e) in the case of a vehicle referred to in subparagraph *vi*, *vii* or *viii* of paragraph *b* of section 10.7R4, 20%.

An application for a refund filed under section 10.7 of the Act shall not apply for more than one percentage provided for in subparagraphs *a* to *e* of the first paragraph in respect of a prescribed motor vehicle, where the vehicle qualifies as a prescribed motor vehicle under more than one subparagraph of section 10.7R4.

10.7R6. For the purposes of section 10.7 of the Act, sections 10.7R1, 10.7R3 to 10.7R5 and this section, "qualified equipment" means the equipment of a prescribed motor vehicle that is not used for the propulsion of the vehicle and that, as the case may be, is powered:

(a) by the vehicle's propulsion engine by means of a power takeoff, that is, any system of a motor vehicle used to transfer the power from a propulsion engine to qualified equipment fitted to the vehicle;

(b) by the stationary engine of the qualified equipment, provided the engine is powered by fuel from the same tank as that which fuels the vehicle's propulsion engine.

However, equipment is considered unqualified equipment if its destination or use requires that the vehicle of which it is an integral part, on which it is fitted or attached, be necessarily in motion.

Moreover, parts or accessories used to drive a prescribed motor vehicle or to ensure the comfort of its occupants are not considered to be qualified equipment.

10.8R1. For the purposes of subparagraph *d* of the second paragraph of section 10.8 of the Act:

(a) the permit of the collection officer who files an application for a refund under that section shall be in force at the time of the sale of fuel;

(b) dependent on whether the person to whom fuel is sold is a collection officer or a retail dealer, that collection officer's permit, issued in accordance with subparagraph *a* of the first paragraph of section 27 of the Act or the retail dealer's registration certificate, issued in accordance with section 23 of the Act, shall be in force at the time of the sale of the fuel;

(c) an application for a refund shall be filed for each person in respect of whom a bad debt is written off and that application shall contain the following information:

i. the date of fiscal year end for the collection officer who files the application and the date on which the person's bad debt was written off;

ii. the person's name and address;

iii. detailed information for each sale of fuel, that is, the date of the sale, the number of the invoice and the number of litres of gasoline or fuel oil sold;

iv. the amount equal to the tax provided for in the first paragraph of section 51.1 of the Act and, where applicable, the increase in tax provided for in the third paragraph of that section, applicable to each sale of fuel;

v. the amount of each invoice, including the tax payable under Part IX of the Excise Tax Act (Revised Statutes of Canada, 1985, chapter E-15) and the tax payable under Title I of the Act respecting the Québec sales tax (R.S.Q., c. T-0.1) and excluding the amounts provided for in subparagraph iv;

vi. the amount of each invoice, including the amounts provided for in subparagraph iv and excluding the tax payable under Part IX of the Excise Tax Act and the tax payable under Title I of the Act respecting the Québec sales tax.

10.8R2. For the purposes of the fourth paragraph of section 10.8 of the Act, a person referred to in that section may determine the amount of the refund to which the person is entitled by the formula

A/B x C.

For the purposes of this formula,

(a) A is the amount of the debt written off;

(b) B is the aggregate of the sales that are the amount of the debt to which the amount of the debt written off relates, including the amount provided for in section 51.1 of the Act, the tax payable under Part IX of the Excise Tax Act (Revised Statutes of Canada, 1985, chapter E-15) and the tax payable under Title I of the Act respecting the Québec sales tax (R.S.Q., c. T-0.10);

(c) C is the amount provided for in section 51.1 of the Act, included in the aggregate of the sales that are the amount of the debt to which the amount of the debt written off relates.

Persons who wish to use the computation method provided for in the first paragraph in their fiscal year shall inform the Minister of such election using the prescribed form at the time of the initial application for a refund filed in that fiscal year. They shall also indicate therein the period covered by the fiscal year and use that method for the entire duration of that fiscal year.

10.8R3. For the purposes of sections 10.8R2 and 10.8R3, the fiscal year of a person is that person's fiscal year within the meaning of section 458.1 of the Act respecting the Québec sales tax (R.S.Q., c. T-0.1).

10.10R1. For the purposes of section 10.10 of the Act, the amount provided for in section 51.1 of the Act shall be computed using the formula

A x B/C.

For the purposes of this formula,

(a) A is the amount of the recovered bad debt;

(b) B is the amount provided for in section 51.1 of the Act, included in the aggregate of the sales that are the amount of the debt to which the amount of the recovered bad debt relates;

(c) C is the aggregate of the sales that are the amount of the debt to which the amount of the recovered debt relates, including the amount provided for in section 51.1 of the Act, the tax payable under Part IX of the Excise Tax Act (Revised Statutes of Canada, 1985, chapter E-15) and the tax payable under Title I of the Act respecting the Québec sales tax (R.S.Q., c. T-0.1).".

(2) Subsection 1, where it enacts sections 10.7R1 to 10.7R6, applies in respect of a purchase of fuel made after 30 June 1999.

In addition, notwithstanding the third paragraph of section 10.7R1, an application for a refund filed under section 10.7 of the Fuel Tax Act (R.S.Q., c. T-1) in respect of a purchase of fuel made in the period from 30 June 1999 to 22 December 2000, may be filed within 15 months of the end of that period.

(3) Subsection 1, where it enacts sections 10.8R1, 10.8R2, 10.8R3 and 10.10R1, applies in respect of a sale of fuel made after 14 March 2000.

6. (1) Schedule I of the Regulation is amended:

(1) in the list of reserves under section 1, by striking out "Kanesatake";

(2) in the list of establishments under section 2, by:

(a) inserting, in alphabetical order, "Kanesatake";

(b) striking out "Winneway".

(2) Subparagraph 1 of paragraph 1 and subparagraph *a* of subparagraph 2 of paragraph 1 have effect from 1 July 1992.

(3) Subparagraph *b* of subparagraph 2 of paragraph 1 applies in respect of a purchase made:

(1) after 31 December 1995, by a Band;

(2) after 22 October 1997, by an Indian.

7. This Regulation comes into force on the date of its publication in the *Gazette officielle du Québec*.

Regulation to amend the Road Vehicle Supply Remission Regulation *

An Act respecting the Ministère du Revenu
(R.S.Q., c. M-31, s. 94 and 97)

1. (1) Section 1 of the Road Vehicle Supply Remission Regulation is amended, under the definition of "reserve", by replacing paragraphs 3 and 4 with the following:

"(3) an Indian settlement within the meaning of the Indians and Bands on certain Indian Settlements Remission Order, made by Order in Council P.C. 1992-1052 of 14 May 1992, as amended by Order in Council P.C. 1994-2096 dated 14 December 1994, or the Indians and Bands on certain Indian Settlements Remission Order (1997), made by Order in Council P.C. 1997-1529 dated 23 October 1997 under the Financial Administration Act (Revised Statutes of Canada, 1985, c. F-11), located in Québec;

(4) the Indian settlements of Hunter's Point, Kitcisakik (Grand-Lac-Victoria) and Pakuashipi;".

(2) Subsection 1 has effect from 15 March 2000.

2. This Regulation comes into force on the date of its publication in the *Gazette officielle du Québec*.

* The Road Vehicle Supply Remission Regulation was made by Order in Council 206-2000 dated 1 March 2000 (2000, *G.O.* 2, 1295) and has not been amended since.

Regulation to amend the Regulation to amend the Regulation respecting the Taxation Act made by Order in Council 1451-2000 dated 13 December 2000*

Taxation Act
(R.S.Q., c. I-3, s. 1086, 1st par., subpar. *f*)

1. (1) Section 62 of the Regulation to amend the Regulation respecting the Taxation Act, made by Order in Council 1451-2000 dated 13 December 2000, is amended by replacing subsection 2 by the following:

"(2) Subsection 1 applies to taxation years that end after 31 March 1998. In addition, where subsection 1 of section 1137R1 of the Regulation applies to taxation years subsequent to 1992, it shall be read as follows:

"(1) A corporation may deduct, under paragraph *c* of section 1137 of the Act, an amount equal to 33 1/3% of the portion of its paid-up capital that would be determined under sections 1136 to 1138 of the Act, if that paragraph were not taken into account, that:

i. the greater of

(1) its gross revenue for the taxation year from a mineral resource owned or operated by it;

(2) the capital cost, to the corporation, of property acquired in the year in the course of a major expansion that results in any of the consequences described in subparagraphs (1) and (2) of subparagraph ii of subparagraph *a* of the first paragraph of Class 28 of Schedule B, that is added to the capital cost, to the corporation, of the property of Class 41 of that Schedule; is of

ii. the aggregate of its gross revenue for that year and, where applicable, the amount by which the amount determined under subparagraph 2 of subparagraph i exceeds the amount determined under subparagraph 1 of that subparagraph.".".

(2) Subsection 1 has effect from 27 December 2000.

2. This Regulation comes into force on the date of its publication in the *Gazette officielle du Québec*.

* The Regulation to amend the Regulation respecting the Taxation Act, made by Order in Council 1451-2000 dated 13 December 2000 (2000, *G.O.* 2, 5885), was last amended by the Regulation made by Order in Council 1463-2001, dated 5 December 2001 (2001, *G.O.* 2, 6328).

Regulation to amend the Regulation to amend the Regulation respecting the Taxation Act made by Order in Council 1463-2001 dated 5 December 2001*

Taxation Act
(R.S.Q., c. I-3, s. 1086, 1st par., subpar. *e*.2 and *f*)

1. (1) The Regulation to amend the Regulation respecting the Taxation Act, made by Order in Council 1463-2001 dated 5 December 2001, is amended by replacing subsection 2 of section 5 by the following:

"(2) Subsection 1 has effect from 26 November 1999. In addition, where paragraph *b* of section 21.11.20R1 of the Regulation applies after 22 July 1998 or, for the purposes of section 1097, 1102 or 1102.1 of the Taxation Act (R.S.Q., c. I-3), in respect of a sale of shares made after 30 April 1998 and before 23 July 1998, for which the profit is exempt from income tax in Québec or in Canada by reason of a provision under a tax agreement with a country other than Canada, except if the seller has made an election by written notice filed with the Minister of Revenue that determines otherwise or if he sent the Minister of Revenue the document he filed with the Minister of Revenue of Canada to the same effect, it shall read:

(1) by replacing subparagraph *i* by the following:

"i. in South Africa, the Johannesburg Stock Exchange;";

(2) by inserting, after subparagraph *i*, the following:

"i.1. in Germany, the Frankfurt Stock Exchange;";

(3) by inserting, after subparagraph *ii*, the following:

"ii.1. in Austria, the Vienna Stock Exchange;";

(4) by inserting, after subparagraph *iii*, the following:

"iii.1. in Denmark, the Copenhagen Stock Exchange;";

(5) by inserting, after subparagraph *v*, the following:

"v.1. in Finland, the Helsinki Stock Exchange;";

* The Regulation to amend the Regulation respecting the Taxation Act was made by Order in Council 1463-2001 dated 5 December 2001 (2001, *G.O.* 2, 6328).

(6) by inserting, after subparagraph *vii*.1, the following:

"vii.2. in Israel, the Tel Aviv Stock Exchange;";

(7) by inserting, after subparagraph x, the following:

"x.1. in Norway, the Oslo Stock Exchange;";

(8) by inserting, after subparagraph *xiv*, the following:

"xiv.1. in Sweden, the Stockholm Stock Exchange;".".

(2) Subsection 1 has effect from 19 December 2001.

2. This Regulation comes into force on the date of its publication in the *Gazette officielle du Québec*.

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Gouvernement du Québec

O.C. 1476-2002, 11 December 2002

An Act respecting labour relations, vocational training and manpower management in the construction industry
(R.S.Q., c. R-20; 2001, c. 79)

Issuance of competency certificates — Amendments

Regulation to amend the Regulation respecting the issuance of competency certificates

WHEREAS, under the second paragraph of section 123.1 of the Act respecting labour relations, vocational training and manpower management in the construction industry (R.S.Q., c. R-20; 2001, c. 79, s. 4), a regulation made under subparagraph 9 of the first paragraph of that section may, with respect to work described in subparagraph 13 of the first paragraph of section 19 of that Act or work involving the use of old techniques, make the granting of exemptions from holding a competency certificate conditional on an examination or recommendation of a committee;

WHEREAS it is expedient to establish a committee consisting of representatives of the construction industry and the artistic community, which is responsible for examining applications and making recommendations to the Commission de la construction du Québec (CCQ) concerning applications filed by employers, in order to exempt artists who carry out work on construction sites or persons who carry out work involving the use of old techniques from the obligation to hold a competency certificate;

WHEREAS, under sections 10 and 11 of the Regulations Act (R.S.Q., c. R-18.1), the draft Regulation attached to this Order in Council was published in Part 2 of the *Gazette officielle du Québec* of 11 September 2002 with a notice that it could be approved by the Government upon the expiry of 45 days from that publication;

WHEREAS no comments were submitted and it is expedient to approve the Regulation without amendment;

IT IS ORDERED, therefore, upon the recommendation of the Minister of State for Human Resources and Labour and Minister of Labour:

THAT the Regulation to amend the Regulation respecting the issuance of competency certificates, attached to this Order in Council, be approved.

JEAN ST-GELAIS,
Clerk of the Conseil exécutif

Regulation to amend the Regulation respecting the issuance of competency certificates*

An Act respecting labour relations, vocational training and manpower management in the construction industry
(R.S.Q., c. R-20, s, 123.1, 1st par., subpars. 9 and 13 and 2nd par.; 2001, c. 79, s. 4)

1. The Regulation respecting the issuance of competency certificates is amended by inserting the following after section 15.5:

"**15.6.** The Commission may, upon the recommendation of the committee established under section 15.7, exempt a person from holding a journeyman competency certificate, an occupation competency certificate or an apprentice competency certificate in one of the following cases:

* The Regulation respecting the issuance of competency certificates, approved by Order in Council 673-87 dated 29 April 1987 (1987, *G.O.* 2, 1471), was last amended by the Regulation approved by Order in Council 441-2002 dated 10 April 2002 (2002, *G.O.* 2, 2207). For previous amendments, refer to the *Tableau des modifications et Index sommaire*, Éditeur officiel du Québec, 2002, updated to 1 September 2002.

(1) an employer proves that the production or restoration of an original work of research or expression, or its integration into the architecture or interior and exterior spaces of a building or civil engineering structure can only be adequately carried out with the help of that person; or

(2) an employer proves that the work involving the use of old techniques can only be adequately carried out with the help of that person.

The exemption is valid for the duration of the work relating to the project referred to in the application and for the applicant employer.

15.7. An Exemption Committee is hereby established for the purposes of examining applications made pursuant to section 15.6 and making recommendations thereon to the Commission.

The committee, chaired by the Director of the Direction de la qualification professionnelle of the Commission, shall consist of 12 members appointed as follows:

(1) two members designated by the Conseil conjoint de la Fédération des travailleurs du Québec (FTQ-Construction) and the Conseil provincial du Québec des métiers de la construction (International) who shall have 1 voting right worth 2 votes each;

(2) one member designated by the Confédération des syndicats nationaux (CSN-CONSTRUCTION) who shall have 1 voting right worth 1 vote;

(3) one member designated by the Centrale des syndicats démocratiques (CSD-CONSTRUCTION) who shall have 1 voting right worth 1 vote;

(4) one member designated by the Association de la construction du Québec (ACQ) who shall have 1 voting right worth 1.5 votes;

(5) one member designated by the Association des constructeurs de routes et de grands travaux du Québec (ACRGTQ) who shall have 1 voting right worth 1.5 votes;

(6) one member designated by the Association des entrepreneurs en construction du Québec (AECQ) who shall have 1 voting right worth 1.5 votes;

(7) one member designated by the Association provinciale des constructeurs d'habitations du Québec (APCHQ) who shall have 1 voting right worth 1.5 votes;

(8) one member designated by the Conseil des métiers d'art du Québec (CMAQ) who shall have 1 voting right worth 3 votes;

(9) one member designated by the Regroupement des artistes en art visuel (RAAV) who shall have 1 voting right worth 3 votes;

(10) one member designated by the restorers associations recognized by the Minister of Labour under subparagraph 13 of the first paragraph of section 19 of the Act, enacted by section 3 of chapter 79 of the Statutes of 2001, who shall have 1 voting right worth 3 votes; and

(11) one member designated by Héritage Montréal who shall have 1 voting right worth 3 votes.

It shall also include two observer members appointed by the Minister of Labour and the Minister of Culture and Communications, who shall sit without voting rights. Members and observer members shall remain on the committee until they are replaced.

The chair shall convene the committee meetings the quorum of which shall be the chair, two members appointed under subparagraphs 1 to 3 of the second paragraph, two members appointed under subparagraphs 4 to 7 of the second paragraph and two members appointed under subparagraphs 8 to 11 of the same paragraph.

The committee shall decide by a majority of the votes cast and its decision shall be sent in writing to the employer no later than four juridical days after the date the meeting was convened. The chair has no voting rights, except if there is a tie vote; the chair shall decide no later than two juridical days after the date of the sitting.".

2. This Regulation comes into force on the fifteenth day following the date of its publication in the *Gazette officielle du Québec.*

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Gouvernement du Québec

O.C. 1509-2002, 18 December 2002

Civil Code of Québec
(1991, c. 64)

Code of Civil Procedure
(R.S.Q., c. C-25)

Courts of Justice Act
(R.S.Q., c. T-16)

Tariff of Court Costs in Civil Matters and Court Office Fees
— Amendments

Regulation to amend the Tariff of Court Costs in Civil Matters and Court Office Fees

WHEREAS the second paragraph of article 376 of the Civil Code (1991, c. 64), replaced by section 25 of chapter 6 of the Statutes of 2002, provides that clerks and deputy clerks collect the duties fixed by regulation of the Government from the intended spouses, on behalf of the Minister of Finance;

WHEREAS article 659.10 of the Code of Civil Procedure (R.S.Q., c. C-25) provides that in such cases as it may determine, the Government may, by regulation, impose on the debtor the payment of costs connected with the application of Division IV.2, which deals with the suspension of seizure by garnishment of salary or wages, and establish the tariff thereof;

WHEREAS the first paragraph of section 224 of the Courts of Justice Act (R.S.Q., c. T-16) prescribes that, except in penal matters, the Government shall fix the tariff of court costs and court office fees and it may, in a tariff, prescribe costs and fees varying according to whether they are payable by a natural person or a legal person, or determine what persons, departments or bodies are exempt from the payment of costs or fees or which proceedings, documents or services are covered by an exemption;

WHEREAS, in accordance with sections 10, 12 and 13 of the Regulations Act (R.S.Q., c. R-18.1), a draft of the Regulation attached to this Order in Council was published in Part 2 of the *Gazette officielle du Québec* of 23 October 2002, on page 5603, with a notice that it could be made by the Government upon the expiry of 20 days following that publication;

WHEREAS, under section 18 of that Act, a regulation may come into force on the date of its publication in the *Gazette officielle du Québec* or within a period shorter than that applicable under section 17 of the Act where the authority that is making it is of the opinion that the urgency of the situation requires it;

WHEREAS, under that section, the reason justifying such coming into force shall be published with the regulation;

WHEREAS the Government is of the opinion that the urgency due to the following circumstances justifies such coming into force:

— under section 181 of the Act to reform the Code of Civil Procedure (2002, c. 7), the Act comes into force on 1 January 2003; it is therefore expedient that the Regulation to amend the Tariff of Court Costs in Civil Matters and Court Office Fees come into force on the same date to ensure the implementation of the reform of the Code of Civil Procedure;

WHEREAS it is expedient to make the Regulation;

IT IS ORDERED, therefore, upon the recommendation of the Minister of Justice:

THAT the Regulation to amend the Tariff of Court Costs in Civil Matters and Court Office Fees, attached to this Order in Council, be made.

JEAN ST-GELAIS,
Clerk of the Conseil exécutif

Regulation to amend the Tariff of Court Costs in Civil Matters and Court Office Fees *

Civil Code of Québec
(1991, c. 64, a. 376)

Code of Civil Procedure
(R.S.Q., c. C-25, a. 659.10)

Courts of Justice Act
(R.S.Q., c. T-16, s. 224)

1. Section 1 of the Tariff of Court Costs in Civil Matters and Court Office Fees is amended by substituting the following for paragraph 6:

* The Tariff of Court Costs in Civil Matters and Court Office Fees, made by Order in Council 256-95 dated 1 March 1995 (1995, *G.O.* 2, 918), was last amended by the Regulation made by Order in Council 916-2002 dated 21 August 2002 (2002, *G.O.* 2, 4551) and has not been amended since.

"(6) Class VI: applications for separation as to bed and board, for divorce or for dissolution of a civil union.".

2. Section 2 is amended

(1) by substituting "834.1 to 846" for "834 to 850" in the second paragraph; and

(2) by striking out "whether they are applied for by action or by motion and" in the second paragraph.

3. The following is substituted for section 4:

"**4.** This Tariff groups proceedings into three stages and the following fees are payable for such proceedings:

(1) Stage I: Proceedings introductive of suit and similar proceedings:

(a) for actions and applications introductive of suit governed by Book II of the Code of Civil Procedure, except the applications referred to in section 6, or for the issue of the first writ and for an opposition or an intervention, one of the amounts fixed in the following table, according to the class of the action or application and according to whether the amount is payable by a natural person or a legal person:

Class of Action or Application	Natural Person	Legal Person
Class I	$50	$59
Class II	$98	$114
Class III	$184	$224
Class IV	$295	$352
Class V	$583	$698
Class VI	$141	

(b) for a cross demand, $84 or, where the amount is payable by a legal person, $105, for any class of action or application; and

(c) for any proceeding introductive of suit or any proceeding in non-contentious matters not specified in this Tariff, $42 or, where the amount is payable by a legal person, $50, for any class of action or application.

(2) Stage II: Appearance and any similar proceeding:

for a written appearance or any proceeding of a like nature and for the revocation of a judgment or an opposition by a third party, one of the amounts fixed in the following table, according to the class of the action or application and according to whether the amount is payable by a natural person or a legal person:

Class of Action or Application	Natural Person	Legal Person
Class I	$32	$38
Class II	$50	$59
Class III	$97	$114
Class IV	$149	$178
Class V	$295	$352
Class VI	$77	

(3) Stage III: Execution:

one of the amounts fixed in the following table, according to the class of the action or application and according to whether the amount is payable by a natural person or a legal person:

Class of Action or Application	Natural Person	Legal Person
Class I	$42	$50
Class II	$77	$94
Class III	$142	$168
Class IV	$222	$263
Class V	$438	$528
Class VI	$105	

The value of the right that the opposition referred to in clause *a* of subparagraph 1 of the first paragraph is intended to protect determines the class if that value is stated in the opposition or in the affidavit in support thereof; otherwise, the amount set by the judgment determines the class of the proceeding.

In cases referred to in subparagraph 3 of the first paragraph, the class is determined according to the value of the obligation in respect of which application has been made for compulsory execution.

Costs are payable only for the first proceeding included in stages I and III.

Despite clause *a* of subparagraph 1 of the first paragraph, no costs are payable for an application to cause a person to undergo a psychiatric examination where the person refuses to submit to such examination or for a person to be kept against his or her will by an institution covered by the laws respecting health services and social services.".

4. Section 5 is revoked.

5. The following is substituted for section 6:

"**6.** Costs of $103 are payable for any application for review of accessory measures ordered by a judgment granting a separation as to bed and board, a divorce, the dissolution of a civil union or nullity of a marriage or civil union as well as any application introductive of suit relating to child custody or support obligations or for any application for review of a judgment concerning child custody or support obligations.".

6. Section 7 is amended by substituting "$33" for "$28" and "$40" for "$34".

7. The following is substituted for section 8:

"**8.** In matters concerning immovables, the following costs are payable:

(1) for the performance of the sheriff's duties from receipt of the record until the sale, $125 or, where the amount is payable by a legal person, $147, for any class of action or application;

(2) for the performance of the clerk's duties from receipt of the record until the judgment of homologation inclusively, one of the amounts fixed in the following table, determined according to the class of the action or application and according to whether the amount is payable by a natural person or a legal person:

Class of Action or Application	Natural Person	Legal Person
Class I	$125	$147
Class II	$177	$214
Class III	$229	$277
Class IV	$366	$436
Class V	$725	$870
Class VI	$212	

(3) in the case of a contestation of a scheme of collocation, one of the amounts fixed in the following table, determined according to the class of the action or application and according to whether the amount is payable by a natural person or a legal person:

Class of Action or Application	Natural Person	Legal Person
Class I	$32	$38
Class II	$50	$59
Class III	$98	$114
Class IV	$149	$178
Class V	$295	$352
Class VI	$77	

Payment of costs prescribed in subparagraph 2 of the first paragraph entitles each interested party to obtain a copy of the judgment of homologation.

In the case referred to in subparagraph 2 of the first paragraph, the class of the action or application is determined according to the selling price.

In the case referred to in subparagraph 3 of the first paragraph, the class of the action or application is determined according to the amount claimed by the contesting party.".

8. Section 11 is amended by substituting "$32" for "$27" and "$38" for "$32".

9. Section 14 is amended by substituting "$84" for "$71" in paragraphs 1 and 2.

10. Section 15 is amended

(1) by substituting "$165" for "$139" in paragraph 1; and

(2) by substituting "$84" for "$71" in paragraphs 2 and 3.

11. Section 16 is amended

(1) by substituting "$94" for "$79" in paragraph 1; and

(2) by substituting "$84" for "$71" in paragraph 2.

12. Section 17 is amended by substituting "$84" for "$71" and "$93" for "$90".

13. Section 18 is amended by substituting "$58" for "$49".

14. Section 19 is amended

(1) by substituting "tout acte de procédure assimilé" for "toute procédure assimilée" in paragraph 1 of the French text;

(2) by substituting "$256" for "$215" and "$310" for "$261" in subparagraph *a* of paragraph 1;

(3) by substituting "$184" for "$155" and "$224" for "$188" in subparagraph *b* of paragraph 1; and

(4) by substituting "$125" for "$105" and "$147" for "$124" in paragraph 2.

15. Section 20 is amended

(1) by substituting "$42" for "$35" and "$50" for "$42" in paragraph 1; and

(2) by substituting "$32" for "$27" and "$38" for "$32" in paragraph 2.

16. Section 23 is amended

(1) by substituting "$42" for "$35" in subparagraph 1 of the first paragraph; and

(2) by substituting "$19" for "$16" and "$4" for "$3" in subparagraph 3 of the first paragraph.

17. Section 24 is amended by substituting the following for the first paragraph:

"**24.** The fee payable for the solemnization of a civil marriage or civil union is $212, to which is added a fee of $70 when the marriage or civil union is solemnized at a place other than the courthouse.".

18. The costs and fees fixed in this Regulation apply to proceedings or documents filed or issued from 1 January 2003, including matters commenced before that date.

19. This Regulation comes into force on 1 January 2003.

5476

Gouvernement du Québec

O.C. 1510-2002, 18 December 2002

Code of Civil Procedure
(R.S.Q., c. C-25; 2002, c. 7)

Tariff of Court fees Recovery of small claims

Tariff of Court Fees applicable to the Recovery of Small Claims

WHEREAS, under paragraph *a* of article 997 of the Code of Civil Procedure (R.S.Q., c. C-25), replaced by section 148 of chapter 7 of the Statutes of 2002, the Government may make a regulation establishing a tariff of court fees payable for the filing or presentation of statements of claim or other pleadings under Book VIII of the Code, which deals with actions involving small claims;

WHEREAS, in accordance with sections 10, 12 and 13 of the Regulations Act (R.S.Q., c. R-18.1), a draft of the Tariff attached to this Order in Council was published in Part 2 of the *Gazette officielle du Québec* of 23 October 2002, on page 5607, with a notice that it could be made by the Government upon the expiry of 20 days following that publication;

WHEREAS, under section 18 of that Act, a regulation may come into force on the date of its publication in the *Gazette officielle du Québec* or within a period shorter than that applicable under section 17 of the Act where the authority that is making it is of the opinion that the urgency of the situation requires it;

WHEREAS, under that section, the reason justifying such coming into force shall be published with the regulation;

WHEREAS the Government is of the opinion that the urgency due to the following circumstances justifies such coming into force:

— under section 181 of the Act to reform the Code of Civil Procedure (2002, c. 7), the Act comes into force on 1 January 2003; it is therefore expedient that the Tariff of Court Fees applicable to the Recovery of Small Claims come into force on the same date to ensure the implementation of the reform of the Code of Civil Procedure;

WHEREAS it is expedient to make the Tariff with amendments;

IT IS ORDERED, therefore, upon the recommendation of the Minister of Justice:

THAT the Tariff of Court Fees applicable to the Recovery of Small Claims, attached to this Order in Council, be made.

JEAN ST-GELAIS,
Clerk of the conseil exécutif

Tariff of Court Fees applicable to the Recovery of Small Claims

Code of Civil Procedure
(R.S.Q., c. C-25, a. 997, par. *a*; 2002, c. 7, s. 148)

1. This Tariff fixes the amount of the court fees referred to in article 996 of the Code of Civil Procedure (R.S.Q., c. C-25), replaced by section 148 of chapter 7 of the Statutes of 2002.

2. The amount of court fees to be sent or deposited by the creditor of a small claim with the proceeding introductive of suit is fixed in the following table, determined according to the amount of the claim and according to whether the costs are payable by a natural person or a legal person.

Costs for the Proceeding Introductive of Suit

	Natural Person	Legal Person
$0.01 to $999.99	$60	$100
$1,000 to $2,999.99	$85	$125
$3,000 to $4,999.99	$110	$150
$5,000 to $7,000	$135	$175

3. The amount of court fees to be sent or deposited by the debtor of a small claim with the contestation is fixed in the following table, determined according to the amount of the claim and according to whether the costs are payable by a natural person or a legal person.

Costs for Contestation

	Natural Person	Legal Person
$0.01 to $999.99	$50	$90
$1,000 to $2,999.99	$75	$115
$3,000 to $4,999.99	$100	$140
$5,000 to $7,000	$125	$165

4. The amount of court fees to be sent or deposited by the debtor of a small claim with a cross demand is fixed in the following table, determined according to the amount of the claim and according to whether the costs are payable by a natural person or a legal person.

Cross Demand

	Natural Person	Legal Person
$0.01 to $999.99	$50	$60
$1,000 to $2,999.99	$55	$65
$3,000 to $4,999.99	$60	$70
$5,000 to $7,000	$65	$75

5. The amount of court fees to be sent or deposited by a party with the application for revocation of a judgment is fixed in the following table, determined according to the amount of the claim and according to whether the costs are payable by a natural person or a legal person.

Revocation of a Judgment

	Natural Person	Legal Person
$0.01 to $999.99	$50	$60
$1,000 to $2,999.99	$55	$65
$3,000 to $4,999.99	$60	$70
$5,000 to $7,000	$65	$75

6. The amount of court fees to be paid by the judgment debtor as costs of execution, in addition to the bailiff's fees, is fixed in the following table, determined according to the amount of the claim and according to whether the costs are payable by a natural person or a legal person.

Issue of the Writ of Execution by the Clerk		
	Natural Person	**Legal Person**
$0.01 to $999.99	$50	$75
$1,000 to $2,999.99	$70	$95
$3,000 to $4,999.99	$90	$115
$5,000 to $7,000	$110	$125

7. The amount of court fees to be paid by a party as costs of opposition to a seizure is fixed in the following table, determined according to the value of the right that the opposition is intended to protect, which value is fixed in the notice of opposition, if not, the value of that proceeding is determined by the amount fixed in the judgment. In addition, those costs vary according to whether they are payable by a natural person or a legal person.

Opposition		
	Natural Person	**Legal Person**
$0.01 to $999.99	$55	$60
$1,000 to $2,999.99	$60	$65
$3,000 to $4,999.99	$65	$70
$5,000 and over	$75	$75

8. The amounts of court fees prescribed in this Tariff shall be indexed on 1 April of each year on the basis of the rate of increase in the general Consumer Price Index for Canada for the twelve-month period ending on 31 December of the year preceding the indexing, as determined by Statistics Canada.

The amounts indexed shall be reduced to the nearest dollar where they contain a fraction of a dollar less than $0.50; they shall be increased to the nearest dollar where they contain a fraction of a dollar equal to or greater than $0.50.

The Minister of Justice shall inform the public, through Part 1 of the *Gazette officielle du Québec* and by such means as the Minister considers appropriate, of the indexing calculated under this section.

9. The amounts of court fees fixed in this Tariff apply to proceedings filed or issued from 1 January 2003, including matters commenced before that date.

The amounts of court fees fixed thereafter on 1 April of each year apply to proceedings filed or issued from that date, including matters commenced before that date.

10. This Tariff applies to the Government, its departments and its bodies or agencies.

11. This Tariff replaces the Tariff of legal costs applicable to the recovery of small claims made by Order in Council 1015-93 dated 14 July 1993.

12. This Tariff comes into force on 1 January 2003.

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Draft Regulations

Draft Regulation

An Act respecting childcare centres and childcare services
(R.S.Q., c. C-8.2)

Childcare centres
— Amendments

Notice is hereby given, in accordance with sections 10 and 11 of the Regulations Act (R.S.Q., c. R-18.1), that the Regulation to amend the Regulation respecting childcare centres, the text of which appears below, may be made by the Government upon the expiry of 45 days following this publication.

The draft Regulation proposes the screening of the directors and employees of childcare centres and the persons involved in home child care in the form of an investigation by a police force in Québec to verify if they have exhibited behaviour that may put the security of children in danger, or have been charged with or convicted of an indictable or criminal offence that may constitute an impediment to operating a childcare service or holding employment there. The draft Regulation establishes which documents an applicant for a centre permit or centre permit holder must provide or keep in this respect.

The draft Regulation groups the provisions pertaining to a childcare centre's outdoor play space (layout, play equipment, safety, and maintenance) under a new chapter. It introduces the concept of play area, defining it as the part of the play space with play equipment, and imposes Canadian standards on play areas and play equipment and requires a certificate of compliance showing that the play area and equipment meet these standards. It provides that a permit holder must comply with these standards no later than three years following the date of coming into force of the Regulation, and before that date in some cases.

The draft Regulation amends the provisions dealing with the qualifications of childcare staff members, while recognizing as qualified any person who satisfies the current qualification requirements on the date of coming into force of the Regulation and, under certain conditions, any person who is in the process of satisfying the requirements. It does away with the requirement that qualified personnel must be present with the children for a minimum amount of time daily.

With respect to home childcare, the draft Regulation provides for the occasional replacement of the provider, under specific circumstances, and establishes the requirements that the replacement must satisfy. It adds the adoption of a minor child to the reasons supporting a request for the temporary suspension of a recognition and increases the maximum length of the suspension to 12 months. It amends the provisions regarding the qualifications of persons applying for recognition and persons who will be assisting the applicant by requiring them to hold a general first aid certificate at the time they apply for recognition, and by recognizing the training acquired by a person who will be assisting the provider before being hired.

The draft Regulation amends the provisions regarding the type of monitoring and checking the permit holder must carry out, and prescribes that the permit holder must visit the residence of a person whose recognition was temporarily suspended at the permit holder's request, before this person resumes activities, and by adding to the reasons for revoking and suspending recognition the provider's refusal to follow up on the Minister's remedial notice and the provider's failure to notify the permit holder of any changes affecting the information needed to ascertain the existence of an impediment to operating a childcare service or holding a position there.

With respect to administering medications, the draft Regulation replaces the procedures for administering acetaminophen and oral hydration solutions; the first procedure is updated, while the second is replaced by a procedure for applying insect repellent. The draft Regulation extends the list of medications that may be administered with only written consent from a parent, and also the list of medications the service provider may furnish.

Finally, the draft Regulation amends the provisions dealing with the content of the attendance card and proposes transitional, penal, and consequential amendments.

Some of the measures adopted to ensure the safety of the children will have an impact on small and medium-sized businesses, specifically on childcare centres and home childcare services. Approximately 114 of the 1053 childcare centres will be required to carry out work on outdoor play areas and play equipment; in most cases, the work will involve $1000 of demolition work. The requirement to produce a certificate of compliance for the outdoor play area and equipment means an annual

disbursement of $500, which childcare centres are able to assume. Similarly, under half of the 10 000 home childcare providers will be required to disburse an average of $20 to obtain from police authorities any information required to ascertain the existence of an impediment in respect of the person who will on occasion replace the home childcare provider.

Further information may be obtained by contacting Mariette Bety, Direction générale de la politique familiale, 1122, chemin Saint-Louis, 2e étage, Québec (Québec) G1S 4Z5; telephone: (418) 646-9384; fax: (418) 644-5434.

Any interested person having comments to make on the matter is asked to send them, before the expiry of the 45-day period, to the Minister of State for Social Solidarity and Child and Family Welfare and Minister of Child and Family Welfare, 1122, chemin Saint-Louis, Québec (Québec) G1S 4Z5.

LINDA GOUPIL,
Minister of State for Social Solidarity and Child and Family Welfare and Minister of Child and Family Welfare

Regulation to amend the Regulation respecting childcare centres

An Act respecting childcare centres and childcare services
(R.S.Q., c. C-8.2, s. 73, pars. 1, 1.1, 1.2, 2, 5, 6, 10.2, 13, 13.1, 14, 17 to 19.1, and 24; 2002, c. 17, s. 18)*

1. Section 1 of the Regulation respecting childcare centres is amended by striking out the words ", date of birth" in paragraph 6.

2. Section 2 is amended

(1) by substituting the following for paragraph 4:

"(4) a certified true copy of a resolution attesting to the capacity as parents and users of each of the directors forming the majority required in the first paragraph of section 7 of the Act and of the chair of the board of directors;

(4.1) for each director, an attestation establishing that no impediment exists or an attestation of information that may establish an impediment provided for in the first paragraph of section 9.1, contemporaneous with the application;";

(2) by substituting the following for subparagraph *b* of paragraph 6:

"*(b)* a plan at actual scale of the outdoor play space referred to in the first paragraph of section 97.2, accompanied by

i. a location plan of that play space illustrating its position in relation to the facility, as well as the location and layout of the outdoor play area, if there is one;

ii. in the case of the outdoor space referred to in subparagraph 2 of the first paragraph of that section, a copy of the duly registered title of ownership, lease or authorization referred to in that subparagraph;

iii. the certificate referred to in section 97.4, contemporaneous with the application, where applicable;"; and

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

"In this Regulation,

"attestation establishing that no impediment exists" means the document issued by a police force in Québec which confirms that the data banks accessible to the force contain no information needed to ascertain the existence of an impediment under subparagraphs 2 and 3 of the first paragraph of section 18.1 of the Act, or an impediment within the meaning of those provisions under sections 12, 41, 41.2, and 67.1; and

"attestation of information that may establish an impediment" means the document issued by a police force in Québec which sets out the information needed to ascertain the existence of an impediment under subparagraphs 2 and 3 of the first paragraph of section 18.1 of the Act, or an impediment within the meaning of those provisions under sections 12, 41, 41.2, and 67.1, and contained in the data banks accessible to the force.".

3. The following is substituted for section 7:

"**7.** An application for the renewal of a childcare centre permit must be submitted at least 90 days prior to the expiry date of the permit together with the information and documents provided for in paragraph 6 of section 1 and in paragraph 4.1 of section 2. The application must also be accompanied by the other information and documents identified in section 2, if the information and documents previously submitted are no longer correct or are incomplete.".

* The Regulation respecting childcare centres, made by Order in Council 1069-97 dated 20 August 1997 (1997, *G.O.* 2, 4368), was last amended by Order in Council 897-2001 dated 31 July 2001 (2001, *G.O.* 2, 4780). For previous amendments, refer to the *Tableau des modifications et Index sommaire*, Éditeur officiel du Québec, updated to 1 September 2002.

4. The following sections are inserted after the heading of Division I of Chapter II:

"**9.1.** When an application for a childcare centre permit is submitted, any director must consent in writing, at the permit applicant's request, to an investigation of the information needed to ascertain the existence of an impediment under subparagraphs 2 and 3 of the first paragraph of section 18.1 of the Act. The director must also, as the case may be, consent to the communication of the attestation establishing that no impediment exists to the permit applicant and to the Minister, or give the attestation of information that may establish an impediment to the permit applicant, with a consent to its communication to the Minister for assessment.

A director is also subject to the requirements prescribed above, adapted as required, when, pursuant to sections 7 and 9.2, a permit holder must provide such an attestation in respect of the director.

9.2. When there is a change in directors, the permit holder must, within 45 days of the change, provide the information and documents required under paragraph 6 of section 1 and under paragraph 4.1 of section 2 in respect of the new director.

The permit holder must also provide a new attestation for a director if the Minister, on being made aware that the information referred to in section 9.1 has changed, requires it.".

5. The following is substituted for section 12:

"**12.** Any person who works in a centre or facility during the opening hours, including a trainee or volunteer who comes to the centre or facility regularly, must not be the subject of an impediment within the meaning of subparagraphs 2 and 3 of the first paragraph of section 18.1 of the Act connected, in the latter case, with the qualifications and conduct required to hold a position in a childcare centre, unless it is for an indictable offence or offence, other than those listed in the schedule to the Criminal Records Act (R.S.C. 1985, chapter C-47), for which the person has been granted a pardon.

12.1. Before being hired, the person must consent in writing, at the request of the permit applicant or permit holder, to an investigation of the information needed to ascertain the existence of an impediment within the meaning of subparagraphs 2 and 3 of the first paragraph of section 18.1 of the Act. The person must also consent to the communication of the attestation establishing that no impediment exists to the permit applicant or permit holder, or submit the attestation of information that may establish an impediment to the permit applicant or permit holder for assessment.

Once hired, the person is also subject to the requirements prescribed above when an attestation dates back three or more years, or when, pursuant to section 12.3, the permit holder requires that a new investigation be conducted in respect of the person.

12.2. Any person who regularly transports children for the permit holder is subject to the requirements prescribed by sections 12 and 12.1, adapted as required.

12.3. The permit holder must provide a new attestation for a person referred to in sections 12 and 12.2 if the Minister, on being made aware that the information referred to in section 12.1 has changed, requires it.".

6. The following is substituted for section 17:

"**17.** In a facility where childcare is provided, the holder of a centre permit must ensure that at least two staff members out of three hold

(1) a diploma of college studies in early childhood education;

(2) a diploma of college studies in special care counselling, in addition to an attestation of college studies in early childhood education or a university certificate in early childhood education;

(3) an attestation of college studies in early childhood education requiring a minimum of 1200 hours of training, a university certificate in early childhood education or in Child Studies, in addition to three years of experience on a full-time basis or the equivalent, in duties involving the implementation of a program of educational activities for groups of pre-school-age children in a home childcare service operated by a person recognized, before 1 September 1999, by a home childcare agency or by a childcare centre each holding a permit issued pursuant to the Act, in a day care or childcare centre operated by the holder of a permit issued pursuant to the Act, or in a pre-school, kindergarten or school-age childcare centre, all operated by an establishment recognized by the Ministère de l'Éducation;

(4) a bachelor's degree with a minimum of one minor in one of the following areas: early childhood education, pre-school education, psycho-education, child development (psychology) or social and school adjustment, including or in addition to three university or college courses of a minimum of 45 hours each on child health, safety and the educational approach; or

(5) an attestation of college studies for early childhood educators working with Native children.

The holder of a new centre permit has until the third anniversary of the permit issue date to comply with the first paragraph. During that time, the permit holder must ensure that at least one childcare staff member out of three has one of the qualifications listed in the first paragraph.

The holder of a centre permit which has been modified to increase the maximum number of children that may be received in that permit holder's facility has until the third anniversary of the modification to comply with the first paragraph. During that time, the permit holder must ensure that at least one childcare staff member out of three in the facility affected by the modification has one of the qualifications listed in the first paragraph.".

7. This Regulation is amended by adding the following after section 18:

"**18.1.** Any person who, on *(insert here the date of the day before the date of coming into force of this Regulation)*, has one of the qualifications listed in section 17, as it read on that date, is deemed to have the qualifications required under section 17.

This also applies to any person who, on *(insert here the date of the day before the date of coming into force of this Regulation)*, holds an attestation in childcare education or family studies and has three years of experience on a full-time basis or the equivalent, in duties involving the implementation of a program of activities for groups of pre-school-age children in a childcare service, or in a health, social services or educational establishment.

18.2. Any person who, on *(insert here the date of the day before the date of coming into force of this Regulation)*, is enrolled in a program of studies leading to one of the qualifications listed in section 17, as it read on that date, is deemed to have the qualifications on the date the person completes the program, provided it is completed before *(insert here the date two years following the date of coming into force of this Regulation)*.

18.3. The qualifications described in subparagraph 4 of the first paragraph of section 17, as it read on *(insert here the date of the day before the date of coming into force of this Regulation)*, are considered to be held by a person holding a bachelor's degree who, on that date, is enrolled in one of the program courses provided for, on the date that person completes the courses, provided they are completed before *(insert here the date two years following the date of coming into force of this Regulation)*.

18.4. The qualifications described in subparagraph 5 of the first paragraph of section 17, as it read on *(insert here the date of the day before the date of coming into force of this Regulation)*, are considered to be held by a person who holds the attestation, teaching certificate or certificate, as well as by a person who holds an attestation in childcare education or family studies, on the date that person has acquired three years of experience.".

8. Section 19 is struck out.

9. Section 22 is amended

(1) by substituting "18 to 18.4" for "18" in paragraph 2;

(2) by substituting the following for paragraph 3:

"(3) for each person referred to in sections 12 and 12.2, the attestation required under section 12.1, dating back no more than three years and, in the case of the attestation of information that may establish an impediment, accompanied by a certified true copy of the board of directors' resolution attesting that the person is not the subject of an impediment under section 12;"; and

(3) by adding at the end of subparagraph *a* of paragraph 5

"and, as the case may be, the documents attesting that the person designated to replace the provider under the circumstances described in the second paragraph of section 67 satisfies the requirements prescribed by section 67.1.

The attestation referred to in sections 41.1, 41.3, and 67.2 must date back no more than three years and the attestation of information that may establish an impediment must be accompanied by a certified true copy of the board of directors' resolution attesting that the person is not the subject of an impediment referred to in section 41, 41.2, or 67.1, as the case may be.".

10. Section 23 is amended by substituting the words "the permit holder's refusal to recognize a person" for the words "the refusal of a person to be recognized".

11. Section 24 is amended

(1) by adding the following after paragraph 3:

"(3.1) proof that the person satisfies the requirements of section 44;";

(2) by adding the following after subparagraph *c* of paragraph 10:

"*(d)* proof that the person satisfies the requirements of the first paragraph of section 47."; and

(3) by substituting the following for paragraph 11:

"(11) for himself or herself and, where applicable, for the person who will be assisting him or her, and for each person of full age living in the residence where childcare will be provided, the attestation referred to in section 41.1 and, as the case may be, section 41.3, contemporaneous with the application.".

12. Section 25 is amended by striking out the words "and ascertain that the person has minimum knowledge of how to provide first aid to children" in the second paragraph.

13. The following is added after section 28:

"**28.1.** Incidental to the annual reevaluation, the recognized person must provide the centre permit holder with a new attestation establishing that no impediment exists or an attestation of information that may establish an impediment if the attestation previously provided dates back more than three years, for himself or herself, for any person referred to in section 41.1 and, where applicable, for any person who assists the recognized person and for the person designated to replace that person under the circumstances described in the second paragraph of section 67.".

14. Section 31 is amended by adding the following after the second paragraph:

"However, when the change relates to the information required under sections 41.1 and 41.3, the permit holder shall require a new attestation in respect of the person concerned. A new attestation is also required when the permit holder is made aware of such a change in any other way.".

15. Section 34 is amended

(1) by adding the following after paragraph 1:

"(1.0.1) the person refuses or neglects to comply with a remedial notice issued by the Minister pursuant to section 36.1 of the Act;"; and

(2) by substituting "28.1, 30" for "30" in paragraph 1.1.

16. Section 38 is amended

(1) by substituting the words ", pregnancy, or adoption of a minor child" for the words "or pregnancy" in the first paragraph; and

(2) by substituting "12" for "6" in the second paragraph.

17. Section 39 is amended

(1) by adding the words "The permit holder must also visit the residence." at the end of the first paragraph; and

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

"The provider must, within the time prescribed in the first paragraph, provide for himself or herself, for any person referred to in section 41.1 and, where applicable, for the person who assists the provider, and for the person designated to replace the provider under the circumstances described in the second paragraph of section 67, a new attestation if the most recent of those documents dates back three or more years or, on request, in the case described in the third paragraph of section 31 and in section 67.2.".

18. Section 40 is amended by inserting the words "except in the cases described in section 67," before the words "be able to" in paragraph 2.

19. The following is substituted for section 41:

"**41.** A centre permit holder may refuse to grant recognition to an applicant who is the subject of an impediment within the meaning of subparagraphs 2 and 3 of the first paragraph of section 18.1 of the Act connected, in the latter case, with the qualifications and conduct required to operate a home childcare service.

41.1. A person applying for recognition shall have an investigation of the information needed to ascertain the existence of an impediment under section 41 carried out, in respect of himself or herself and for every person of full age who resides in the residence where childcare will be provided, and shall provide, for each of those persons, an attestation establishing that no impediment exists or, if this is not possible, an attestation of information that may establish an impediment, to the centre permit holder for assessment.

41.2 A person who expects to be assisting a recognized person must not be the subject of an impediment within the meaning of subparagraphs 2 and 3 of the first paragraph of section 18.1 of the Act connected, in the latter case, with the qualifications and conduct required to hold a position in a childcare centre, unless it is for an indictable offence or offence, other than those listed in the schedule to the Criminal Records Act (R.S.C. 1985, chapter C-47), for which the person has been granted a pardon.

41.3. The person referred to in section 41.2 must consent in writing, at the request of the applicant seeking recognition or the recognized person, to an investigation of the information needed to ascertain the existence of

an impediment within the meaning of subparagraphs 2 and 3 of the first paragraph of section 18.1 of the Act.

The person must also consent to the communication of the attestation establishing that no impediment exists to either of those persons and to the permit holder, or provide one of those persons with the attestation of information that may establish an impediment, and consent to its communication to the permit holder for assessment. The person must do the same when the attestation dates back three or more years and a new attestation in his or her respect is required pursuant to sections 28.1, 31, and 39.

41.4. The following persons shall not be granted recognition as a provider:

(1) a person having held a permit that was cancelled under section 19 of the Act or that was not renewed under paragraphs 3 and 4 of that section during the three years preceding the application for recognition; and

(2) a person who was a member of the board of directors of a permit holder whose permit was cancelled under section 19 of the Act or was not renewed under paragraphs 3 and 4 of that section during the three years preceding the application for recognition.".

20. Section 42 is amended by deleting the second paragraph.

21. Section 43 is amended by substituting the words "of the adult assisting that person and of the person designated to replace the person under the circumstances described in the second paragraph of section 67" for the words "of the adult assisting that person" in the first paragraph.

22. Section 44 is amended by striking out ", within six months of being recognized," in the introductory sentence.

23. Section 47 is amended

(1) by striking out the words ", within one year of its hiring" in the introductory statement; and

(2) by substituting the words "one year after being hired, have received" for the words "during the first year of his hiring, receive" in the second paragraph.

24. The following is substituted for section 53:

"**53.** A centre permit holder or a provider shall ensure that any climbing apparatus, swing, slide, or similar device installed indoors and designed for indoor use has smooth surfaces with no sharp edges. It must be safe and placed on a surface that can absorb the impact of a fall.".

25. Section 55 is amended by substituting "portable wading pool is" for "wading pool shall be".

26. Section 60 is amended by substituting the following for the third paragraph:

"Notwithstanding the first paragraph, no acetaminophen may be administered to and insect repellent put on a child received, without medical authorization, unless it is done according to the procedure outlined in Schedule I. No saline nasal drops and oral hydration solutions may be administered to and zinc oxide-based cream for the seat area, calamine lotion, and sun cream without PABA put on a child received, without medical authorization, unless the child's parent has given written authorization.".

27. The following is substituted for section 61:

"**61.** No persons other than the person designated for that purpose in writing by a centre permit holder, the person designated for emergencies under section 76, a person recognized as a home childcare provider, a person assisting the home childcare provider, or the person replacing that person under the circumstances described in the second paragraph of section 67 may administer medication to a child.".

28. Section 62 is amended by inserting the words ", insect repellent, calamine lotion, zinc oxide-based cream for the seat area" after the words "hydration solutions" in the first paragraph.

29. Section 67 is amended by adding the following after the first paragraph:

"The childcare provider must also be able to count on the availability of a person to replace him or her or the assisting adult when the provider or that adult occasionally needs to take time off to fulfil family, social, or other responsibilities. The childcare provider must take all reasonable means available to inform the parents of the children received as soon as possible.".

30. The Regulation is amended by adding the following after section 67:

"**67.1.** The person designated to replace the recognized person under the circumstances described in the second paragraph of section 67 must hold the certificate required under the first paragraph of section 47 and must not be the subject of an impediment within the meaning of subparagraphs 2 and 3 of the first paragraph of section 18.1 of the Act connected, in the latter case, with the qualifications and conduct required to hold a position in a home childcare service, unless it is for an indictable offence or offence, other than those listed in

the schedule to the Criminal Records Act (R.S.C. 1985, chapter C-47), for which the person has been granted a pardon.

67.2. A recognized person who intends to designate a person to replace him or her under the circumstances described in the second paragraph of section 67 must, prior to being replaced for the first time, provide the centre permit holder with proof that the person satisfies the requirements of the first paragraph of section 47 and the attestation required under section 41.3. The recognized person must notify the permit holder of any change with respect to the designated person; when the change affects the information needed to ascertain the existence of an impediment under section 67.1, the permit holder must require a new attestation. A new attestation is also required when the permit holder is made aware of such a change in any other way.

The provisions of section 41.3 apply to the designated person and to the recognized person, adapted as required.".

31. The Regulation is amended by adding the following after section 72:

"**72.1.** A home childcare provider must ensure that any climbing apparatus, swing, slide, or similar device installed outdoors has smooth surfaces with no sharp edges. It must be safe, anchored, and placed on a surface that can absorb the impact of a fall.".

32. Section 87 is repealed.

33. This Regulation is amended by inserting the following after section 97:

"**CHAPTER V.1**
LAYOUT, EQUIPMENT, MAINTENANCE, AND SECURITY OF THE OUTDOOR PLAY SPACE AND OUTDOOR PLAY AREA

97.1. In this chapter, "outdoor play area" means the part of the outdoor play space that has play equipment intended for the children who use the service.

97.2. The centre permit holder shall provide the children with one of the following areas:

(1) an outdoor play space enclosed by a safe fence at least 1.20 m in height, contiguous to the building in which the rooms where the provider provides childcare in facilities are located;

(2) an outdoor play space enclosed by a safe fence at least 1.20 m in height located less than 500 m from the facility if the permit holder has access to that play space during the opening hours of the facility by a duly registered title of ownership, by a lease with a term of at least 5 years or by a written authorization guaranteeing free access for the same period;

(3) an outdoor play space for children located less than 500 m from the facility, in a public park, enclosed by a fence and accessible during the opening hours of the facility.

The play space must have a suitable and safe layout and, if it has an outdoor play area, that area must be adapted to the age of the children received.

The minimum surface area of the play space referred to in subparagraphs 1 and 2 of the first paragraph must be 4 m^2 per child considering that at least one third of the maximum number of children indicated on the permit may be received there at the same time.

The distance of 500 m referred to in subparagraphs 2 and 3 of the first paragraph is measured by the shortest route normally taken to walk the distance between the outdoor play space and the building housing the facility.

97.3. The centre permit holder must ensure that the outdoor play area and play equipment are in compliance with the Canadian Standards Association Standard CAN/CSA-Z614-98, Children's Playspaces and Equipment (Etobicoke, 1998).

The permit holder must also comply with this standard as it pertains to inspections and maintenance and keep all the required records.

97.4. Not later than 30 June of each year, the centre permit holder must provide the Minister with a certificate that dates back no more than four months, certifying that the outdoor play area and play equipment comply with the second paragraph of section 97.2 and with the first paragraph of section 97.3. The certificate must be issued by an architect, engineer or technologist, who is a member of his or her respective professional order, or by a landscape architect who is a member of the Association des architectes paysagistes du Québec that has authorized the landscape architect to issue such a certificate.

97.5. The centre permit holder must notify the Minister in writing within 10 days of any change affecting the outdoor play area or play equipment. The permit holder must, at the request of the Minister, provide the Minister with a new certificate that complies with the requirements of section 97.4.

97.6. When a certificate issued after 1 March of a given year is produced within the context of an application for a permit or under section 97.5, the permit holder is exempt from the provisions of section 97.4 for that year.

97.7. Sections 97.3 to 97.5 do not apply to an outdoor play area located in a public park.

97.8. A centre permit holder must ensure that the childcare staff members supervise the children and watch them at all times when they are using the play equipment.".

34. Section 98 is amended, in the English text, by substituting the word "outings" for "eatings" at the end of subparagraph 4.

35. Section 99 is amended by deleting subparagraph 3 of the first paragraph.

36. The following is substituted for section 100 :

"**100.** A centre permit holder who contravenes any of the provisions of sections 17, 20 to 23, 49 to 59, 62, 64, 73 to 81, 83 to 86, 88 to 91, subparagraphs 1 and 2 of the first paragraph of section 97.2, sections 97.3 to 97.5, 97.8, 98, or 99 is liable to the fine prescribed in section 74.9 of the Act.".

37. Section 108 is amended by substituting "section 97.2" for "section 87".

38. The following sections are inserted after section 109.1 :

"**109.2.** A centre permit holder must provide the Minister with the attestation referred to in section 9.1, for each director, no later than *(insert here the date 45 days following the date of coming into force of this Regulation)*. The requirements of section 9.1 apply to a director.

109.3. Unless the permit holder has an attestation establishing that no impediment exists or an attestation of information that may establish an impediment, dating back no more than three years, he or she must have an investigation of the information needed to ascertain the existence of an impediment under section 12 carried out no later than *(insert here the date 45 days following the date of coming into force of this Regulation)*, in respect of each person who works at the centre or facility during its opening hours or who regularly transports children for the permit holder, and must keep those attestations after assessing them. The requirements of section 12.1 apply to a person referred to above, adapted as required.

109.4. A person recognized as a home childcare provider must, no later than *(insert here the date 45 days following the date of coming into force of this Regulation)*, provide the permit holder who granted the recognition, for himself or herself, for any person referred to section 41.1 and, as the case may be, for a person referred to in section 41.2, with an attestation establishing that no impediment exists or the attestation of information that may establish an impediment, unless the provider has such a document dating back no more than three years. The requirements prescribed in section 41.3 apply to the person referred to in section 41.2, adapted as required.

109.5. A person recognized by a permit holder as a home childcare provider who, on *(insert here the date of coming into force of this Regulation)*, does not hold the first aid certificate required under section 44 must obtain the certificate within 6 months of being recognized.

109.6. A person who, on *(insert here the date of coming into force of this Regulation)*, assists a person recognized as a home childcare provider and who does not hold the first aid certificate required under section 47 must obtain this certificate within one year of being hired.

109.7. A person who, on *(insert here the date of the day before the date of coming into force of this Regulation)*, has submitted an application for recognition must obtain the first aid certificate required under section 44 within 6 months of receiving recognition. The centre permit holder must, however, ascertain that the person has minimum knowledge of how to provide first aid to children.

The person who the applicant intends to be assisted by must obtain the certificate required under section 47 within one year of being hired.

109.8. The person designated under the second paragraph of section 67 must have obtained the first aid certificate referred to in the third paragraph of section 67 no later than *(insert here the date one year following the date of coming into force of this Regulation)*. The centre permit holder must, however, ascertain that the person has minimum knowledge of how to provide first aid to children.

109.9. A centre permit holder who, on *(insert here the date of coming into force of this Regulation)*, had already equipped the outdoor playground with play equipment is not required to comply with sections 7.1 to 7.5, 7.7, and 9.1 to 9.6 of the standard referred to in section 97.3 before *(insert here the date three years following the date of coming into force of this Regulation)*. However, the permit holder must comply with the provisions of these sections if he or she repairs or replaces the equipment, or adds items.".

39. The following procedure is substituted for the procedure entitled "1. PROCEDURE FOR ADMINISTERING ACETAMINOPHEN" in Schedule I:

"1. PROCEDURE FOR ADMINISTERING ACETAMINOPHEN

Acetaminophen is the generic name of the medication that is commercially available under the following name brands: Atasol, Panadol, Tempra, Tylenol, and other house brands.

Under the Regulation respecting childcare centres, this medication may be administered without medical authorization to a child received in a childcare centre or home childcare service, provided it is administered in accordance with this Procedure and that the parent has provided written consent.

A parent is not required to consent to the application of this Procedure. However, if the parent does not sign the authorization form, the medication may not be administered to the child unless the parent and a member of the Collège des médecins du Québec has provided written authorization.

Basic rules

Within the framework of this Procedure, acetaminophen may be administered solely to reduce fever. It may not be administered

• to children less than 2 months old;
• to relieve pain;
• during more than 48 consecutive hours (2 days); and
• to children who have received medication containing acetaminophen in the preceding 4 hours.

In those four cases, the Procedure does not apply and written authorizations from a physician and the parent are required to administer the medication.

The centre or the person recognized as a home childcare provider may have his or her own acetaminophen container; the brand name used, the form in which it is presented (drops, tablets, syrup), and the concentration must be indicated on the authorization form.

To avoid confusion, the centre or the person recognized as a home childcare provider should keep acetaminophen on hand in only one of its two liquid forms: drops or syrup. If they receive children under the age of 24 months, it is recommended that drops be used instead of syrup. If they choose syrup for the other children, only one concentration should be used.

The dosage must not under any circumstances exceed the dosage indicated below or as prescribed on the medication container.

A tablet for adults must never be cut up and administered to a child. This could alter the dosage: an inadequate dose would not provide the expected result, while an overdose could present serious risks for the child.

It is important always to check the concentration of acetaminophen and to follow the instructions concerning the dosage printed on the container since new products of greater or lesser strength may appear on the market. It is also recommended to use only one concentration if the brand name selected exists in more than one concentration.

Any administration of acetaminophen must be recorded in the register of medications prescribed by the Regulation and the information given to the parent.

What you should know

What is a normal temperature?

The normal temperature range will vary depending on the measurement method used. The table below illustrates this variation by method.

Measurement Method	**Normal Variation in Temperature**
Rectal	37.2 ℃ to 37.5 ℃
Oral	35.5 ℃ to 37.5 ℃
Axillary (underarm)	34.7 ℃ to 37.0 ℃
Tympanic (in the ear)	35.8 ℃ to 37.5 ℃

What is fever?

Fever is defined as a body temperature that is higher than normal. Normal temperature may vary somewhat depending on the child, the time of day, the temperature outdoors and the activities taking place. The cause of the fever is more important than the temperature itself.

It is generally considered that there is fever if the rectal, oral, or tympanic temperature exceeds 38.0 ℃ or if the underarm temperature exceeds 37.5 ℃.

The only sure way to measure fever is to take the child's temperature. A child's temperature must be checked whenever the child's general condition (frantic crying, loss of energy, change in general condition, loss of appetite, etc.) or physical symptoms (flushed cheeks, excessively warm skin, sweating) seem to indicate fever. The following measures are recommended:

• take the rectal temperature of children under the age of 2 years;

• take the rectal, tympanic, or axillary temperature of children between the ages of 2 and 5 years;

• take the oral temperature of children over the age of 5 years;

• use the appropriate thermometer;

• always use disposable plastic tips as they are more hygienic; otherwise, disinfect the thermometer properly before and after each use;

• if the child has just been physically active, wait approximately 15 minutes as the child's body temperature may be higher than normal if it is taken immediately after an activity;

• always comply with the time requirements for the thermometer being used, since the time required may vary with the thermometer. A digital thermometer, which requires less time to take the temperature, is recommended.

What you should do

If you notice the start of an increase in body temperature (that is, if the rectal, oral, or tympanic temperature ranges between 37.5 °C and 38.0 °C or between 37 °C and 37.5 °C for the axillary temperature), and if the child's general condition is good and there are no specific medical precautions that need to be taken, you can simply:

• dress the child comfortably;

• have the child drink (water, fruit juice, or milk) at more frequent intervals;

• keep an eye on the child and take the child's temperature again after 60 minutes, or sooner if the child's condition seems to be worsening;

• inform the parents of the child's condition.

If the child is less than 2 months old and has a fever, that is if the child's rectal temperature is higher than 38.0 °C (37.5 °C for axillary temperature):

• apply the measures listed above for an increase in body temperature (dress comfortably, have the child drink, and keep an eye on the child);

• notify the parent immediately; ask the parent to come and pick up the child and, in the meantime, apply the measures listed above;

• if the parent cannot come to pick up the child, call the persons indicated as emergency contacts and, if they cannot be reached, take the child to a medical service, to the local community health clinic, or to a hospital emergency department; do not administer acetaminophen, unless it has been authorized in writing by a physician for the child's problem.

If the child is 2 months or older and has a fever, that is if the child's rectal, oral, or tympanic temperature is higher than 38.0 °C (37.5 °C for axillary temperature):

• apply the measures listed above for an increase in body temperature (dress comfortably, have the child drink, and keep an eye on the child);

• inform the parents of the child's condition;

• administer acetaminophen according to the dosage indicated below or the dosage prescribed on the medication container, in accordance with the rules prescribed in this Procedure;

• 1 hour after administering acetaminophen, take the child's temperature again; if the temperature is still high, ask the parent to come and pick up the child. If the parent cannot be reached, call the persons indicated as emergency contacts; otherwise take the child to a medical service, to the local community health clinic, or to a hospital emergency department.

When you administer acetaminophen:

• always use simple words, appropriate to the child's age, to explain to the child the relationship between his or her condition, the medication being taken and the expected results;

• wash your hands before handling the medication;

• check the concentration, dosage, and expiry date on the medication container;

• pour the medication (drops or syrup) into a medicine spoon calibrated in ml, then administer it to the child; never place a medicine dropper in the child's mouth, unless it is a disposable dropper. The spoon must be washed in very hot water after use;

OR

• with a tablet, place it in a goblet then have the child take it. If the child wants to, he or she may drink a little water after taking the tablet;

• wash your hands after administering the medication.

ACETAMINOPHEN: DOSAGE

Weight	Drops	Syrup		Tablets	
			Concentration		
	80 mg/ml	80 mg/5 ml	160 mg / 5 ml	80 mg/ tablet	160 mg/ tablet
2.4-5.4 kg	0.5 ml (40 mg)	2.5 ml (40 mg)	1.25 ml (40 mg)	—	—
5.5-7.9 kg	1.0 ml (80 mg)	5.0 ml (80 mg)	2.5 ml (80 mg)	—	—
8.0-10.9 kg	1.5 ml (120 mg)	7.5 ml (120 mg)	3.75 ml (120 mg)	—	—
11.0-15.9 kg	2.0 ml (160 mg)	10.0 ml (160 mg)	5 ml (160 mg)	2 tablets (160 mg)	1 tablet (160 mg)
16.0-21.9 kg	3.0 ml (240 mg)	15.0 ml (240 mg)	7.5 ml (240 mg)	3 tablets (240 mg)	1.5 tablets (240 mg)
22.0-26.9 kg	4.0 ml (320 mg)	20 ml (320 mg)	10 ml (320 mg)	4 tablets (320 mg)	2 tablets (320 mg)
27.0-31.9 kg	5 ml (400 mg)	25.0 ml (400 mg)	12.5 ml (400 mg)	5 tablets (400 mg)	2.5 tablets (400 mg)
32.0-43.9 kg	6 ml (480 mg)	30.0 ml (480 mg)	15.0 ml (480 mg)	6 tablets (480 mg)	3 tablets (480 mg)

— The dosage unit may be repeated every 4 hours.

— Do not exceed 6 doses in a 24-hour period.

— The dosages shown in the chart above are based on a maximum dose of 10 to 15 mg/kg.

Warning
ACETAMINOPHEN IN RELATION TO IBUPROFEN AND OTHER MEDICATIONS

Ibuprofen

A warning is needed since a clear distinction must be made between acetaminophen and ibuprofen.

Although both medications have antipyretic properties (fever-relieving property), they must not be confused because they belong to different classes of medications and work differently. Ibuprofen must not, under any circumstances, be substituted for acetaminophen for the following reasons:

• acetaminophen and ibuprofen belong to different classes of medications;

• ibuprofen is a non-steroidal anti-inflammatory drug (NSAID);

• the dosage and frequency of administration are different for the two medications;

• it has been established that NSAIDs may affect respiratory functions; that is why ibuprofen is contra-indicated in persons suffering or who have already suffered from asthma; and

• a cross-sensitivity has been observed between salicylates and ibuprofen (allergic reaction).

You must be careful when applying this Procedure in order never to confuse ibuprofen and acetaminophen or substitute one for the other.

This Procedure may be applied as indicated even if the child received ibuprofen at home before arriving at childcare, regardless of how much time has elapsed. There is no contra-indication or danger in giving acetaminophen to a child who received ibuprofen earlier since the two medications do not work in the same way.

Other medications

An increasing number of combination medications containing acetaminophen and another pharmaceutical product are available on the market. Consequently, greater care is required in applying this Procedure. For example, a number of cough syrups contain acetaminophen.

Good communication between the parents and the person authorized to administer the medication is important. The person authorized to administer the medication must know what medication the child received in the four hours before arriving at childcare so the Procedure may be applied safely, for the health and well-being of the child.

An educator or person recognized as a home childcare provider who, within four hours of the child's arrival, notices that the child has a fever and is made aware that the child has already taken syrup or other medication, the educator or home childcare provider may contact the pharmacist to obtain the necessary information concerning that medication, and then apply the Procedure.

AUTHORIZATION FORM FOR ACETAMINOPHEN

The parent is not required to consent to the application of this Procedure. However, if the parent does not sign the authorization form, acetaminophen may not be administered to the child unless the parent and a member of the Collège des médecins du Québec provides written authorization. A parent may limit the period of validity for the authorization granted by indicating how long the authorization should apply in the space provided.

I hereby authorize _____
(name of childcare centre, person recognized as the home childcare provider or person who assists that person, as the case may be, or person who replaces that person under the circumstances described in the second paragraph of section 67 of the Regulation respecting childcare centres)

to administer, in accordance with this Procedure, acetaminophen sold under the following brand name:

_____
Brand name, form (drops, syrup, or tablets) and concentration

_____
Child's surname and first name

_____
Authorization period

_____ _____ / _____ / _____
Parent's signature Date

This Procedure was prepared by the Ministère de la Famille et de l'Enfance and has been approved by a working group composed of representatives from the health and social services and childcare network. The information it contains reflects the state of knowledge on the subject in 2002.

40. The following procedure is substituted for the procedure entitled "2. PROCEDURE FOR ADMINISTERING ORAL HYDRATION SOLUTIONS" in Schedule I:

"2. PROCEDURE FOR ADMINISTERING INSECT REPELLENT

Under the Regulation respecting childcare centres, insect repellent may be used without medical authorization in a childcare centre or home childcare service, provided it is applied in accordance with this Procedure and that the parent has provided written consent.

A parent is not required to consent to the application of this Procedure. However, if the parent does not sign the authorization form, the insect repellent may only be applied if the parent and a member of the Collège des médecins du Québec has provided written authorization.

Basic rules

The insect repellent used must contain a concentration of less than 10% DEET (N,N-diethyl-m-toluamide); read the product label carefully because the concentration of DEET varies significantly from product to product.

The centre or the person recognized as a home childcare provider may have his or her own insect repellent container; the brand name, the form in which it is presented (lotion, cream, gel, non-aerosol, or aerosol spray), and the concentration of the active ingredient DEET must be indicated on the authorization form. To avoid confusion, the centre or the person recognized as a home childcare provider should keep only one form of insect repellent on hand.

Repeated or excessive applications of insect repellent are unnecessary for effectiveness; it is recommended to apply the repellent sparingly, and only on exposed skin. Furthermore, the product should not be used for extended periods of time.

Under no circumstances should insect repellent be applied

- in the eyes or mucous membranes;
- on open wounds or skin with cuts;
- on irritated or sunburned skin;
- under clothing;
- on the hands; or
- in excessive amounts.

Insect repellent may not be used on children under the age of 2 years without written authorization from a parent and a physician. Hence, this Procedure does not apply to children of under the age of 2 years.

Insecticides or pesticides are made for use around the yard outside and in houses, and should never be used on the body.

Begin by testing any DEET-based product; apply a small amount on a small area of the child's skin, preferably on the inside of the forearm; then wait 8 to 12 hours. It is suggested to do the test in the morning to see how the children tolerate the product through the day; it is important to let parents know that you will be doing the test on that day. The test should also be done early in spring before the Procedure is applied. If a reaction occurs, wash the treated skin immediately and see a physician; give the physician the list of the ingredients in the product.

Never combine insect repellent and sun screen. Avoid any "2-in-1" products, which act as both an insect repellent and sun screen. To adequately protect the children from the harmful effects of the sun, apply sun screen generously to the exposed skin and under clothing; in contrast, apply insect repellent in small amounts and never under clothing. If you apply suntan lotion after applying insect repellent, both products become less effective. Sun screens also lose approximately 20% of their effectiveness when DEET is applied. When you use a sun screen and insect repellent, it is recommended to use a cream with a sun protection factor (SPF) of 30 and to apply the insect repellent 30 to 45 minutes after the sun screen.

The product must be used in well-ventilated areas and away from food.

Any application of insect repellent must be recorded in the register of medications prescribed by the Regulation and the information given to the parent.

Precautionary measures

Insect repellent should be used only during periods when mosquitoes are in abundance or if the area around the centre provides a breeding ground for mosquitoes and after the precautionary measures below have been taken.

To avoid insect bites when they are outside, the children should

• wear a long-sleeved sweater and long pants that ideally fit tightly at the wrists and ankles;

• wear loose-fitting, light-coloured clothes made of a tightly woven fabric;

• wear shoes and socks;

• avoid using perfumed products; and

• avoid going outside when mosquitoes are most abundant, for instance, at the beginning and end of the day.

To prevent mosquitoes from multiplying in the area around the centre:

• eliminate any source of standing water, which is conducive to mosquito breeding;

• turn over any objects that are not stored indoors, such as boats, wading pools, gardening containers, and children's toys;

• cover outdoor garbage cans and any other container that may collect water;

• replace the water in a pool or wading pool or make sure it is treated daily;

• use insect screens in the areas where younger children play; and

• repair damaged screens at the centre or home childcare service as quickly as possible.

What you should know

DEET-based products remain the preferred and most effective insect repellents against a wide variety of insects; insect repellents with a concentration of less than 10% provide two to three hours of protection.

Although the safety of these products has been proven, they may present certain risks, especially for children, if they are used improperly. The DEET is partially absorbed by the skin and may make its way into the bloodstream. It may also accumulate in the body fat, brain, and heart. A few cases of poisoning have been cited in literature. However, there is little risk to a person's health if insect repellents are used carefully and only occasionally.

Applying insect repellent on clothing (except on synthetics or plastic material) may be a way of decreasing the risk of poisoning in children over the age of 2 years, although it is then important to watch that children do not put the saturated clothing in their mouths, or touch it and then accidentally put their hands in their eyes. DEET-based products can cause severe eye irritation.

In choosing a product, there are a number of benefits and inconveniences that should be considered.

• Products in the form of a lotion, gel, or cream are generally easy to apply but heavy application should be avoided.

• Insect repellents in non-aerosol or aerosol spray form require additional caution. You should not apply the products in closed or poorly-ventilated areas to avoid breathing in the harmful fumes, and should avoid getting the product on children's faces or hands.

What you should do

Insect repellent must always be applied by a person authorized to do so. Under no circumstances should children be allowed to apply insect repellent themselves, regardless of their age.

When you go outdoors with the children, you must:

• apply the precautionary measures; and

• follow the steps below to apply the insect repellent:

— use simple words to explain to the child the relationship between the situation, the insect repellent being applied, and the expected results;

— wash your hands before handling the product;

— read the product label carefully before applying the product, and make sure the DEET concentration in the product is less than 10% and that the product does not contain sun screen;

— it is preferable to wear gloves to apply the product;

— use single-use gloves and change gloves if a child has broken skin (for example, insect bites, which are likely to cause a secondary infection) to eliminate the risk of transmitting a skin infection to another child;

— put a small amount of the product in your hand, apply it sparingly only to the exposed areas and to clothing, only at the nape of the neck and ankles, as far as possible;

— make sure the children do not touch the areas to which the insect repellent has been applied with their hands. If they touch these areas, they should wash their hands with soap; and

— wash your hands after applying the insect repellent on all the children in the group, even if you wore gloves to apply it.

Wash the treated skin with soap and water when the children come inside or when protection is no longer needed. This is particularly important if insect repellent is applied several times in the same day or on several consecutive days.

AUTHORIZATION FORM FOR INSECT REPELLENT

The parent is not required to consent to the application of this Procedure. However, if the parent does not sign the authorization form, insect repellent may not be applied on a child unless the parent and a member of the Collège des médecins du Québec provides written authorization. A parent may limit the period of validity for the authorization granted by indicating how long the authorization should apply in the space provided.

I hereby authorize _____
(name of the childcare centre, person recognized as the home childcare provider or person who assists that person, as the case may be, or person who replaces that person under the circumstances described in the second paragraph of section 67 of the Regulation respecting childcare centres, where applicable)

to apply, in accordance with this Procedure, insect repellent sold under the following brand name:

_____
Brand name, form (lotion, cream, gel, non-aerosol or aerosol spray) and concentration of the active ingredient DEET

_____
Child's surname and first name

_____
Authorization period

_____ _____ / _____ / _____
Parent's signature Date

This Procedure was prepared by the Ministère de la Famille et de l'Enfance and has been approved by a working group composed of representatives from the health and social services and childcare network. The information it contains reflects the state of knowledge on the subject in 2002.

41. This Regulation comes into force on the fifteenth day following the date of its publication in the *Gazette officielle du Québec.*

5478

Draft Regulation

Labour Code
(R.S.Q., c. C-27; 2001, c. 26; 2002, c. 22)

Commission des relations du travail — Procedure for the recruiting and selection persons declared to be qualified for appointment as commissioners

Notice is hereby given, in accordance with sections 10 and 11 of the Regulations Act (R.S.Q., c. R-18.1), that the Regulation to amend the Regulation respecting the procedure for the recruiting and selection of persons declared to be qualified for appointment as commissioners to the Commission des relations du travail, the text of which appears below, may be made by the Government upon the expiry of 45 days following this publication.

The purpose of the draft Regulation is to establish a procedure for the renewal of the term of office of commissioners of the Commission des relations du travail, as provided for in sections 137.20 and 137.21 of the Labour Code (R.S.Q., c. C-27), enacted by section 63 of the Act to amend the Labour Code, to establish the Commission des relations du travail and to amend other legislative provisions (2001, c. 26), and, in the case of section 137.20, as replaced by section 32 of chapter 22 of the Statutes of 2002.

The draft Regulation provides for the establishment by the Associate Secretary General for Senior Positions of the Ministère du Conseil exécutif of a committee to examine the renewal of a commissioner's term of office in the months preceding its expiry.

In that regard, the draft Regulation sets out rules on the composition and operation of the committee and determines criteria to be taken into account by the committee.

To date, study of the draft Regulation has revealed no impact on the public or on businesses.

Further information may be obtained by contacting Anne Parent, Assistant Deputy Minister, Politiques, Recherche et Administration, ministère du Travail, 200, chemin Sainte-Foy, 6e étage, Québec (Québec) G1R 5S1; telephone: (418) 643-2902 or fax: (418) 643-3069.

Any interested person having comments to make on the matter is asked to send them in writing, before the expiry of the 45-day period, to the Minister of State for Human Resources and Labour and Minister of Labour, 200, chemin Sainte-Foy, 6e étage, Québec (Québec) G1R 5S1.

JEAN ROCHON,
Minister of State for Human Resources and Labour and Minister of Labour

Regulation to amend the Regulation respecting the procedure for the recruiting and selection of persons declared to be qualified for appointment as commissioners to the Commission des relations du travail*

Labour Code
(R.S.Q., c. C-27, ss. 137.20 and 137.21; 2001, c. 26, s. 63; 2002, c. 22, s. 32)

1. The following title is substituted for the title of the Regulation respecting the procedure for the recruiting and selection of persons declared to be qualified for appointment as commissioners to the Commission des relations du travail: "Regulation respecting the procedure for the recruiting and selection of persons declared to be qualified for appointment as commissioners to the Commission des relations du travail and for the renewal of their term of office".

2. The following is inserted after section 24:

"DIVISION VIII.1
RENEWAL OF TERMS OF OFFICE

24.1. In the 12 months preceding the expiry of a commissioner's term of office, the Associate Secretary General for Senior Positions of the Ministère du Conseil exécutif shall require the commissioner to provide the information referred to in subparagraphs 5 and 6 of section 4 and a written statement in which the commissioner agrees to a verification with, *inter alia*, a disciplinary body, any professional order of which the commissioner is or was a member, and police authorities and, where applicable, in which the commissioner agrees that the persons or partnerships referred to in section 14 be consulted.

* The Regulation respecting the recruiting and selection of persons declared to be qualified for appointment as commissioners to the Commission des relations du travail was made by Order in Council 500-2002 dated 24 April 2002 (2002, *G.O.* 2, 2319).

24.2. The Associate Secretary General shall establish a committee to examine the renewal of the commissioner's term of office and shall designate the chair thereof.

The committee shall be composed of a representative of the legal community, a retired person who has exercised adjudicative functions in an administrative body, and two persons from the labour relations community who neither belong to nor represent the Administration within the meaning of the Public Administration Act (R.S.Q., c. A-6.01).

Sections 6 to 9 then apply.

24.3. The committee shall determine whether the commissioner continues to fulfil the criteria set out in section 15, consider annual performance appraisals, and take into account the needs of the Commission. The committee may hold the consultations provided for in section 14 on any matter in the commissioner's record.

24.4. Committee decisions shall be made by a majority vote of its members. In case of a tie-vote, the chair of the committee shall have a casting vote. A member may register his or her dissent.

The committee shall forward its recommendation to the Associate Secretary General and to the Minister of Labour.

24.5. The Associate Secretary General is the agent authorized to notify the commissioner of the non-renewal of a term of office.".

3. Section 25 is amended

(1) by inserting the words "or renewal" after the word "selection"; and

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

"However, a commissioner whose term of office is not renewed may consult the recommendation of the renewal committee in his or her respect.".

4. This Regulation comes into force on the fifteenth day following the date of its publication in the *Gazette officielle du Québec*.

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Draft Regulation

Consumer Protection Act
(R.S.Q., c. P-40.1)

Regulation
— Amendments

Notice is hereby given, in accordance with sections 10 and 11 of the Regulations Act (R.S.Q., c. R-18.1), that the Regulation to amend the Regulation respecting the application of the Consumer Protection Act, the text of which appears below, may be made by the Government, upon the expiry of 45 days following this publication.

The purpose of the draft Regulation is to allow financial institutions involved to enter into contracts with consumers for the loan of money or for extending variable credit by using information technology, provided the consumers comply with the prescribed condition.

The draft Regulation will relax certain obligations imposed on financial institutions by granting an exemption allowing consumers to use a medium based on information technology, according to the conditions determined, to enter into certain credit contracts, thus giving those wishing it access to such financial services.

Further information may be obtained by contacting Mtre André Allard, Office de la protection du consommateur, 5199, rue Sherbrooke Est, bureau 3721, Montréal (Québec) H1T 3X2; tel. (514) 873-3203; fax: (514) 864-2400.

Any person having comments to make is asked to send them in writing, before the expiry of the 45-day period, to the Minister of Relations with the Citizens and Immigration, 360, rue McGill, 4e étage, Montréal (Québec) H2Y 2E9.

RÉMY TRUDEL,
Minister of State for Population, Regions and Native Affairs and Minister of Relations with the Citizens and Immigration

Regulation to amend the Regulation respecting the application of the Consumer Protection Act *

Consumer Protection Act
(R.S.Q., c. P-40.1, s. 350, par. *r*)

1. The Regulation respecting the application of the Consumer Protection Act is amended by inserting the following after section 12:

"**12.1** Contracts for the loan of money or contracts extending variable credit entered into by a bank listed in Schedules I, II or III of the Bank Act (S.C., 1991, c. 46), by a credit union or federation of credit unions governed by the Act respecting financial services cooperatives (R.S.Q., c. C-67.3), by a trust company or savings company governed by the Act respecting trust companies and savings companies (R.S.Q., c. S-29.01), or by an insurer governed by the Act respecting insurance (R.S.Q., c. A-32) are exempt from the obligation provided for in section 25 of the Act to be drawn up as a paper document and, when a medium based on information technology is used, they are exempt from the application of section 26 of this Regulation provided the medium used allows the consumer to keep the contract and print it.".

2. This Regulation comes into force on the fifteenth day following the date of its publication in the *Gazette officielle du Québec*.

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* The Regulation respecting the application of the Consumer Protection Act (R.R.Q., 1981, c. P-40.1, r. 1) was last amended by Order in Council 547-2001 dated 9 May 2001 (2001, *G.O.* 2, 2280). For previous amendments, refer to the *Taleau des modifications et Index sommaire*, Éditeur officiel du Québec, 2002, updated to 1 September 2002.

Index Statutory Instruments

Abbreviations: **A**: Abrogated, **N**: New, **M**: Modified